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BRIEFING

Costco brings back food samples

Shoppers go to Costco for the low prices, the selection — and the food samples.

The box-chain's popular perk has been gone for the past year, due to COVID-19 precautions, but it's about to make a comeback.

The retailer announced it is "beginning a phased return to full sampling" in June, Costco chief financial officer Richard Galanti said Thursday on an earnings call.

Food samples will return early in June at about 170 Costco locations, before spreading to the rest of the company's 560 U.S. outlets by the end of the month.

Costco members won't have to worry about a free-for-all. Safety precautions will be in place, "including the samples being prepared behind plexiglass, made in smaller batches and distributed to customers one at a time," CNN reports.

Costco's food court, called "beloved ... upscale microwave food" by entertainment and culture news website Thrillist in 2018, also will be back more or less to pre-pandemic normal.

Stocks end the month near peak

Stocks notched their fourth straight monthly advance as data signaling prospects for a sustained rebound of the world's largest economy outweighed inflation worries. Treasuries were little changed.

The S&P 500 ended the week near a record, while the Russell 2000 of small caps climbed for an eighth consecutive month — the longest run since 1995. Traders focused on the outlook for higher spending that could boost growth, even after the personal consumption expenditures core-price gauge posted its biggest increase in two decades. The perception that the latest figures won't be enough to prompt any change in tone or policy by Federal Reserve officials has also helped sentiment.

Southwest flips on alcohol's return

Southwest Airlines has indefinitely suspended alcohol sales on all flights after a monthslong rise in passenger disruptions.

The announcement is a reversal of the company's announcement just last week that it would phase inflight alcohol sales back in throughout June and July. Southwest suspended the sale of alcohol during the COVID-19 pandemic to promote social distancing and minimize contact between flight attendants and passengers.

This announcement follows an executive of the airline telling employees that the woman accused of punching a flight attendant on a Sunday flight had been banned from the airline, according to The Associated Press.

Southwest, other airlines and the Federal Aviation Administration have raised concerns about the rising incidents of passenger disruptions this year. According to the FAA, 2,500 cases of passenger misconduct have been reported since Jan. 1, including 1,900 cases of noncompliance with federal mask mandates.

— Bulletin wire reports

Oregon legislative staff unionize

Move is a first in the U.S. for lawmakers' aides

Associated Press

Legislative employees within Oregon's Capitol will become the first in the nation to unionize, after a 75-31 vote by staff members on Friday, Oregon Public Broadcasting reported.

The unionization, which has been informally discussed for years, means that 180 Capitol

aides will be joining International Brotherhood of Electrical Workers Local 89 and can begin taking steps toward bargaining with the Legislature on a contract for the first time.

"We're moving forward," Tony Ruiz, an organizer with Local 89, said after the vote. "This was truly bipartisan support."

Legislative aides help lawmakers with scheduling, keeping track of bills and votes, community relations, policy work and serve as liaisons between state agencies. The hours they work can be extended beyond the typical 9 a.m. to 5 p.m. as floor sessions and committee meetings can carry on into the night.

Friday's vote was not without challenges. Oregon Pub-

lic Broadcasting reported that legislative leadership challenged some of the ballots on the grounds that certain staff members don't qualify to be union members because they hold supervisory or managerial positions, or have "confidential" duties.

The Oregon's Employment Relations Board read off the ballots Friday morning and noted that 30 votes were "im-

pounded" on those grounds and two others were void for lack of a signature, bringing the total vote count to 106.

The unionization goal has also faced a fair share of opponents this session as well.

Department of Justice lawyer Tessa Sugahara, representing the Legislature, has repeatedly argued an employee union is "fundamentally incompatible" with the work lawmakers do.



PORTLAND REAL ESTATE MARKET

Millennials use creativity and patience to buy first homes

BY JANET EASTMAN • The Oregonian

Aubrey MacMillan and Jared Johnson say they were lucky to find a three-bedroom house they could afford in Portland's scorching residential market.

But the first-time buyers in their 20s had more than good fortune shine on them.

They were disciplined in saving and steadfast in searching for a place that would support them, their small business and their wish to start a family.

They made three solid offers and lost out, sometimes to competitors paying over the asking price in cash and waiving the need for the seller to make repairs.

They saw these defeats not as setbacks but as more time to save for a bigger down payment and to cover closing costs.

Johnson was temporarily unemployed in 2020, but they still held steady in saving what they could.

They were lucky in some respects. They received three stimulus checks that pumped up their savings. Their federal student loan payments were paused and the interest rate was dropped to zero by the CARES Act in March 2020. They funneled those monthly payments into their savings.

And they qualified for a mortgage rate under 3%, close to the historic low.

"The stars aligned," said Johnson, 29. "Ultimately, we bought for under asking price and under our budget."

MacMillan, 28, continued, "which afforded us the opportunity to make the house our own" with improvements.

Like many in their generation, the couple have become part of the expected wave of millennials, born between 1981 and 1996, who want to stop being renters.

Making it difficult to all buyers, especially first-timers without a home to trade, is the rising cost of residential real estate and the number of Portland area homes for sale dropping to the lowest level ever reported by the 30-year-old Regional Multiple Listing Service.

The median sale price in Portland metro jumped \$12,000, about 2.5%, from \$488,000 in March to \$500,000 in April, according to the latest RMLS report.

Still, real estate broker Kim Parmon of Living Room Realty told MacMillan and Johnson, as she does all her clients, that they could

succeed if they remained "strategic and creative."

Parmon advised them to search online marketplaces like Zillow only for homes within their budget and that met their criteria and that had been for sale at least a week.

"Kim told us to look for a house that survived the weekend rush and didn't already have 25 offers" so the sellers would be more inclined to negotiate, said MacMillan.

The couple was comfortable not jumping quickly. The lease on their rental home ran through May, and it was the same price to ride out the contract or break it. This gave them flexibility instead of a hard move-out date.

Another benefit: A friend who was living with them and paying toward rental expenses was willing to move into the couple's new house in Portland's Parkrose neighborhood and contribute toward the mortgage.

"We didn't have the most ideal circumstances to get a house, but we stretched in a lot of areas and made it work," MacMillan said, "It was a lot of financial gymnastics."

Real estate broker Sophia Rosenberg of the Hasson Company Realtors said she uses different levers to help her clients, who aren't selling an existing home, compete against people with proceeds from a home sale.

First-timers can offer to pay the difference between the sale price and the appraisal value to satisfy the lender. They can forgo repair requests, except for safety issues.

"Letting the other agent know that we aren't writing on multiple houses at the same time" is another way to distinguish a buyer, Rosenberg said.

"I've also started to offer to donate \$1,500 to \$2,000 of my commission to a nonprofit of the seller's choice after a successful closing," she said. "That definitely helps us stand out."

See **Homes** / A6

CEO pay rises to \$12.7M even as pandemic stunts economy

BY STAN CHOE

Associated Press

As COVID-19 ravaged the world last year, CEOs' big pay packages seemed to be under as much threat as everything else.

Fortunately for those CEOs, many had boards of directors willing to see the pandemic as an extraordinary event beyond their control. Across the country, boards made changes to the intricate formulas that determine their CEOs' pay — and other moves — that helped make up for losses created by the crisis.

As a result, pay packages rose yet again last year for the CEOs of the biggest companies, even though the pandemic sent the economy to its worst quarter on record and slashed corporate profits around the world. The median pay package for a CEO at an S&P 500 company hit \$12.7 million in 2020, according to data analyzed by Equilar for The Associated Press. That means half the CEOs in the survey made more, and half made less. It's 5% more than the median pay for that same group of CEOs in 2019 and an acceleration from the 4.1% climb in last year's survey.

At Advance Auto Parts, CEO Tom Greco's pay for 2020 was in line to take a hit because of a mountain of pandemic-related costs. Extended sick-pay benefits and expenses for hand sanitizer and other safety equipment totaling \$60 million dragged on two key measurements that help set his performance pay. But because the board's compensation committee saw these costs as extraordinary and unanticipated, it excluded them from its calculations. That helped Greco's total compensation rise 4.7% last year to \$8.1 million.

At Carnival, the cruise operator gave stock grants to executives, in part to encourage its leaders to stick with the company as the pandemic forced it to halt sailings and furlough workers. For CEO Arnold Donald's 2020 compensation, those grants were valued at \$5.2 million, though their full value will ultimately depend on how the company performs on carbon reductions and other measures in coming years. That helped Donald receive total compensation valued at \$13.3 million for the year, up 19% from a year earlier, even as Carnival swung to a \$10.2 billion loss for the fiscal year.

Meanwhile, regular workers also saw gains, but not at the same rate as their bosses. And millions of others lost their jobs.

Wages and benefits for all workers outside the government rose just 2.6% last year. That's according to U.S. government data that ignore the effect of workers shifting between different industries. It's an important distinction because more lower-wage earners lost their jobs as the economy shut down than professionals who could work from home.

Last year's 5% gain for median CEO pay masks how much variation in pay there was beneath the surface. Some companies thrived as a direct result of the pandemic. Sales boomed for Lowe's amid a great nesting across the country, and CEO Marvin Ellison's pay nearly doubled after its stock more than doubled the S&P 500's total return through its fiscal year.

Other CEOs, meanwhile, saw their compensation cut. At Duke Energy, the board reduced CEO Lynn Good's short-term performance pay after its earnings per share fell short of its initial target, partly because industrial customers used less power during the pandemic. Good's pay dipped 2.6% to \$14.3 million, even though earnings ended up within the range Duke forecast for Wall Street early in the year. Duke didn't adjust formulas to raise Good's pay because of the pandemic.

Overall, 61% of the 342 CEOs in this year's survey did get a boost in compensation last year. That's almost the exact same percentage as the 62% in 2019, when the economy and corporate profits were growing.