



Oregon School Employees Association

www.osea.org

State Office: 4735 Liberty Road S, Salem, OR 97302-5036

P: 800-252-6732, 503-588-0121 F: 503-588-8307

April 15, 2020

Dear Chapter Presidents and Secretaries,

Enclosed is the budget proposal for fiscal year 2020-21 along with the proposed revenues and budgeted to actual receipts and expenditures for the current year and prior four years. Following five consecutive years (2009-10 through 2013-14) of expenditures exceeding receipts, the Conference 2014 delegates passed a dues increase which stabilized our budget and allowed for us to meet all commitments.

Our fiscal situation proceeded to recover following the dues increase which allowed us to pay off all of our debt including the AFT per capita arrears. Unfortunately, as our budget reached a full recovery, we received the *Janus* decision June 2018. Following the decision, we immediately lost all public sector fair share fee payers (3,689) and went from 20,681 total dues payers down to 16,992. Due to a combination of turnover and previously active member resignations of their membership, we have further dropped another 2,745 dues payers as of March 31, 2020, to 14,247. On the positive side, we have seen some signs of bottoming this spring thanks to successful membership organizing campaigns.

Immediately following the *Janus* decision, we amended the 2018-19 budget to significantly reduce expenditures from the pre-*Janus* budget of \$8,447,246 down to \$6,792,881. In order to reach the \$1,654,365 reduction in expenditures (\$6,792,881), we implemented a hiring freeze, closed field offices, cut phone lines, reduced travel and had management staff take a monthly furlough day in 2018-19, among other cost saving measures. These reductions in 2018-19 carried over into our 2019-20 budget which allowed us to operate within our new revenue environment. With the exception of hiring back three field representatives and one organizer, as well as lifting the management staff monthly furlough day, we have maintained the hiring freeze along with other cost cutting measures to be able to continue operating in 2020-21 with lower revenues. We were also able to secure a phase-in reimbursement agreement with AFT for two of the field representatives and organizer. We maintained the following vacant positions: director of government relations, one government relations specialist, communications specialist II and budget and research specialist.




During the 2019-20 fiscal year, the OSEA Finance Committee worked hard in developing a budget in this new post-*Janus* environment where dues revenue is expected to be about 75 percent of the pre-*Janus* amount and the exact amount continues to be an unknown due to the changes in membership. The Finance Committee was continuously briefed on the downward trend of dues receipts from the loss of membership. The committee reviewed the monthly dues forecast for future dues receipts only to see the expectation for dues to slowly decline over each month with the exception of spring where it appears we may have flattened. It remains unclear at this time if this flattening will be maintained.

Please take the time to review the enclosed documents for a full explanation of the Finance Committee's budget proposal and share the information with your chapter members. As a reminder, the proposed 2020-201 budget will need to be approved by the delegates at Conference 2020.

Thank you for taking the time to read and share this important information. We look forward to seeing you at this year's Conference being held at the Red Lion on the River in Portland June 25-27, 2020.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Rick Shidaker", with a long horizontal flourish extending to the right.

Rick Shidaker, Executive Director