Slipshod Reporting - Curry Coastal Pilot Article July 2, 2014: "County workers, officials get pay increase"

Re: July 2, 2014 news article "County workers, officials get pay increase."

When you read Commissioners Smith and Itzen stating that county employees haven't seen a pay increase since 2009 then read page 1 of the Curry County Master Payroll Order stating otherwise, you must be reading the Curry Coastal Pilot. In fact, Sheriff Department staff (Teamsters) received raises in four of the five years since 2009 according the Master Payroll Orders. Those increases exceeded Social Security cost of living allowances (COLA's) by a factor of **4 to 1**.

During the last three months (June to August) according to county meeting agendas and Clerk Journal records, there have been over **25** transfers/promotions; pay increases; hires; rehires and promotions. **Yes, 25**: Some of the promotions are nearly \$10,000/year. This county is out of control!

But, I digress.

In addition to the expected deceptive, misleading and inaccurate opinions of County Commissioners, the article includes an **extraordinary** number of false statements. If you prefer, all the documents referred to here are available online at <u>http://www.currycountytaxes.com/curry_county_taxes_004.htm</u>

Listed below are nine LIES identified in the July 2 article. Quotations taken from the article are in *"italics"* followed by the **FACTS**. This email is also attached as a pdf file.

For those who have not received email updates from me before, thank you for taking the time to review this information. Please advise if you do not wish to receive future emails. Thank you.

Tom Huxley

LIE #1: "Smith repeatedly said the 2.8 percent increase is ...long overdue for county employees who haven't seen a pay increase since 2009."

FACT #1: There were cost of living allowances (COLA's) and Step increases provided in the Master Payroll Orders for 2010/2011; 2011/2012; 2012/2013; 2014/2015.

LIE #2: "'Yet, if you look at inflation, the (cost of living) increases, minimum wage has increased, Social Security - there have been other increases upward of 12 to 15 percent,' Smith said."

FACT #2: Wage increases (FACT #1) minus six percent (offset for employee PERS pickup) total approximately **27 percent**. Social Security COLA's for the five years 2010 to 2014 total **6.8%**.

LIE #3: "The money, said County Commissioner David Itzen, will come from the general fund - and will only make up for what employees have lost to inflation over the years."

FACT #3: Commissioner's reference to "since 2009" means 2010 forward. See FACT #2:

LIE #4: "The county began spinning off entire departments into nonprofit organizations two years ago to save money. Part of those savings were realized in that the county no longer had to pay for PERS for the employees who now work with the nonprofit."

FACT #4: The two large divestitures were for Home Health and Hospice and Public Health and Human Services. Neither of these departments was funded with general fund dollars.

LIE #5: "This is not a raise; it's a cost of living adjustment," Smith said. "Did Social Security get a coat (cost) of living adjustment this year? Last year? The year before that and the year before that? Employees here at the county haven't."

FACT #5: Refer to FACT #1 and FACT #2. Below is a Social Security breakdown by year compared with the Master Payroll Orders.

Social Security COLA's		Master Payroll Orders - Fiscal Year		
January 2010	- 0.0%	2010/2011	5.5% (COLA .5%:	Full Step 5%)
January 2011 - 0.0%		2011/2012	5.9% (COLA .9%:	Full Step 5%)
January 2012 - 3.6%		2012/2013	7.5% (COLA 2.5%	: Full Step 5%)
January 2013 - 1.7%		2013/2014	0.0%	
January 2014 - 1.5%		2014/2015 14.2% (COLA 2.8%: Full Step 5%: 6.4% PERS)		
Total:	6.8%	Total:	27.1% (after subtracting 6% PERS)	

LIE #6: "The fact of the matter is, we're the same team," he (Itzen) said. "These employees have not had a raise since 2009: inflation is eating them alive."

FACT #6: They just don't get it! Obviously they have no conscience. The taxpayers of Curry County (especially those retired living on Social Security) are being eaten alive on oh so many fronts.

LIE #7: Reference is made to some employees receiving Step increases. "The board considers such increases every three years. It's only fair, Smith argues, as commissioners took a 3 percent pay cut in 2011. It's a fact," he said. "It needs to be reported as a fact."

FACT #7: Please see FACT #5: The 3% pay cut Smith refers to reduced commissioner's gross pay by \$152/month. The monthly cost for each commissioner was reduced from approximately \$7,441 to \$7,340 or \$101/month. This was due in large part to an increase in the employer PERS contribution. Smith was not even a commissioner in 2011.

The total cost per year per commissioner dropped from **\$89,295 to \$88,085**.

LIE #8: "Itzen believes the COLA and PERS increases will not affect voters when they go to the polls Sept. 16 to cast ballots regarding a proposed property tax increase of 68 cents per \$1,000 to fund the jail. That would raise \$1.2 million that usually comes out of the general fund..."

FACT #8: The approved 2014/2015 jail budget is about \$1.2 million. According to the ballot title, this Sept. 16 property tax measure would raise approximately \$1.65 million per year or nearly **40%** more than the current approved budget to run the jail.

March 10, 2014 when presenting a PowerPoint presentation to the Brookings City Council, Sheriff Bishop showed (page 14 of the presentation) that if such a ballot measure were to pass, a consolidation of 911 services *could* "...save up to an additional \$500,000 (per year)..." *Furthermore,* "This has the potential to take 1.5 million from public safety and return to the General Fund for other parts of the county." Has this \$500,000/year carrot been forgotten?

LIE #9: "Our goal is to keep our core of the best employees in county. If our pay is the lowest in the state, we're not going to be able to keep them (Itzen said)."

FACT #9: Privatize many of the services currently provided. Reduce excessive benefit packages.