



OPEIU Local 39  
Constitution and Dues  
November 18, 2020

# Constitutional Changes

- ▶ Highlights
  - ▶ Article V - Membership
  - ▶ Article VIII - Executive Board
  - ▶ Article XII - Finances

# Why are we making changes?

- ▶ OPEIU International - 2019 International Convention delegates voted to move from a flat-dues rate to percentage-dues rate for all local unions.
- ▶ OPEIU Local 39 & 95 Merger of 2018 - Local 39 & 95 merged to become a stronger union for our members. Department of Labor rules require the dues rate to be uniform for all members. The dues rate currently ranges from \$32.50 to \$46.50

# Why are we making changes? (continued)

- ▶ Equity - A core value of unions is to provide a level of fairness and justice in how employees are treated. Equity of dues has the same goal. Our current dues structure results in our lowest wage workers paying a higher percentage of their compensation toward dues than our highest paid employees.
- ▶ Expenses - Current income from dues does not cover current expenses.

# Finances

- ▶ New Dues - 1.25% of Compensation with a cap of \$90 for higher salaried employees, increasing \$1.00 a year for inflation.
- ▶ Anticipated Income - \$543,534
- ▶ Budget / Expenses - \$538,109

# Local Expenses 2021

## Staff Salaries / Benefits

Staff Salaries	\$ 204,000.00
Administrative Staff (new)	\$ 42,000.00
Medical ( Health)	\$ 15,000.00
Medical Stipend	\$ 1,400.00
Pension - SEP IRA's (3 ee's)	\$ 32,000.00
Life/Disability (Guardian)	\$ 4,046.00
<b>Total</b>	<b>\$ 300,606.00</b>

## Marketing / Communication

Newsletter - Sylphan Media	\$ 1,800.00
- Constant Contact	\$ 840.00
Website - Harlow Media	\$ 1,575.00
- LinkedIn	\$ 760.00
- FaceBook	\$ 3,000.00
- Twitter	\$ 500.00
- Election Buddy	\$ 400.00
<b>Total</b>	<b>\$ 8,875.00</b>

## Technology / Office

Computers - Ingram Micro	\$ 1,095.00
- Repair	\$ 300.00
- Licenses	\$ 1,250.00
- Supplies	\$ 250.00
Phone Service - Office	\$ 1,170.00
Cell Phone	\$ 2,160.00
<b>Total</b>	<b>\$ 6,225.00</b>

## Office

Office Supplies	\$ 1,932.00
Office Rent	\$ 10,800.00
<b>Total</b>	<b>\$ 12,732.00</b>
<b>Legal</b>	
Legal - Pines Bach	\$ 35,000.00
- Arbitration Fees	\$ 1,500.00
<b>Total</b>	<b>\$ 36,500.00</b>

## Insurance - Local

Property	\$ 600.00
Workers Comp	\$ 850.00
Officer	\$ 3,100.00
<b>Total</b>	<b>\$ 4,550.00</b>

## PCT

PCT - International	\$ 128,000.00
- SCFL	\$ 6,886.00
- Utility Workers Coalition	\$ 900.00
<b>Total</b>	<b>\$ 135,786.00</b>

## Taxes

- Federal (Medicare & SSN)	\$ 15,000.00
- Federal Unemployment	\$ 200.00
- State Unemployment	\$ 585.00
- DMA Acct. Services LM-2/990	\$ 950.00
<b>Total</b>	<b>\$ 16,735.00</b>

## Training

	\$ 2,100.00
<b>Stipend - Stewards, E-Board</b>	<b>\$ 6,300.00</b>
<b>Conferences / Conventions</b>	<b>\$ 3,000.00</b>
<b>Member Outreach</b>	<b>\$ 4,700.00</b>
<b>Grand Total</b>	<b>\$ 538,109.00</b>

## Wage & Equity pt. 1

- ▶ In a flat or static dues structure, as your pay increases, the percentage of salary going for dues decreases. This is not equitable.
- ▶ As an example, the person making \$25,000/yr. is paying 2.23% compared to .6% from the person making \$100,000.

Salary - yr.	\$25,000	\$50,000	\$75,000	\$100,000
Flat -Static Dues	\$558	\$558	\$558	\$558
% of Pay	2.23%	1.11%	.7%	.6%

## Wage & Equity pt. 2

- ▶ In a percentage-based dues structure, everyone pays an equal share of dues based on their salary.
- ▶ The executive board is proposing 1.25% of compensation with a cap \$90.00 for higher salaried employees. The cap will increase by \$1.00 each year.

(1.25% x salary = \$ divide by month or 26 pay periods = dues per check)

- ▶ Under the new structure, lower salaried workers are no longer shouldering more of the burden.
- ▶ This creates a more equitable dues structure. When you make more, you contribute more.

Salary - yr.	\$25,000	\$50,000	\$75,000	\$100,000
% Based Dues	1.25%	1.25%	1.25%	1.25%
Dues	\$312.50	\$625.00	\$937.50	\$1080.00 (cap)



# What do my dues pay for?

- ▶ Union members pay dues for the same reason civic, faith-based, cultural, business, and professional association members pay dues: it costs money to run an organization, and particularly in our case, it also costs money to defend the interests of membership.
- ▶ All monthly dues, initiation fees, and other fees paid to Local 39 are deposited into the local's general fund. These monies are used to provide for the infrastructure of our local union, by paying the expenses incurred in the day-to-day representation of our members, including, but not limited to payment of costs associated with the negotiation of labor agreements that outline the rights and benefits of bargaining unit members.

# What do my dues pay for? (continued)

- ▶ Payment of fees generated by grievance handling and arbitrations.
- ▶ Payment of the day-to-day costs for the support of business representatives and the administrative team who operate the local.
- ▶ Payment of expenses to maintain a union office.
- ▶ A percentage of the dues and fees collected is also sent to OPEIU International. International in turn, offers support to our local union in such areas as organizing, education, publicity, strike fund, and other benefits.

# How do our dues compare to other Locals?

- ▶ Teamsters - 2.5% hourly wage
- ▶ USW - 1.3 to 1.5% monthly earnings
- ▶ UA Plumbers & Steamfitters - 4% gross wages
- ▶ CWA - 1 to 1 ½ times hourly rate
- ▶ National Staff Organization - 2% of bi-weekly compensation
- ▶ OPEIU Missouri - 2 times hourly rate + \$6
- ▶ OPEIU Alabama - 1% of yearly compensation
- ▶ OPEIU Seattle - 1.5% of yearly compensation

## Closing

- ▶ Membership will vote on the constitutional and dues changes.
- ▶ The voting will take place by next Quarterly Membership Meeting February 18, 2021.
- ▶ The ballots to members will be mailed to their homes.