



Date: October 31, 2008

Anthony J. Caso
Executive Director

To: Local Union Presidents and Secretary-Treasurers

Donene M. Williams
President

From: Diane Shannon, Business Manager

Kenneth Fanjoy
Vice President

Re: Minimum Dues Rates Effective January 1, 2009

Natalie Baker
Recording Secretary

John G. Wagner
Treasurer

In accordance with Article IV, Section 2 of the **AFSCME Council 93 Constitution** and Article IX Sections 5, 6 and 7 of the **International Union Constitution**, the minimum dues rates for AFSCME Council 93 locals, **effective January 1, 2009**, are as follows:

Frank Greco
Sgt. at Arms

	Full Time	Part Time **	12 Hours or less
International PCT	\$ 12.00	\$ 9.00	\$ 6.05
Council 93 PCT	\$19.50	\$14.60	\$ 9.65
Local Share	\$ 2.80	\$ 2.25	\$ 1.65
Total Per Month	\$34.30	\$25.85	\$17.35

The Part Time and Less Than 12 Hours Rates have been adjusted to reflect a pro rated amount on the Council 93 Per Capita charge.

The dues rates are the amounts taken from the October 17, 2008 letter from William Lucy, International Secretary-Treasurer to International Vice-Presidents, Council Presidents/Directors and Local Union Presidents and Secretary-Treasurer. This letter is attached. The AFSCME Council93 adds \$2.50 as per Council 93 Constitution Article IV Section 2.

If you have any questions, please call the Council 93 Business Office at (617) 367-6005.

**** Part Time** is for members with regular work schedules of twenty or fewer, but more than twelve hours per week.

What effect does this increase to minimum dues have on your local's dues rate?

- **IF** your local's dues rate is **less than \$32.80** as of December 31, 2008, your dues **MUST** be raised to **\$34.30** effective January 1, 2009, as allocated above.
- **IF** your local's dues rate is **\$32.80** as of December 31, 2008, your dues **MUST** be raised to **\$34.30** effective January 1, 2009.
- **IF** your local's dues rate is **greater than \$32.80** as of December 31, 2008, you must raise your dues by **\$ 1.50** on January 1, 2009 as allocated above, unless you request a credit/waiver using the form attached to Secretary-Treasurer William Lucy's letter and receive approval from the International Executive Board. A credit/waiver can be requested for the following reasons:
 - Your dues were increased during 2008
 - Your local is on a progressive or percentage dues structure
 - Your local has an unused credit remaining from an earlier year
 - Your local receives special approval from the International Executive Board

The local's constitution should be corrected to reflect your new dues rate. Any increase in a local's dues rate to reflect annual minimum dues increases does not require a vote by the local's membership. Employers will need to be notified of the new rates.

**Your Dues Rate must be addressed
in one of the above options.**



Gerald W. McEntee
President

William Lucy
Secretary-Treasurer

Vice Presidents

Ken Allen
Portland, OR

Henry L. Bayer
Chicago, IL

George Boncoraglio
New York, NY

Anthony Caso
Boston, MA

Greg Devereux
Olympia, WA

Danny Donohue
Albany, NY

David R. Fillman
Harrisburg, PA

Michael Fox
Harrisburg, PA

Albert Garrett
Detroit, MI

Raglan George Jr.
New York, NY

Sherryl Gordon
Trenton, NJ

Lakesha Harrison
Oakland, CA

Danny J. Homan
Des Moines, IA

Salvatore Luciano
New Britain, CT

John A. Lyall
Worthington, OH

Roberta Lynch
Chicago, IL

Glenard S. Middleton Sr.
Baltimore, MD

Veronica Montgomery-Costa
New York, NY

Doug Moore
San Diego, CA

Michael D. Murphy
Madison, WI

Henry Nicholas
Philadelphia, PA

Eddie L. Parks
Westerville, OH

Randy Ferreira
Honolulu, HI

George E. Poppack
Oakland, CA

Greg Powell
Austin, TX

Eddie Rodriguez
New York, NY

Joseph P. Rugola
Columbus, OH

Kathy J. Sackman
Fremont, CA

Eliot Seide
South St. Paul, MN

Mary E. Sullivan
Albany, NY

Braulio Torres
San Juan, PR

David Warrick
Indianapolis, IN

Jeanette D. Wynn
Tallahassee, FL

October 17, 2009

TO: International Vice-Presidents
Council Presidents/Directors
Local Union Presidents and Secretary-Treasurers

FROM: William Lucy, International Secretary-Treasurer

RE: **MINIMUM DUES INCREASE FOR 2009**

Article IX, Section 6 of the *International Constitution* provides for an annual adjustment of the minimum dues and Per Capita Tax (PCT) rates. This letter deals specifically with the annual adjustment of minimum dues rates for 2009.

Article IX, Section 7 of the *International Constitution* explains how the yearly adjustment of the minimum dues rate is determined. In addition, at the 2006 International Convention, Article IX, Section 5 was amended to state that, effective January 1, 2009, the minimum dues rate and the rate of International per capita tax shall be increased by an additional (\$.50) fifty cents.

Information on wage increases was collected from **82.0%** of AFSCME's membership. The average wage increase received by AFSCME members over the 12-month period ending July 31, 2008 was **3.299%**.

Article IX, Section 7 also requires that this calculation be audited and certified by an independent certified public accountant who is not otherwise connected with AFSCME. The audit has been completed and confirms the above percentages. Upon request, a copy of the certification will be provided to any affiliate.

Full-Time Employee Minimum Dues

Applying this latest percentage (3.299%) to the current minimum dues of \$30.30 results in a required (unrounded) dues increase of **\$.999597** per month. This unrounded increase is then allocated and rounded to the nearest five cents, resulting in an increase of **\$1.00**. As stated above, Article IX, Section 5 now provides for an additional **\$.50** increase to the 2009 minimum dues. The result is a minimum dues increase of \$1.50 (1.00+.50) to the minimum dues rate.

	<u>Allocation</u>	<u>Unrounded Annual Increase</u>	<u>Rounded Annual Increase</u>	<u>Jan. 1, 2009 Full-Time Increase</u>
International PCT	30%	\$.299879	\$.30	\$.30
Council PCT	60%	.599758	.60	.60
Local Share	10%	<u>.099960</u>	<u>.10</u>	<u>.10</u>
		<u>\$.999597</u>	<u>\$1.00</u>	<u>\$1.00</u>

As a result, the 2009 minimum dues increase is **\$1.50** and effective January 1, 2009, the new minimum dues will be **\$31.80**, as detailed below.

	<u>2008 Full-Time Minimum</u>		<u>2009 Rounded Increase</u>		<u>Convention Amendments</u>	<u>Full-Time Effective 1/1/09</u>
International PCT	\$ 11.50	+	\$.30	+	(.30)+.50	\$12.00
Council PCT	16.10	+	.60	+	.30	17.00
Local Share	<u>2.70</u>	+	<u>.10</u>		<u>.00</u>	<u>2.80</u>
	<u>\$30.30</u>	+	<u>\$1.00</u>	+	<u>\$.50</u>	<u>\$31.80</u>

What effect does this increase in minimum dues have on your local's dues rate?

- If your local's dues rate is \$30.30 or less as of December 31, 2008, your dues must be raised to \$31.80 effective January 1, 2009, as allocated above.
- If your local's dues rate is **greater** than \$30.30 as of December 31, 2008, you must raise your dues by **\$1.50** on January 1, 2009 as allocated above, unless you request a credit/waiver using the attached form and receive approval of that request from the International Executive Board. A credit/waiver can be requested for the following reasons:
 - (1) Your dues were increased during 2008.
 - (2) Your local is on a progressive or percentage dues structure.
 - (3) Your local has an unused credit remaining from an earlier year.
 - (4) Your local receives special approval from the International Executive Board.

The local's constitution should be corrected to reflect your new dues rate. Any increase in a local's dues rate to reflect annual minimum dues increases or increases required as a result of the constitutional amendment adopted at the 2006 International Convention do not require a vote by the local's membership. Employers will need to be notified of the new rates.

Part-Time Employee Minimum Dues Rates

For members with regular work schedules of twenty or fewer but more than twelve hours per week, the increase is computed by multiplying each component of the unrounded full-time minimum dues rate increase by 75% and rounding to the nearest nickel, resulting in a 2009 Part-Time minimum dues increase of **\$.70**. In addition, at the 2006 International Convention, Article IX, Section 5 was amended to state that, effective January 1, 2009 the international part-time rate would be increased **\$.35** in addition to the regular minimum dues increase. The result is a minimum dues increase of **\$1.05 (.70+.35)** to the minimum dues rate. This amount is distributed based upon the following constitutionally established allocations:

	2008 Part-Time <u>Minimum</u>	Annual <u>Increase</u>	Convention <u>Amendment</u>	Part-Time Effective <u>1/1/09</u>
International PCT	\$ 8.65	\$.20	(.20)+.35	\$ 9.00
Council PCT	12.05	.45	.20	12.70
Local Share	<u>2.20</u>	<u>.05</u>	<u>.00</u>	<u>2.25</u>
Total	<u>\$22.90</u>	<u>\$.70</u>	<u>\$.35</u>	<u>\$23.95</u>

For members with work schedules of twelve hours or less, the percentage increase is determined by taking 50% of each component of the unrounded full-time minimum rate increase and rounding to the nearest nickel, for a total increase of **\$.50**. In addition at the 2006 International Convention, Article IX, Section 5 was amended to state that effective January 1, 2009, the International lower-part-time rate would be increased by **\$.25** in addition to the regular minimum dues increase. The result is a minimum dues increase of **\$.75 (.50+.25)** to the minimum dues rate. This amount is distributed based upon the following constitutionally established allocations:

	2008 Lower Part-Time <u>Minimum</u>	Annual <u>Increase</u>		Convention <u>Amendment</u>	Lower Part-Time Effective <u>1/1/09</u>
International PCT	\$ 5.80	\$.15	+	(.15)+.25	\$ 6.05
Council PCT	7.95	.30	+	.15	8.40
Local Share	<u>1.60</u>	<u>.05</u>		<u>.00</u>	1.65
Total	<u>\$15.35</u>	<u>\$.50</u>	+	<u>\$.25</u>	<u>\$16.10</u>

Dues Rates Greater Than The Minimum

Many of AFSCME's affiliates have established dues rates in excess of the minimums. The 2009 minimum dues increase applies to all councils and locals, increasing each component of their 2008 dues rates effective January 1, 2009. However, these increases do not apply to affiliates with a progressive or percentage dues rate structure, provided that their average dues rates exceed the required minimums.

Both the Council's per capita tax and local's share of part-time dues structures may also exceed the minimum. Part-time rates should also be increased by the amounts indicated on the preceding page unless the affiliate has a progressive or percentage dues structure and the average part-time rates exceed the minimum rates. The International Union's part-time per capita tax and lower part-time per capita tax would remain at \$9.00 and \$6.05, respectively.

Credits/Waivers

Those local unions not on a progressive or percentage dues structure which enacted a dues increase effective sometime between January 1, 2008 and December 31, 2008 (to the extent that those increases exceeded the January 1, 2008 minimum of \$30.30) may be credited with a portion of this dues increase as an offset against the required minimum dues increase. However, the International Union and Council per capita tax rates must be paid at the applicable rates, and the local share may not be lower than the minimum. Any credits used to offset the International Union and Council per capita tax increases (if any) will reduce the local union's share of dues collected.

Affiliates which have a percentage or progressive dues structure may have the increase waived if their average dues rate meets or exceeds the minimum rates. Also, affiliates which did not use all credits they had available from prior years have a credit balance which may be applied against the 2009 increase.

Under special circumstances, the International President, subject to the approval of the International Executive Board, may approve a waiver of the required increase. If such a waiver is approved, the local may remain at its current dues rate(s) but must remit International per capita tax at the new adjusted rate and Council per capita tax must also be paid. If a waiver is approved, the local's share of dues collected will be reduced.

If your local plans to utilize dues credits as an offset against the required increase or to request a waiver of the increase, please complete the attached questionnaire and forward it to the Financial Services Office of the International Union by **November 21, 2008**. From this information, the International Executive Board will be able to determine if your local's dues increase may be offset by credits or waived. You will be advised of their findings.

If you have any questions concerning the increase, you may contact the Financial Services Office (202) 429-5078.

WL:wb

Enclosure

