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# COUNTY & CITY

# EMPLOYEE

AFSCME AFL-CIO

Vol. 21 No. 4

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Winter 2006

## NEWS IN BRIEF

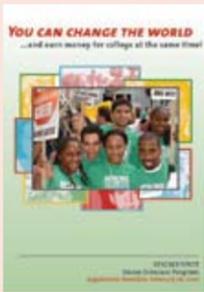
### AFSCME offers summer internship

Applications for the 2007 AFSCME/UNCF Union Scholars Program—launched three years ago for students of color in partnership with the United Negro College Fund and the Jerry Wurf Fund at Harvard University—are due Feb. 26, 2007.

The program gives college sophomores and juniors an opportunity to participate in a summer internship program with AFSCME as a way of learning more about the labor movement. Those successfully completing the program are eligible for a scholarship from UNCF.

The long-term goal of the program is to develop entry-level staff for AFSCME from among talented and motivated students of color.

More information is available at [www.uncf.org](http://www.uncf.org) or by calling Philip Allen at AFSCME headquarters at 202-429-1025.



### Save these dates



February 1-3:  
**Legislative/Executive Board Weekend**  
*Red Lion Olympia Hotel*

June 8-10:  
**Council 2 Convention**  
*Vancouver Hilton*

## INSIDE

**Council 2's youngest Local president**  
Page 4



Attendees talk over a meal at Local Presidents' Conference

### Retirees' best interests only focus, says fund director

Joe Dear puts you and your retirement interests first.

As executive director of The Washington State Investment Board, his task is to work for the exclusive benefit of the state pension plans and the retirees who belong to them.

"The board is working only in the interests of the beneficiaries," Dear told the Local Presidents' Conference in October.

As a result, he says, all his fund decisions are taken with your interests and those of your fellow workers in mind. If he believes an action will benefit your pension plan, he will approve it. If he believes it will not, he will decline it.

So far, when it comes to ensuring solid growth for the pension fund, he and his staff appear to have served those interests well.

Over the last 10 years, the fund has returned an average 9.6 percent a year. That's a lot more than the return your money would have earned in a bank savings account or even a certificate of deposit. It also exceeds the target growth of 8 percent a year that the legislature has set for the Board to meet pension fund objectives.

The record is even more impressive when you remember that the last 10 years included some of the worst years



Joe Dear

for decades in stock market history.

"There are a lot of things to worry about in this world," Dear told the Local presidents, "but you don't have to worry about the economic security of your Washington State pension."

But sometimes other issues intervene. From time to time, Dear told the presidents, advocates for a variety of causes might suggest that the state should invest in a certain way. For example, some might urge the board

See DEAR, page 4

### Presidents' Conference 2006

Health-care threat: Page 4

### Conference was learning experience

Some 100 Local presidents from across the state gathered for their annual conference in Wenatchee in October.

The workshops were well received, says Council 2 President and Executive Director Chris Dugovich.

"It was not just a get-together, but a learning experience," he adds.

Among the speakers were Joe Dear, executive director of the Washington State Investment Board (see report

above), Steve Kreisberg, AFSCME's collective bargaining director (see Page 4), and Ken Latsch, operations manager of the Public Employment Relations Commission.

"We plan to have substantive topics of this type in the future," Dugovich says. "I would encourage everybody who can attend to do so."

Those who have suggestions for topics should let the union know, Dugovich adds.

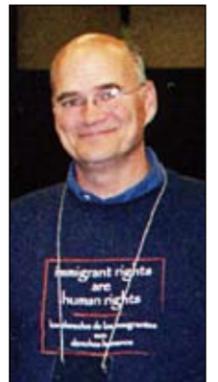
## Council 2 'stepped right up'

Back in the summer of 2004, employees at the Northwest Immigrant Rights Project were eager to find a union to represent them.

The reason? The 25 staff members of the organization, which operates out of offices in Seattle and Granger in Eastern Washington, were concerned because new interim management was talking about removing the protection afforded them by progressive discipline provisions in their manual. Management was seeking to replace that protection with fire-at-will provisions.

"We were grateful when Council 2 stepped right up," says Erik Noel Nelsen, president of what is now Local 21-N.

The workers took their first step when members voted to join Council 2 in Au-



Erik Nelsen

See CONTRACT, Page 2

## Initiatives' results are good for members

The results of initiatives in the November general elections were generally favorable for Council 2 members.

Two statewide initiatives that could have resulted in cuts in county and city budgets failed. And voters approved a Seattle City initiative to fund transportation that preserves jobs and ensures steady financing for some years to come.

The biggest victory for Council 2 was the defeat of Initiative 933. The ballot measure would have required compensation when government regulation damaged the use or value of private property. It also would have banned regulations that prohibit existing legal uses of private property.

Opponents said the initiative would

See INITIATIVES, Page 2

# Improvements to state pension system are overdue

**CHRIS DUGOVICH**

With the addition of labor-friendly representatives to the State Legislature, it is time to look at significant improvements to our State pension system.



## Letter from the President

It is really too bad that pensions are not bargained at the table as our other benefits are. If, for example, the Collective Bargaining Act would have passed into law before the state pension system we would all be better off.

But, as a result of the way it evolved, local government has wrapped around its neck a cumbersome partisan process that has control of its most

## It's money that is ours and we should have a say in how it is used.

important benefit. It's a program that time and time again is not allowed to be improved, even when extra money exists in the retirement fund.

It's not right—it is money that is ours and, as is the case with the vast majority of retirement plans, we should have a real say in how it is used.

During the coming legislative session, Council 2 will spend a lot of time in Olympia attempting to improve the PERS system. It's a slow process

## Let your elected representatives know that public employee pensions are a priority.

that involves small steps, such as gaining the rule of 90. We will be at our friends' doorsteps and that includes the governor.

We expect their help.

Your help is also a necessity. Let your elected representatives hear from you that public employee pensions are a priority. That is our compensation that we have earned and for which we have negotiated over the years.

Give them a call at 1-800-562-6000.

Let them know.

### CONTRACT, from Page 1

gust 2004.

The next step was for the employees — attorneys, legal advocates and support staff who assist immigrants with immigration issues — to bargain their first contract.

The bargaining process was fraught with delays, which are typical of first-time contracts.

"At the start, the board of directors froze because they could not move forward with their fire-at-will plans," Nelsen says. After that, drawing up the wording and arranging bargaining sessions all seemed to take longer than they had anticipated.

An added complication was that the organization is funded by federal, state and other public and private grants and donations. "This means we never know how much money we are going to have because we live and die on grants,"

Nelsen explains.

Now, after two years of bargaining, the employees finally have their first contract.

"The assistance we received from Council 2 was all we had hoped for — and more," says Nelsen. "We received their benefit and experience, which every union that joins gets. In a thousand ways, Bill Keenan (Council 2 Director of Organizing) could speak with authority and bring his experience to each benefit in crafting what became our final contract."

The contract contains all of the important provisions needed in a first-time contract, says Keenan. It includes mandatory union membership, a grievance procedure with final and binding arbitration, improvements in medical benefits and in pay. Provisions for arbitration instead of a strike are also included.

"The contract, which runs from July 1, 2006 to June 30, 2008, also includes something I have not seen before — the late United Farm Workers Union President Cesar Chavez's birthday (March 31) is a paid holiday," says Keenan.

The members of the Local were so pleased with the result they arranged a public signing of the contract in addition to the private signing, which took place Nov. 8.

"This is a very connected organization," explains Keenan. "Labor unions representing groups across the state who perform similar public services are interested. We have invited a variety of organizations in Seattle to the signing."

The bargaining committee consisted of Nelsen, Stella Dokey, Bina Hanchinamani Ellefsen and Adela Ruiz. Matt Adams, who served on the committee at the start, later joined management.

### INITIATIVES, from Page 1

cost too much and went too far.

"The public saw through the misleading ballot title (*Intent to require fairness when government regulates private property*)," says Council 2 Deputy Director Pat Thompson. "They realized the radical nature of the proposal."

Estimates were that the measure could have cost local governments an additional \$7 billion. That, in turn, would have put employees' cost of living increases and health care coverage at risk.

"Local government employees can breathe a sigh of relief," Thompson says. "At least we will not be dealing with the mess that this would have created."

Also defeated was Initiative 920, which would have repealed the estate tax. At present tax has to be paid only on estates that are greater than \$2 million, but the initiative would have removed the

tax entirely. The revenue from the estate tax funds the Education Legacy Trust account.

"The millionaires were looking for a tax break that would have taken the money out of schools," Thompson says. "We are pleased they did not get it."

Voters approved a City of Seattle transportation initiative—known as "bridging the gap"—that will generate about \$545 million between 2007 and 2015. The money will be used to pave city streets, reduce the projected transportation maintenance backlog by half, repair and upgrade bridges, increase pedestrian and bicycle safety, and build sidewalks and bicycle trails.

The initiative will provide a stable funding source for nine years, says Gregg Hiramawa, communications manager for the City of Seattle.

"The main benefit of the ini-

tiative is that it provides us the opportunity to look at long-term capital projects and get started on them," he adds.

The measure will add a few jobs while preserving existing jobs for an extensive period of time.

Hiramawa says the problem always was that the City never really knew how much funding it would receive.

It takes a certain amount of money to run the traffic system, roads and signals, he explains. But the City also has to plan for major projects. Until now such future planning ebbed and flowed according to the availability of funding. "Now we have stable funding so we can better plan how we do road construction."

"We are looking forward to working with the unions and making sure we can build a better city for everyone."

### COUNCIL 2 EXECUTIVE BOARD

#### OFFICERS

**Chris Dugovich**, President/Executive Director  
**Ron Fredin**, Vice-President  
**Judy Johnson**, Secretary/Treasurer

DISTRICT ONE	DISTRICT TWO	DISTRICT THREE
<b>Roger Moller</b> , Local 109 (Snohomish County) <b>Lee Lehman</b> , Local 1849 (San Juan County) <b>Gerri Delisle</b> , Local 109-E (Snohomish County) <b>Patty Goins</b> , Local 1811-CA, Snohomish County	<b>Doug Peterson</b> , Local 21 (City of Seattle) <b>Kathleen Etheridge</b> , Local 2617 (City of Kent) <b>Michael West</b> , Local 2084-SC (King County Superior Court)	<b>Patti Cox</b> , Local 3787 (Pierce County Library District) <b>Conni Uhinck</b> , Local 1308 (Kitsap County) <b>John Ohlson</b> , Local 120 (City of Tacoma)
DISTRICT FOUR	DISTRICT FIVE	DISTRICT SIX
<b>Kevin James</b> , Local 275 (Grays Harbor County) <b>Dennis Finegan</b> , Local 618 (Thurston County)	<b>Tracy Ross</b> , Local 307-VC (City of Vancouver) <b>Bill McEntire</b> , Local 307-CO (Clark County)	<b>Carol Travis</b> , Local 874-H (Prosser Memorial Hospital) <b>Yvette Lewis</b> , Local 1122 (City of Yakima)
DISTRICT SEVEN	DISTRICT EIGHT	DISTRICT NINE
<b>Chris Wood</b> , Local 1476-AC (Asotin County) <b>Pam Fitzgerald</b> , Local 1191-W (City of Walla Walla)	<b>Tom Trarrough</b> , Local 492 (Spokane County) <b>Dave Hanshaw</b> , Local 270 (City of Spokane) <b>Amie Swenson</b> , Local 1553 (Spokane County)	<b>Robin Ricks</b> , Local 433 (City of Coeur d'Alene)

### COUNTY AND CITY EMPLOYEE

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President/Executive Director.....Chris Dugovich  
 Address.....P.O. Box 750, Everett, WA 98206-0750

# Council 2 scholarships honor nine

The Council 2 scholarships for 2007 have been named in memory of, or in honor of, nine people. Applications for the scholarships will be available in early December from Council 2 offices or online at [www.council2.com](http://www.council2.com). The deadline is March 15, 2007.

## \$5,000/FOUR-YEAR DEPENDENT SCHOLARSHIP

*In memory of Shane Clanin Swanberg, son of Brian Swanberg, member of the City of Kent, Local 2617*

Shane Swanberg was killed in a rocket attack on Sept. 15, 2005 while serving as a lance corporal in the Marines in Iraq. He was killed when mortar and rocket fire hit his base in Ramadi. He had been fewer than 10 days in Iraq and had not yet undertaken his first mission.

"The executive board of Local 2617 thinks it is only fitting to honor Shane by naming the scholarship for him when he was killed while serving in Iraq and protecting our freedom here

in America," said Debra LeRoy, vice president of Local 2617.

His father, Brian, a retired police officer who is a code enforcement officer for the City of Kent, said, "I loved him deeply. I respected him. He grew up to be one of the finest young men and Marines I've ever met in my life."

### Killed in rocket attack in Iraq

"Shane was a man who loved life," said Jim Fowler, a youth pastor who met him on a mission to Mexico.

Swanberg grew up in Kirkland and graduated from Juanita High School in 2000. He joined the Marine Corps in 2002. He had expected to return from Iraq after a seven-month tour of duty.



Shane Swanberg

## \$2,000 DEPENDENT SCHOLARSHIPS

*In honor of Lois Clement, member of Bellingham Library System, Local 114*

Lois Clement was active for 23 years as a member and officer of Local 114, City of Bellingham, and as a member of the State Executive Board. She retired on June 1, 1993 from her job at the Bellingham

### Inspiration for all

Library after 29 years of service. Since then she has continued to be active in Council 2 activities. Under her direction as chair of the Women's Action Committee, many successful, well attended workshops have been held at

Council 2 conventions. She also directed the establishment of the Mary Hersey Award, which was established in Mary's honor after she died in 1997. The award is presented at each biennial convention. She has been and continues to be a resource and inspiration for all Council 2 members.



Lois Clement

*In honor of Roger Vails, current member of City of Walla Walla, Local 1191-W*

Roger Vails was nominated for his courage, hard work, great attitude and high spirits while dealing with a serious illness, says Michael Jackson, president of Local 1191-W.

"Roger has worked for the City of Walla Walla for 20 years, and just this past January was diagnosed with cancer," Jackson says

Although having to deal with chemotherapy

treatments, Roger missed few days of work and attended all union meetings. His cancer is in remission, but he is dealing with the side effects of the chemotherapy treatments.

"He continues to have a

### Courage while dealing with serious illness

good outlook on all aspects of his life.

"Roger is very much respected in his job, has been a great union officer and has been and continues to be a great inspiration to all city employees."

## \$500 CONTINUING EDUCATION SCHOLARSHIPS

*In memory of Ron Alldredge, past member of Snohomish County Engineering, Local 109-E*

Ron Alldredge, who died March 22 after a 10-month battle with liver cancer, began work as associate planner in the Snohomish County Planning and Development Services Department in 1976. He was a senior planner for most of his 29-year career.

### Passionate about civic service

He served on the board of Community Transit and the Snohomish City Council from 1978 to 1989, serving twice as Mayor Pro Tem. A devoted advocate of community trails, he shepherded the vision for the Snohomish Riverfront Trail through public review. He died

shortly before the trail was formally opened. He also promoted a variety of charitable causes.

"He was loved and respected by his co-workers for his kindness, integrity, knowledge and sheer spunk," says Vel Smith, human resources coordinator for Planning and Development Services. "He was passionate about civic service. Everything he did, he did it with his whole heart. We miss him."



Ron Alldredge

*In memory of Bob Burton, past member of City of Tacoma, Local 120*

Bob Burton, who had been a member of the City of Tacoma bargaining unit, was fulfilling a lifelong dream to ride his bicycle across the country when he was killed in a tragic traffic accident just months after his retirement from a 30-year career at the city as a computer systems programmer.

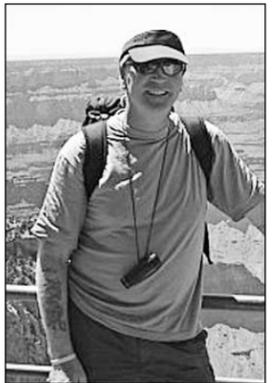
Bob had always wanted to take the trip and,

after he retired, he decided the time had come to do so and persuaded his wife Nita to join him. They sold their University Place house, stored their possessions and set off from San Diego in late May, with plans to visit relatives

### Died while fulfilling dream

across the country before ending in Dover, Delaware, in October.

But the trip ended in August when a vehicle struck and killed Burton as he was cycling through Milladore in central Wisconsin.



Bob Burton

*In memory of Dave Crosby, past member of Snohomish County Road Department, Local 109*

Dave Crosby worked for Snohomish County Road Department for 32 years before retiring in February 2004. Of those years, about 25 were spent in active involvement with Council 2, says Roger Moller, president of Local 109.

He died on March 3 this year from a brain

### An 'old-school union guy'

tumor. "He was an old-school union guy," says Moller. "He lived and breathed union and was a very in-your-face kind of guy when he felt that approach was needed. He didn't pull his punches. But you

didn't work for him; you worked with him. I enjoyed working with him and we became close friends."

Crosby loved to travel and would regularly go on cruises and visit Las Vegas on vacations. "He had a love for life and wanted to travel a lot more," adds Moller. "To see him struck down with this tumor was difficult for us to watch."

*In memory of Esther DeFazio, grandmother of Angelo DeFazio, current member of Tacoma Library System, Local 120*

*In memory of Dyana Lee, past member of Thurston County, Local 618*

Dyana Lee began working for Thurston County on March 5, 1990. Her work was a major part of her life and she was proud to say she was employed by Thurston County. She was a loyal member of Local 618.

### Warm-hearted, caring

She died April 2 this year at 41. She was a simple, warm-hearted, caring individual who always spoke kind words about everyone, says Jeanie Hardy. "She always found the positive in everything."

*In memory of Winona Ohlson, mother of John Ohlson, member Local 120 and Council 2 executive board*

Winona Ohlson, 85, a Tacoma schoolteacher and mountaineer, died in April of complications from diabetes. Her husband, Ted, was a long-time Teamster at the Ruston Asarco plant.

"Mom will be remembered for her activism in taking on City Hall to get our yard restored

when the street was widened, for writing letters to government officials in support of various causes and her never-ending support in ensuring her children were successful

### Took on City Hall

and achieved their goals," Ohlson says. "She loved the outdoors and was a member of the Tahoma Audubon Society, the Sierra Club and the Tacoma Mountaineers."



Winona Ohlson

# For this 23-year-old Local president, community service comes naturally

There's no question that community service is in Nathan Salseina's blood.

At the age of 23 the president of Local 176-SW already has had as much exposure to the process as many gain in double that time.

He took his first step into community service when he was student government president at Concrete High School in 2000. He instantly liked it. Then, shortly after he graduated, and as soon as he turned the qualifying age of 18, he was elected to the Concrete School Board in the general election of 2001, where he served a two-year stint.

When he went to work for the Parks Department in the City of Sedro Woolley it did not take him long to get involved there, too.

Indeed, shortly after joining Local 176-SW he was elected president at the age of 20, becoming almost certainly the youngest Local president in Council 2 history.

Salseina, who has held the post for three years, will run again for president in December. After all, at the ripe old age of 23, he is something of an old hand now.

Not only that, but Salseina also is an

appointee to the Skagit Parks Advisory Committee, a position he has held for 18 months.

"I think once community service gets into you, it is something you cannot get rid of," Salseina says. "I am getting the itch for it. I guess I would like to call myself a reformer. I like to see things go well and I have a lot of drive to make things go better."

Others agree.

"Nathan is a model for many young people today to show pride in community and public service by his endless energy and commitment," says Staff Representative Vinnie O'Connor.

"He is a model worker for the City of Sedro Woolley. He loves his job, his community and his union. He works very hard trying to be fair and working out differences for the membership and the City.

"He is dedicated to the membership of Local 176-SW."

Inevitably, Salseina's foray into community service has not all been smooth sailing.

After all, as he has found, community service — like politics in general — is the art of the possible.

"When I was on the school board, I realized that you think you can do a

lot, but you cannot do it all by yourself," he says.

Also, Salseina adds, looking back, he believes that he could have done with a little more experience when he first held office as a member of the school board.

But what he might have lacked in experience he made up for in enthusiasm.

Salseina says he nevertheless learned a lot while on the board and would have wanted to stay in the position. But when he bought a house in Sedro Woolley he no longer qualified for the position in terms of residency.

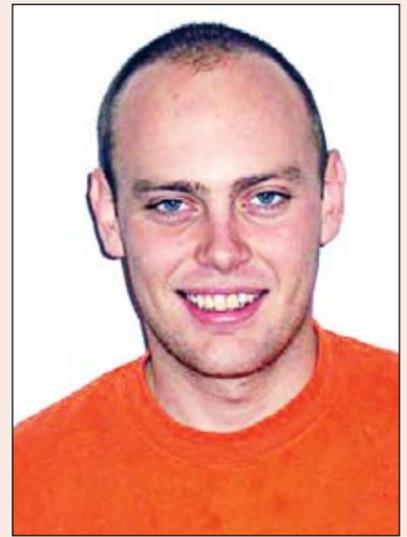
As for his time serving as Local president, Salseina says it has been great and everyone has been helpful and supportive.

In this case he also had already gained some experience when he became president. "I gained an understanding of union organization when I was on the school board, he says. "I had a really good relationship with the school and teachers' unions."

What next?

O'Connor sees a bright future ahead for Salseina.

"I would not be surprised if some day we see our Local president hold-



Nathan Salseina

ing elected office in his city or county," he says.

"I wish I could run for the City Council," Salseina responds. "But I cannot do so right now and be a City employee at the same time."

He is unsure exactly where his future in community service lies. But he is convinced it will be part of his make-up for a long time to come.

## Rising health care costs cut chances for wage increases, says bargaining director

As health care costs rise, it is becoming increasingly difficult for city and county employees to receive reasonable wage increases, Steve Kreisberg, AFSCME's collective bargaining director, told the October Council 2 Local Presidents' Conference.

The reason is that all of their financial gains are going into maintaining benefits, he said.

"Every dollar that goes to pay increased health-care costs is one less dollar available for wages and other important benefits," Kreisberg said.

Health care costs rose 76 percent from 1999 to 2004, he added. Over that time, the average cost for each active employee rose from \$3,907 to \$6,857.

Helping drive the increase in costs are an aging population, an ongoing cost shift from the public sector (Medicare and Medicaid) and from the uninsured population, malpractice liability costs, and prescription drugs that are advertised directly to consumers.

Employers have responded to the increasing expenses by moving the costs to employees, whose annual contributions rose 126 percent from 1999 to 2004. As a result, employees face higher deductibles and co-payments as well as higher premium sharing.

At the same time, the health status of the general

population is decreasing, Kreisberg said, particularly when it comes to complications resulting from obesity and weight-related problems.

Not only are costs rising, but the quality of health care also appears to be deteriorating, the bargaining director said.

"We are paying more money

for health care, but the quality is going down," he said. "High cost is not necessarily associated with high quality."

For example, he added, widespread errors have been documented in the delivery of health-care services; substantial evidence exists to show extensive overuse, misuse and under-use of health care services; and the poor quality of care is eroding the value of health-care purchases.

Quality and cost varies widely from hospital to hospital, Kreisberg added.

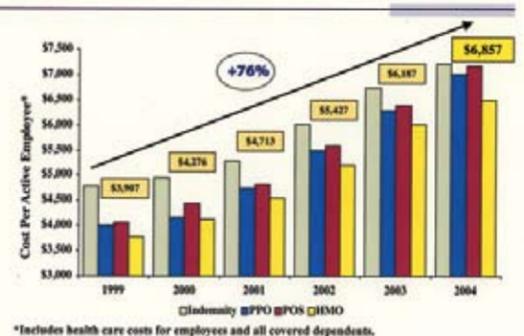
For example, an angioplasty performed at one Washington D.C. hospital was \$12,441 and that at another was \$42,122.

The solution is an ambitious program of national health care reform at the federal government level, Kreisberg said.

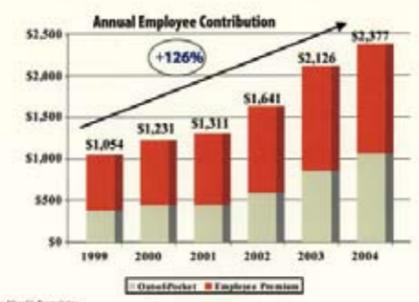
"Such a program would bring costs under control and alleviate the burden on our employers," he said.

Presidents' Conference 2006

### As health care costs rise...



### Employers respond with cost-shifting



### DEAR, from Page 1

not to buy stock in Wal-Mart because of its labor practices or to withdraw money from companies that conduct business in the Sudan (where the government and its supporters are accused of war crimes and ethnic cleansing).

In such cases, Dear reminds them of his major task — the interests of the pension fund beneficiaries.

"It is all well and good when these people take a position that you agree with, but people might make suggestions that are not in the interests of

trade union members," Dear says. "The board has a clear and single

focus. We cannot accede to pressure from some people to use pension fund money to influence social and political change if that deters a pension fund's ability to focus on members' interests."

Of course, Dear says, should a company be breaking the law or promoting terrorism the government would be unlikely to allow that company to operate. But in most cases the investment board puts the interests of members ahead of social objectives.

"We have met our return objectives, making the cost of pensions to public em-

ployers as low as possible," Dear adds. "If we had restrictions on what we could and could not do, our costs would go up and that would mean shortfalls in state and local government budgets."

The \$70 billion in assets in 36 funds that Dear oversees includes all of the assets in PERS I and PERS II and parts of PERS III, which is a self-directed fund and therefore allows investors to make their own decisions in the way in which they want to invest their money.

Dear and his staff manage all the fixed-income investments, including bonds and the money market, themselves.

Money managers selected by the board handle the other investments in such fields as U.S. stocks, international stocks, real estate and private equity.

### WASHINGTON STATE PENSION FUNDS

#### Returns by asset class

	Quarter*	1 year	3 year**	5 year**	10 year**
Total fund	0.99%	16.69%	15.47%	8.51%	9.62%
U.S. Equity	-1.90%	9.90%	13.05%	3.98%	8.56%
International Equity	-0.24%	27.21%	24.92%	11.49%	6.84%
Fixed income	0.07%	0.32%	2.92%	5.69%	6.71%
Cash	1.08%	4.16%	2.19%	2.01%	3.13%
Private equity	5.42%	39.48%	30.03%	13.24%	15.95%
Real estate	5.59%	24.30%	19.83%	17.22%	14.87%

Source: Washington State Investment Board \* Ending June 30, 2006 \*\*Annualized