

# Dues Cap Presentation

April 23, 2023

# What's the problem?

- We have not raised dues since 2017.
- Cost of living is 23% higher today because of inflation.
- Staff salaries and benefits costs are going up.
- We can't retain staff because of overwork and pressure.
- We can't support grievances, strikes, and other legal action.

**Not increasing revenue is not an option.**

# The Cap in our Constitution

## Section 1 - Dues

Dues for members shall be 1.5% of gross salary plus mandated increases in required affiliation fees for members in units with exclusive representation and .996% percent of gross salary plus mandated increases in required affiliation fees for members in units without exclusive representation. **The maximum dues payment for members in units with exclusive representation shall be \$100.00/month.** The maximum dues payment for members in units without exclusive representation shall be \$55.00/month.

# Who's at the cap?

**2410** Dues-Paying U18 Members in total (as of March '23)

**295** Dues-Paying U17 Members

**86%** of Librarian Members (255 people) are at the cap

**34%** of Lecturers Members (827 people) are at the cap

Lots of us who are member-leaders are at the cap.

- More people will get to the cap soon because of the multi-year contracts for lecturers and wage increases in our contracts.

# What's our revenue now?

Projected budget using March membership data:

\$216,977.03/month= \$2,603,724/year

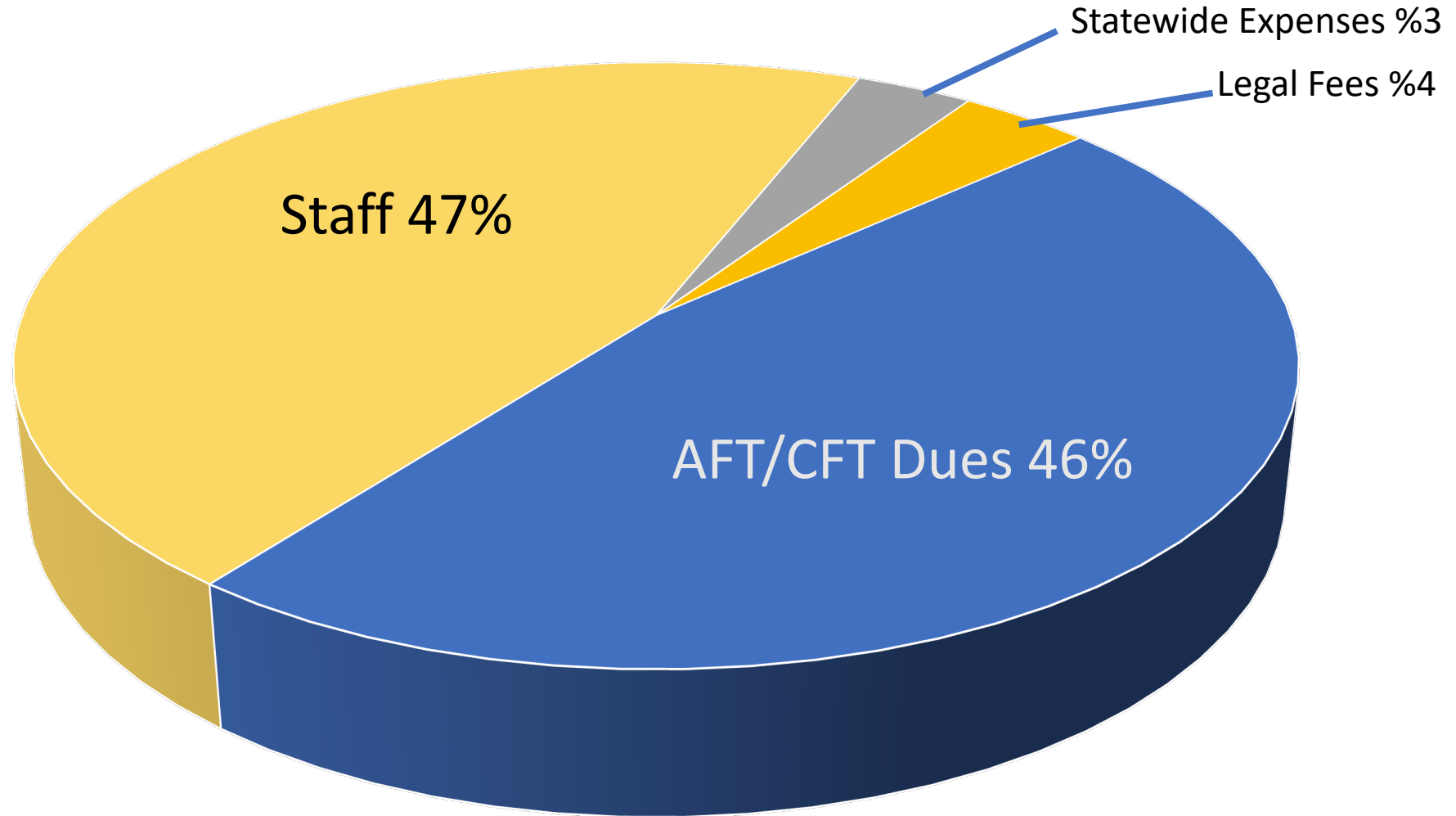
July 2022 Budget Total Expenses **\$2,823,977**

On current projections, we could be in the **red** next year.

# How we spend our revenue.

UC-AFT Budget, 2022-23

- Staff costs include:
- Wages
  - Health Benefits
  - Retirement Benefits



# Option 1 – Sustain

*Lower Dues to 1.4%, Raise Cap to \$133*

Projected gross monthly income: **\$231,906.87**

Additional revenue above SQ per month: **\$14,928.97**

Additional revenue above SQ per year: **\$179,148**

For context: \$179,148 is equivalent to one new full-time staff person (120K), a 50% increase in our legal budget (50k), and some money for paid steward and member-organizer positions (9K).

# Option 2 – Strengthen

## Raise Cap to \$125

Projected gross monthly income: **\$239,741.34**

Additional revenue above SQ per month: **\$22,764**

Additional revenue above SQ per year: **\$273,168**

For context: \$273,168 is equivalent to one new full-time staff person (100k), two full-time paid organizers (70k each), and more available for grievance stewards and member organizers (33K)



# Option 3 – Grow

## Abolish the Cap

Projected gross monthly income: **\$ 265,066.56**

Additional revenue above SQ per month: **\$ 48,089.53**

Additional revenue above SQ per year: **\$ 577,074.36**

For context: \$577,074.36 is equivalent to one new part time staff organizer at every campus 9 X 52k) raising our legal budget by 50% (50k), and having \$50k for travel, trainings, and other expenses.

NB - The UC can only alter its deductions once per year. We can't phase this in over months.

# What can we do with increased revenue?

- Defend our contracts!
- Support the upcoming U17 campaign.
- Hire new staff and restructure so our current staff don't leave due to overwork.
- Build real member-led growth with paid organizer/steward positions.
- Train our member-leaders to lead more effectively.
- Support staff professional development.

# How do we do it?

- Constitutional Amendment

## **ARTICLE X. AMENDMENTS TO THE CONSTITUTION**

Amendments to this Constitution shall be proposed and discussed at regular meetings of the Council and, upon majority vote of the representatives, shall be submitted to the affiliated Chapters for discussion and ratification. Amendments shall be voted upon prior to the next Council meeting and shall take effect when approved by two-thirds of the affiliated Chapters.

1. Discuss now, 2. Vote in Mid- to Late June, 3. Ratify by October.

# CFT/AFT Per-Capita Pass-Through Requirement

CFT per cap Sept 2023-Aug 2024 is \$48.55/FTE

CFT per cap Sept 2024-Aug 2025 is \$49.80/FTE

AFT per cap Sept 2023-Aug 2024 is \$20.18/FTE

FTE is approximately 1884

- CFT: \$91,468 (average per cap for Sept 2022 to Feb 2023 is \$87,762)  
**Projected increase of \$3,706/month or \$44,472/year.**
- AFT: \$38,019 (average per cap for Sept 2022 to Feb 2023 is \$37,669)  
**Projected increase of \$350/month or \$4,400/year.**

We have to do this to be in compliance with the AFT constitution.