

Date: August 21, 2018

From: Commissioner Huxley

To: Administrator Schroeder
County Counsel HuttI

Re: Revising SEIU offer approved during executive session 8/15/2018; acting as an intermediary creating a quorum;

Please enter this document into the public record and post on the county website – Curry County Board of Commissioner Special Meeting August 22, 2018: Agenda Item D 3 – Approve tentative SEIU contract.

The increased offer approved by a majority of the board during executive session for health insurance premiums paid by the county was limited to \$50/month/person (\$1,100 to \$1,150). At approximately 11:40 AM 8/16/2018 Administrator Schroeder interrupted a meeting Counsel HuttI and Commissioner Huxley were having on an unrelated subject and advised that he had spoken with the other two commissioners regarding SEIU member's reaction to the offer Schroeder was authorized to present to them. SEIU had countered with \$100/month/employee.

HuttI interrupted saying there should not be discussion about conversations Schroeder had with the other commissioners. Before HuttI's interruption of Schroeder, it was clear the other two commissioners were OK with increasing the contribution by \$100/month/employee.

Huxley mentioned that increasing that amount would require holding another executive session. HuttI suggested that Schroeder request SEIU reduce to writing their revised demand. So, is this how it works? You go back to SEIU and ask that they put their counter offer in writing and, fortuitously convey to them that two of three members of the governing body are OK with this new increased amount?

Just two hours later (2:16 PM 8/16/2018) in an email titled "Corrected worksheet" Schroeder provided details of a "grave error" he made during the executive session 8/15/2018 regarding the actual financial impact of his recommended counter offer to SEIU. The recommended increase was understated by over 25%.

The email continued "As a percentage increase it changes from 3.6% we agreed to yesterday to a 5.2% increase." The email closed with "The union will be getting their members to vote on the agreement today, after which we need to schedule a special meeting to approve it also."

Administrator Schroeder; after realizing your "grave error," you acted as an intermediary and created a quorum by conveying the error to the other two commissioners and receiving their approval to proceed with the increased percentages.

At 4:52 PM Huxley replied to Schroeder's 2:16 PM correspondence regarding the public meeting law violations and advised that he will not participate in further meetings related to SEIU negotiations. In an email at 4:27 PM Schroeder conveniently mentioned the health insurance contribution amount and reported "We have a tentative agreement with the SEIU union of 2.13 percent COLA, and

\$100/month/member insurance contribution increase.” The email continued, “Let me know if you are available on the 22nd for a workshop and then a special meeting.” No reply from Huxley was provided.

At 5:21 PM just one hour after notice that a tentative agreement had been reached, an email from Curry Coastal Pilot staff regarding the “strike” was received by Huxley and forwarded to Schroeder as the county media contact person to respond to media inquiries.

To Huxley’s knowledge, Schroeder did not respond. Below is Huxley’s response to Question 3 from the Pilot. What was your rationale for not wanting to concede to their (SEIU) demands?

Huxley’s Response: The SEIU demands were reported and repeated several times in eight Pilot news articles comprised of over 7,000 words between July 21 and August 18, 2018. Many times, the information reported was false.

For example; reference to SEIU members not receiving any raises in nine years or, since 2009 was reported August 8, 11 and 18th. Curry County Salaries for 2009/2010 Order No. 13101 and 2010/2011 Order No. 13356 show SEIU employees receiving cost of living and step increases. For 2014/2015 Order No. 20046 shows SEIU employees receiving a cost of living increase.

In the 7,000 plus words, not once was there specific reference to the total benefits currently provided to employees and elected officials or, their effect on the county budget.

For example: 2018/2019 FY Budget (rounded)

Estimated Property Taxes to be Received: ----- \$1,700,000

Master Payroll (from Budget) (All paid by Taxpayers)

Health Insurance Premiums -----	\$1,600,000	(26%)
Employees Retirement (PERS) -----	\$ 875,000	(14%) *(19%) PERS Advisory 2019
Employees Retirement (Social Security) --	\$ 460,000	(8%)
Holidays – 12 days paid per year		(5%)
Vacation – 12 days paid per year		(5%)
Sick leave – 12 days paid per year (may accrue)		(5%)

Total paid benefits as a percent (%) of gross wage: (63%) *(68%) Advisory Rate 2019

2019/2020 – Given the current FY budget: PERS contributions will increase to about: \$1,150,000

2019/2020 – Given the current FY budget: PERS, Social Security, Health Insurance: \$3,200,000

*** PERS Advisory Rate note: Every two years the Oregon Public Employee Retirement System rates are reviewed and Employer Contribution Rates for approximately 700 Oregon municipalities are published. Recent increases have been so large that estimated ‘Advisory’ rates were published in December 2017. Curry County PERS rates increased to nearly 20% of gross payroll as of 7/1/2019.**

The citizens of Curry County simply cannot afford the exorbitant benefits provided to county officials and employees.