



ABOVE: (Left to Right) Sharon D. Mounds, Senator Richard Blumenthal, Congressman John Larson, Bette Marafino, Doug Racicotte, Mike O'Brien, Ed Hawthorne

## Social Security Turns 88!

Senator Blumenthal and Congressman Larson join CSEA to Celebrate

boost they truly deserve. It's got provisions for kids, students, caregivers, and folks with disabilities – making sure everyone's got a fair shot at a secure future.

The CSEA Union Hall was buzzing with energy as we came together to celebrate Social Security's 88th birthday. It was an event to remember, with big names like Senator Richard Blumenthal and Congressman John Larson in attendance. The vibes were positive and the purpose clear – to honor the past and set the stage for a brighter future for Social Security. Council 400 President Mike O'Brien and our spirited CSEA activist Bette Marafino, ARA President, both stood up and underlined the importance of Social Security for folks of all ages.

future generations that they'll have the support they need when it's time to retire.

For 88 years, the government has kept its word – if you pay into Social Security, you get something back when you retire. President Biden calls it a "sacred trust," and it's Congress's job to keep that trust alive. That's where the Social Security 2100 Act, championed by Rep. Larson, comes in.

So, what's in it? A bunch of good stuff! There's a 2% bump in benefits across the board for all Social Security peeps – the first time in over 50 years! Plus, they're fixing up how benefits increase with the cost of living, so it's a real reflection of what our seniors are dealing with.

The Act looks out for low-income seniors and those who've lost their better half, giving them a

sions for kids, students, caregivers, and folks with disabilities – making sure everyone's got a fair shot at a secure future.

How's it all going to get paid for? Simple: the wealthy chip in a bit more. Earnings over \$400,000 will be taxed, and those making big bucks on investments will also pitch in. It's about fairness and making sure everyone contributes their share.

Our CSEA Union Hall event was more than a party – it was a rally cry. We're saying loud and clear that Social Security matters, and the Social Security 2100 Act is a step in the right direction. As we move forward, let's stand strong together, supporting a future where retirement doesn't mean insecurity, but a time of life that we can look forward to with confidence.

## Member Win: AIs for P-4 Trainees

Hot Labor Summer has been in full swing here in Connecticut with the latest cause for celebration coming out of the P4 Council. Following a long fight, CSEA members scored a major victory affecting newer members in trainee classifications such as Connecticut Career Trainee (CCT), Engineer Trainee, Transportation Engineer Trainee and

Environmental Trainee. For a few years now, the State has taken the misguided position that employees in these trainee classifications are not entitled to Annual Increments (AIs) during the training period. The Union fought back, arguing that trainees are entitled to AIs just like any other employee and that to withhold such AIs is a violation of the P4

Contract. Some employees in the CCT classification, which has a two-year training period, improperly missed out on two AIs. Other employees with one-year training periods and who were hired in the first half of a calendar year, improperly missed out on one. The dispute covered contract years starting in 2020 up to the

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## CSEA Launches First Local-Wide Ad Spot

Check it out at [CSEA-CT.com](http://CSEA-CT.com)!

Dear CSEA Members,

It is with immense pride and excitement that I share with you the incredible outcome of our spirited Media Days held in May. Our union's solidarity, dedication, and personality were on full display, resulting in the creation of something truly extraordinary - our first-ever 30-second ad spot titled "Who is CSEA?"

The idea behind Media Days was to capture the essence of CSEA, to bring forth the stories, the faces, and the

passion that define who we are as a collective force. The event was a reflection of our diverse membership's commitment to common goals.

It began with candid sit-down interviews with our council leaders, offering intimate glimpses into their motivations, aspirations, and the boundless energy they channel into driving our union forward. One of the highlights was the rally at the Governor's mansion - a spirited convergence of voices and aspirations that

resonated through the streets of Hartford. Clips of this rally are interspersed throughout the ad and will also be included in future videos. The "Who is CSEA?" ad spot encapsulates the essence of CSEA, embodying the spirit of CSEA members showing up and fighting for the

betterment of all.

As your Communications Director, I'm thrilled to share this first ad with the promise of many more to come. Together with the production team, we are

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Visit our union's website at: [CSEA-CT.com](http://CSEA-CT.com)

Postmaster: Please forward address changes to:  
CSEA, 760 CAPITOL AVE., HARTFORD, CT 06106

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MEETING DATES

The September Delegates Meeting will be held as a hybrid meeting on Thursday, September 21st at 10am at the CSEA Union Hall and via Zoom

Chapter 401 (Hartford area) Thursday, September 7th - 1pm Guest Speaker: Aetna Representative CSEA Union Hall & Zoom 760 Capitol Ave., Hartford Zoom Meeting ID: 833 1491 7718 Patrice Peterson - (860) 416-0306

Chapter 402 (Danbury area) Wednesday, September 13th - 10am Guest Speaker: Cigna Representative United Methodist Church 5 Clapboard Ridge Rd. Danbury Linda Albanese - (860) 354-6965

Chapter 403 (Norwich area) Tuesday, September 12th - 1:30pm Guest Speaker: Cigna Representative Rose City Senior Center 8 Mahan Drive., Norwich Carol Burgess - (860) 859-3641

Chapter 404 (Waterbury area) Tuesday, September 12th - 10am Guest Speaker: Kevin Sullivan CSEA Council 400 Organizer Trinity Orthodox Church 937 Chase Parkway, Waterbury John Quinn - (203) 804-0189

Chapter 405 (New Haven area) Thursday, September 14th - 10:30am Hamden Government Center Bldg 2750 Dixwell Ave, Hamden Ron Osokow - (203) 671-7685

Chapter 406 (Middletown area) Tuesday, September 12th - 1pm Guest Speaker: Aetna Representative American Legion Post 75 58 Bernie O'Rourke Dr. Middletown Joe Formica - (860) 347-4532

Chapter 407 (Bridgeport area) Wednesday, September 20th - 1pm Guest Speaker: Sebastian Puglisi, CSEA Regional Vice President West St. Josephs of Stratford Catholic Church 1300 Stratford Rd., Stratford (on Rt. 113) Joan Matzonkai - (203) 751-0300

Chapter 408 (Willimantic area) Thursday, September 14th - 12:30pm Guest Speaker: Bernadette Conway CSEA Director of Administrative & Retiree Services Mansfield Senior Center 303 Maple Road. Mansfield Doug Racicot - (860) 234-2537

Chapter 409 (University Professors) Friday, September 15th - 10am CSEA Union Hall & via Zoom 760 Capitol Ave., Hartford Zoom Meeting ID: 868 8922 7158 Dave Walsh - (860) 684-4773

Chapter 410 (Windsor Locks area) Monday, September 11th - 1pm Guest Speaker: Mairead Painter First Vice President of Ombudsman Suffield Senior Center 145 Bridge St., Suffield Amelia Smith - (860) 687-1848

Chapter 411 (Rocky Hill area) Thursday, September 21st - 12:30pm CSEA Union Hall 760 Capitol Ave., Hartford Sebastian Puglisi - (860) 529-8336

Chapter 412 (Putnam area) Tuesday, September 19th - 1:30pm Guest Speaker: Aetna Representative Putnam Town Hall 200 School St., Putnam Don Gladding - (860) 933-9998

Chapter 414 (Torrington area) Monday, September 18th - 10am Cooperative Service Extension Bldg 843 University Dr, Torrington Karen Pineman - (860) 354-6727

Chapter 415 (Manchester area) Monday, September 25th - 1pm Guest: Robert Rodriguez - Social Security Pubic Affairs Specialist Manchester Elks Lodge 30 Bissell St., Manchester, CT Stuart Clark - (860) 205-0657 (c) (860) 454-4818 (h)

Chapter 416 (New London area) Tuesday, September 12th - 12pm Groton Public Library 52 Newtown Road, Groton John Knaff - (860) 857-4244

Check out Page 5 for more Council 400 News!

Chapter 417 (Plainville area) Wednesday, September 13th - 1pm Plainville Public Library - Auditorium 56 East Main St., Plainville Mark Kirschner - (860) 882-2717

Chapter 418 (Community College Retirees) Tuesday, September 19th - 10am Guest Speaker: Sean Scanlon, State of Connecticut Comptroller 4C's Union Hall & via Zoom 907 Wethersfield Ave, Hartford Bill Searle - (860) 745-3692

Chapter 421 (Daytona, Florida) President Ruth Finizio - (860) 680-1860

Chapter 422 (Ocala, Florida) President Frank Berlinkski - (860) 604-7688

Chapter 423 (Highland Beach, Florida) President Ron Herzig - (561) 994-6428

Chapter 424 (Sarasota, Florida) Wednesday, February 7, 2024 The Carlisle Inn and Conference Center 3727 Bahia Vista St, Sarasota, Florida President Bob Mackiewicz - (941) 497-2370

Chapter 425 (Clearwater, Florida) President Linda Callahan - (727) 821-4048

Chapter 426 (Ft. Myers, Florida) Friday, February 9, 2024 President Debra Gould - (203) 605-6690

Chapter 427 (Vero Beach, Florida) President Martha Jurek - (860) 558-8172

Chapter 431 (North and South Carolina) Tuesday, February 20, 2024 Golden Corral - 868 Oak Forest Lane Myrtle Beach, South Carolina President John Yopp - (203) 507-1022

Chapter 441 (Cape Cod, Massachusetts) President Sherril Stott - (774) 237-0220

Important numbers to have on hand:

Retirement Division Payroll: 860-702-3528

Aetna Customer Service: 1-855-648-0391

Retirement Division Life Insurance: 860-702-3537

Caremark: 1-800-318-2572

Retirement Division Health Insurance: 860-702-3533

Cigna: 1-800-244-6224

Anthem Blue Cross Blue Shield: 1-800-922-2232

CSEA Retiree Organizer, Kevin Sullivan: 860-951-6614 x118

HEP Care Management Solutions: 1-877-687-1448 or visit them at their portal: https://www.connect2yourhealth.com/ParticipantPortal/Default.aspx



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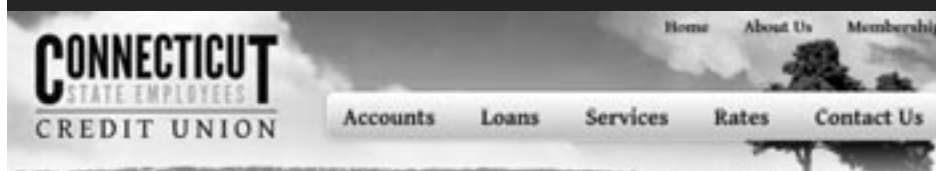


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**Visit Our Website: [www.CSECreditUnion.com](http://www.CSECreditUnion.com)**



Find all the essential information about the products and services we have to offer. You can even print a loan application online! Best of all, it's accessible from your personal computer 24 hours a day, 7 days a week.

[www.CSECreditUnion.com](http://www.CSECreditUnion.com)

**Closed Labor Day  
Monday, September 4th**

**Dividend Rates - Second Quarter 2023**

	Dividend Rate	Annual Percentage Yield
REGULAR SHARES	2.50%	2.53%
SHARE DRAFTS (Checking)	1.25%	1.26%
CLUB ACCOUNTS	1.75%	1.77%

Minimum opening balance \$25.00. The annual percentage yield is accurate as of the last dividend declaration date. Rate may change after the account is opened. Fees or other conditions may reduce the earnings on the account.

**7 Full Service Offices To Serve You**

**NORWICH**  
Uncas on Thames  
401 West Thames St.  
Norwich, CT 06306  
(860) 889-7378

**HARTFORD**  
84 Wadsworth St.  
Hartford, CT 06106  
(860) 522-5388 (Savings)  
(860) 522-7147 (Loans)

**NEW HAVEN**  
1666 Litchfield Turnpike  
Woodbridge, CT 06525  
(203) 397-2949

**MIDDLETOWN**  
15 Ward Street  
Middletown, CT 06457  
(860) 347-0479

**STORRS**  
1244 Storrs Rd.  
Storrs, CT 06268  
(860) 429-9306

**SOUTHBURY**  
Southbury Training School  
P.O. Box 644  
Southbury, CT 06488  
(203) 267-7610

**NEWINGTON**  
O'Neil Plaza  
2434 Berlin Turnpike  
Newington, CT 06111  
(860) 667-7668

Hours: Main Office: Mon-Fri, 9am-4pm Branches: Mon-Fri, 9:30am-4pm  
Drive-Up Teller (Hartford & Middletown): Mon-Fri, 8:30am-4pm; Paydays Open Until 5pm

**Gone too Soon:  
CSEA Members Who Have Passed On**

The Office of the State Comptroller has provided CSEA with the following members that have recently passed away. Our condolences are with their friends, family and loved ones.

- Alling, James, No Designated Unit
- Brooks, Ronald, Health NonProfessional (NP-6)
- Butler, Frances, Social and Human Services(P-2)
- Cadorette, Loretta, Service/Maintenance (NP-2)
- Carney, Margaret, Judicial - Non-Professional
- Cossette, Josephine, Administrative Clerical (NP-3)
- Doyle, George, Managerial
- Engwall, Roy, Engineer, Scien, Tech (P-4)
- Faccinto, Linda, Health NonProfessional (NP-6)
- Gervase, Charles, State University Exempt
- Gruner, Frederick C., (Chapter 42 I)
- Kinsey, Ernest, Health NonProfessional (NP-6)
- Kivlin, Yvonne, Administrative Clerical (NP-3)
- Lineberry, Howard, State Police (NP-1)
- Manes, Elsie, Administrative Clerical (NP-3)
- Mattadeen, Rupert, Service/Maintenance (NP-2)
- Miller, Frederick, Health NonProfessional (NP-6)
- Mockus, Beverly, Administrative Clerical (NP-3)
- Mueller, Lloyd, Health Professional (P-I)
- Papallo, Peter, UConn - Faculty
- Peters, Charlesworth, Service/Maintenance (NP-2)
- Pupedis, Martha, UConn - Non-Faculty
- Robbins, Gail, Confidential
- Rogers, Sandra, Health NonProfessional (NP-6)
- Rovinsky, Benjamin, Correctional Officers (NP-4)
- Santarsiero, William, Social and Human Services(P-2)
- Stanulis, Anne, Administrative Clerical (NP-3)
- Steigert, Frederick, UConn - Faculty
- Vasil, Nancy, Health Professional (P-I)
- Woodard, James, Service/Maintenance (NP-2)
- Zimmerman, Richard, Judicial - Professional B

**CSEA NEWS**

*The Voice of Connecticut's  
Public Service Employees & Retirees*

USPS # 224-100 ISSN # 0273-6055

Published Monthly by:

CONNECTICUT STATE EMPLOYEE ASSOCIATION

Local 2001, Service Employees International Union, CTW/CLC

- Travis Woodward .....President
- Beverly Lee .....Secretary/Treasurer
- David Glidden .....Executive Director
- Drew E. Stoner .....Communication Specialist
- Jason P. Webster .....Graphic/ Technical Assistance

INSERTION DEADLINE: 1st of prior month.

MAILING ADDRESS: CSEA/SEIU Local 2001, 760 Capitol Avenue, Hartford, CT 06106;  
PHONES: (860) 951-6614, toll-free: (800) 894-9479, FAX: (860) 951-3526; INTERNET:  
[www.csea-ct.com](http://www.csea-ct.com).

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# New CSEA Ad Spot!

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crafting videos that spotlight each council's unique journey, challenges, and triumphs.

These videos will soon be available on our YouTube channel, social media platforms, and our website. They're not just videos; they're potent tools for organizing, designed to inspire you, our members, to actively participate and champion our shared cause.

So, as we move forward, let's celebrate the "Who is CSEA?" ad spot and the upcoming videos as testimonials to our journey, our values, and our aspirations. Please share these on your social media accounts so everyone knows who CSEA is! Stronger Together, Drew Stoner



ABOVE: A screenshot of the ad spot features Inspector President David Sydnor.



ABOVE: Staff Representative Rosa Salto will be taking maternity leave soon with the arrival of her baby on the horizon! Staff and members celebrated Rosa and her growing family at a recent Baby Shower at the Union Hall!

# Member Win: P4 Stipulated Agreement

continued from Page 1 current year. Several P-4 stewards, led by Dawn McKay of DEEP and Alex Finch of DOT, fought relentlessly for this inequity to be corrected, culminating in a full capitulation from

the State. Per the settlement agreement, the employees covered by this dispute should see a retroactive make-whole remedy before the end of 2023. Congratulations to all involved! When we fight, we win!

# CSEA in the Press!

Offers for New & Existing at CSEA-CT.com

Our CSEA members are consistently making their mark in the media, highlighting their dedication to public service and their contributions to positive change. In recent articles, their expertise and commitment have taken center stage, underscoring the significant role they play in their fields.

"A shortage of engineers is slowing down work at DOT, officials say": In this insightful article published on July 28th in the *CT Mirror*, Travis Woodward, a supervising engineer at DOT and president of CSEA, is a key voice in addressing this challenge associated with the shortage of engineers in the Department of Transportation (DOT). He discusses the necessity of efficient hiring practices and the need to fill vacancies to reduce reliance on external companies. Travis highlights the proactive measures being taken by current leadership while emphasizing the ongoing work required to address the workforce gap.

"Performance Measures Were Written Into The State's Telework Policy, But Lamont Administration Maintains Status Quo": Published on August 2nd in the *CT News Junkie*, this article delves into the

inclusion of performance measures in the state's telework policy. Travis once again lends his expertise to the conversation, defending telework's benefits, "teleworking "continues to prove [to be] a powerful recruitment and retention tool, helping us to keep the knowledgeable workers we need while enticing new workers to join state service."

"Danbury could be the only place in CT where you can drive on the I-84 shoulder and not get a ticket": This article, published on August 21st in the *Danbury News Time*, discusses DOT's efforts to alleviate congestion on Interstate 84 in Danbury by implementing innovative solutions. Kevin Burnham, a CSEA member and DOT Project Manager, highlighted the complexities of finding the right mix of improvement concepts due to interdependencies. The article details how these projects are set to positively impact traffic conditions in Danbury and mentions discussions about a unique intersection layout called a "diverging diamond" that could make Danbury the first city in Connecticut to adopt it.

# Council 400 Annual Picnic

The sun was shining, the laughter was contagious, and the sense of camaraderie was undeniable - that's how we'd sum up the fantastic day we had at CSEA Council 400's Retiree Picnic held at the Farmington Club. Representatives from Aetna and the Comptroller's Office joined in too, answering all of our members questions about healthcare and pensions!

With the Farmington Club as our picturesque backdrop once again, hundreds of our union members relished the beautiful weather and the opportunity to catch up with old friends and make new ones. The picnic was a gentle reminder that being a part of CSEA doesn't end with retirement; the bonds we've built within the union continue to thrive even after we've hung up our work boots.

Special shoutouts go to Comptroller Sean Scanlon and State Senator Rick Lopes for taking time out of their busy schedules to join us. Their presence was a testament to their commitment to labor issues and the well-being of retirees. It's always inspiring to chat with our elected officials, especially when they are as dedicated to the cause as we are.

And speaking of numbers, we had nearly 200 eager folks sign up for the event, making it a true union celebration. As we look back on this incredible day, we're reminded of the strength and unity that our union brings, even as we transition into retirement. The Retiree Picnic was more than just a social event; it was a reaffirmation of the bonds we share and the values we hold dear as members of CSEA Council 400. Here's to many more picnics and gatherings that keep the spirit of our union alive and thriving!



ABOVE: Representatives from Aetna and the Comptroller's Office answer questions from members.



ABOVE: Comptroller Sean Scanlon greets political activist and CSEA member, Marilyn Tyszka.



ABOVE: Senator Rick Lopes talks with members after lunch.

# Union Means YOU!

## Don't Be the Weakest Link: Get Involved!

A union is not merely an organization; it's a collective force that derives its strength from the active participation of its members. Just as a chain is only as strong as its weakest link, a union is only as strong as you, the individual member. Your engagement and involvement in the union are vital to its effectiveness and ability to champion the rights of workers. Union means you, and your active participation matters.

CSEA is a platform that amplifies our concerns, aspirations, and demands and when we actively participate, we become the guardians of our union's values and principles. We hold our leaders and representatives accountable for their actions, ensuring that they operate with transparency, fairness, and integrity. Our actions have the power to ignite a sense of unity, solidarity, and collective action among workers.

Throughout the 2023 Legislative Session CSEA members have answered the call - they've attended rallies and press conferences in droves, called and emailed legislators thousands of times, testified at dozens of public hearings and took to social media to garner support. Now, as we enter the Municipal Election season, we will need that same power. *Here are 10 ways that you*

*can get involved in the next few months to ensure that pro-union candidates win their election on November 7th!*

**Donate to the CSEA Political Action Fund (PAC):** Contribute to our PAC to support union-friendly candidates who fight for our rights and champion workers' interests. Our dues do not go towards political action so donating to the PAC is the only way we can financially support pro-union candidates!

**Educate Yourself on Candidates:** Stay informed about candidates' positions on labor issues, endorsements, and voting records. The CSEA Legislative Action Committee will make recommendations for endorsements based on our union values and upon approval by the Executive Council, these endorsements will be sent listed in upcoming editions of the paper.

**Volunteer for Campaigns:** Roll up your sleeves and get involved by knocking on doors, making phone calls, or assisting with campaign events.

**Get Out the Vote:** Encourage fellow union members and working families to register, vote, and make their voices heard on Election Day.

**Engage with Legislators:** Attend town hall meetings, reach out to elected officials, and share our union's concerns to influence policy decisions. It's important that your legislators know who you are and what you stand for!

**Advocate for Pro-Worker Policies:** Write letters to the editor to advocate for policies that protect workers' rights, wages, and benefits.

Utilize Social *continue onto Page 8*



ABOVE: Members rally in front of the Governor's Mansion at a rally during the 2023 Legislative Session.

## Calling All Council 400 Members: Get Involved in CSEA Committees!

As members of the CSEA family, our journey doesn't end with retirement. Your experience, wisdom, and passion are invaluable assets that can continue to shape our union and make a difference in the lives of public employees. We invite you to join one of our dynamic committees to stay engaged, advocate for important issues, and enjoy enriching social activities.

**\*\*1. Membership Committee:\*\***

**Chairperson: Tom Welch | Phone: (860) 208-1252**

The Membership Committee plays a vital role in expanding the strength of Council 400. We coordinate recruitment efforts, maintain accurate membership records, and collaborate with the Council 400 Membership Committee. Your dedication to growing our union family is the key to securing a brighter future for public employees. All members are welcome to participate!

**\*\*2. Legislative Action Committee:\*\***

**Co-Chairs: David Walsh (860) 684-4773  
Win Heimer (860) 233-8169**

Do you have a passion for advocating for retired public employees' rights and benefits? Join the Legislative Action Committee and contribute to passing legislation that supports us and defeats harmful measures. From State to Federal issues, including Social Security, Medicare, and Medicaid, your voice counts. We participate in lobby days at the State Capitol and work with like-minded groups. Monthly meetings are held every first Wednesday at CSEA

Headquarters, 760 Capitol Avenue, Hartford. (Currently via Zoom due to COVID-19).

**\*\*3. Social Activities Committee:\*\***

**Chairperson: Stu Clark (860) 205-0657**

Looking for adventure and fun? The CSEA Social Activities Committee organizes exciting trips throughout the United States and the world. Additionally, we continually seek and review benefits for retired members and their families. Don't miss out on building cherished memories and exploring new horizons together!

Your involvement matters, and together, we can continue to shape a strong and inclusive union. Join one of our committees today and be part of the positive change we create. Your union needs you, and we look forward to seeing you thrive in our vibrant community.



ABOVE: Membership Chair, Tom Welch, makes calls to state retirees to tell them about CSEA and Council 400.

## Go Green!

### Opt-In to our Digital CSEA News

Did you know that the average person in the US uses more than 700 pounds of paper per year? Or that despite global digitalization, paper usage has actually grown 126% in the last 20 years in the US?

The CSEA News has been an integral part of our communications program for decades, but it is 2023 and we have a host of resources to reduce our carbon footprint and "Go Green." The most effective way for our members to "Go Green" is to request that the CSEA News be sent digitally rather than a hardcopy in the mail!

"Going Green" not only helps decrease the amount of paper waste in our landfills, but it also reduces ink waste and the carbon emissions from delivery. Many of our CSEA members have been interested in decreasing their carbon footprint and opting into the digital E-Newsletter is a great way to take a small step towards a greener future! Every

month you will receive this digital paper in your email inbox - all of the same information, just a lot less waste! To opt into the Go Green E-Newsletter, simply visit [bit.ly/GoGreenCSEA](http://bit.ly/GoGreenCSEA) and fill out the form.

To make your communications experience even easier, we've launched a NEW WEBSITE! Visit [CSEA-CT.com](http://CSEA-CT.com) or [SEIU2001.org](http://SEIU2001.org) and let us know what you think - give us feedback on what you like, don't like and what you want improved by visiting [bit.ly/CSEAWebSiteInput](http://bit.ly/CSEAWebSiteInput) (case sensitive).

If CSEA has your email address, then you've already received this survey in your inbox, but if we don't then it is also a good opportunity for you to update your contact information by visiting [bit.ly/UpdateCSEA](http://bit.ly/UpdateCSEA) (case sensitive).

CSEA, SEIU Local 2001

STATEMENT OF TOTAL EXPENSES AND ALLOCATION OF EXPENSES BETWEEN CHARGEABLE EXPENSES AND NON-CHARGEABLE EXPENSES

JUNE 30, 2022

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Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the Executive Council of the CSEA, SEIU Local 2001

Opinion

We have audited the accompanying allocation of expenses of the CSEA, SEIU Local 2001 (Local 2001), which comprises the statement of total expenses and allocation of expenses between chargeable expenses and non-chargeable expenses for the year ended June 30, 2022, and the related notes to the statement.

In our opinion, the statement referred to above presents fairly, in all material respects, the allocation of expenses of the CSEA, SEIU Local 2001 for the year ended June 30, 2022, on the basis of the definitions and the significant factors and assumptions described in Notes 3 and 4.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are required to be independent of Local 2001 and to meet other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Statement

Management is responsible for the preparation and fair presentation of the statement in accordance with accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the statement.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Local 2001's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Local 2001's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matter - Allocation of Expenses

The total expenses presented in Column A agree to the total expenses - modified cash basis in the audited financial statements of the CSEA, SEIU Local 2001 for the year ended June 30, 2022. The allocation of expenses between chargeable (Column B) and non-chargeable (Column C) is based on the definitions and the significant factors and assumptions described in Notes 3 and 4. The accompanying statement was prepared for the purpose of determining the fair share cost of services rendered by Local 2001 for employees represented by, but not members of, Local 2001. The accompanying statement is not intended to be a complete presentation of Local 2001's financial statements.

Report on the Audited Financial Statements

The total expenses reflected in this statement were audited by other auditors whose report, dated September 27, 2022, expressed an unmodified opinion on those statements.

Restriction on Use

This report is intended solely for the information and use of the CSEA, SEIU Local 2001 and its agency fee payers and is not intended to be, and should not be, used by anyone other than these specific parties.

Novak Francella LLC

Bala Cynwyd, Pennsylvania  
May 10, 2023

CSEA, SEIU Local 2001

Statement of Total Expenses and Allocation of Expenses Between Chargeable Expenses and Non-Chargeable Expenses

Year Ended June 30, 2022

	As per Audited Financial Statement	Reclassifications	Adjusted Total	Column A Chargeable	Column B Non-Chargeable
<b>Administration:</b>					
Personnel services	\$ 2,016,365	\$ -	\$ 2,016,365	\$ 1,304,588	\$ 711,777
Employee insurances	369,327	-	369,327	238,955	130,372
Pension plan and other postretirement	456,041	-	456,041	295,059	160,982
Payroll taxes	173,597	-	173,597	112,317	61,280
Travel - miscellaneous	166,703	-	166,703	83,835	82,868
Telephone	24,939	-	24,939	16,998	7,941
Office supplies	9,918	-	9,918	6,760	3,158
Postage	31,663	-	31,663	21,582	10,081
Maintenance of equipment	18,619	-	18,619	12,691	5,928
SEIU per capita payments (less chapter rebates and AMECSS)	1,465,279	(169,926)	1,295,353	345,470	949,883
Council/Chapter fundings and rebates	184,460	169,926	354,386	253,988	100,398
Sundry	2,937	-	2,937	2,002	935
Professional fees	83,605	-	83,605	83,605	-
Computer service	29,566	-	29,566	29,566	-
Bernard H. McCusker Scholarship					
Fund donations	6,000	-	6,000	-	6,000
Dues and subscriptions	7,420	-	7,420	7,420	-
Other taxes	193	-	193	193	-
Staff training	3,492	-	3,492	3,492	-
Capital expenses	2,324	-	2,324	1,584	740
	<u>5,052,448</u>	<u>-</u>	<u>5,052,448</u>	<u>2,820,105</u>	<u>2,232,343</u>
<b>Housing</b>	150,662	-	150,662	102,692	47,970
<b>Members' service - legal</b>	163,723	(16,923)	146,800	146,800	-
<b>Organizing expense</b>	-	16,923	16,923	-	16,923
<b>Publications and information</b>	82,823	-	82,823	60,585	22,238
<b>Executive Council, officers and committees</b>	58,364	-	58,364	58,259	105
<b>Members' service - field</b>	77,683	-	77,683	77,683	-
<b>Depreciation</b>	41,343	-	41,343	28,179	13,164
<b>Total</b>	<u>\$ 5,627,046</u>	<u>\$ -</u>	<u>\$ 5,627,046</u>	<u>\$ 3,294,303</u>	<u>\$ 2,332,743</u>
				100.00%	58.54%
					41.46%

See accompanying notes to statement.

CSEA, SEIU Local 2001

NOTES TO STATEMENT OF TOTAL EXPENSES AND ALLOCATION OF EXPENSES BETWEEN CHARGEABLE EXPENSES AND NON-CHARGEABLE EXPENSES

YEAR ENDED JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature and Organization** - CSEA, SEIU Local 2001 (Local 2001) was incorporated in the State of Connecticut on October 24, 1941 for the purpose of uniting employees and retirees of the State of Connecticut for their mutual welfare, protection, and advancement. The Union's revenue consists primarily of members' dues.

**Method of Accounting** - The statement has been prepared using the accrual basis of accounting.

**Depreciation** - Depreciation and amortization of fixed assets are computed using the straight-line method at rates calculated to allocate the cost of the applicable assets over their estimated useful lives, which are 15 - 40 years for buildings and building improvements and 3 - 7 years for furniture and fixtures. Depreciation expense for the year ended June 30, 2022 was \$41,343.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of expenses in the statement. Actual results could differ from those estimates.

NOTE 2. TAX STATUS

Local 2001 is a nonprofit organization and is exempt from Federal and state income taxes on exempt function income under the provisions of Section 501(c)(5) of the Internal Revenue Code. Local 2001 has income, attributable to its newsletter operations and other promotional activities, that is subject to Federal and state unrelated business income taxes. For the year ended June 30, 2022, Local 2001 has experienced losses on the activities and no taxes have been paid.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by Local 2001 and recognize a tax liability if Local 2001 has taken an uncertain position that, more likely than not, would not be sustained upon examination by the U.S. Federal, state, or local taxing authorities. Local 2001 is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Typically, tax years will remain open for three years; however, this may differ depending upon the circumstances of Local 2001.

NOTE 3. DESCRIPTION OF THE BASES FOR CLASSIFYING CHARGEABLE EXPENSES AND NON-CHARGEABLE EXPENSES

**Chargeable Expenses** - Chargeable expenses are those expenses incurred by Local 2001 for representational activities. Representational activities are those duties that Local 2001 performs as a representative of the employees in dealings with the employers, including collective bargaining, contract administration, grievance arbitration, and other activities germane to the collective bargaining process.

Activities that are classified as chargeable include the following: preparation for and negotiation of collective bargaining agreements; contract administration including grievance activities; issues involving specific terms and conditions of employment such as wages, hours, benefits, employment discrimination, tenure, pensions/retirement, social security, teacher evaluation, environmental issues in the workplace, etc.; professional development, curriculum development and implementation, teaching methods and other instructional skills, site-based decision making and education generally, except to the extent that these expenditures involve legislative lobbying, political activities or external public relations; efforts to enhance and maintain a united front, allegiance and commitment among represented employees; arbitration proceedings, preparation and associated costs; information retrieval processes to support representational activities; membership services and other activities ancillary to collective bargaining that are principally designed to strengthen Local 2001 as a cohesive and effective bargaining agent including social and human relations activities; communications, publications and public relations efforts directed to represented employees for Local 2001 policy and related germane activities; governance of Local 2001 including conventions, Executive Council and meetings and expenses, judicial administration of constitution and bylaws, and coordination of affiliates; internal executive

administration of constitution and bylaws, and coordination of affiliates; internal executive administration of Local 2001 including formulating policy, financial administration, and maintenance of membership status; education and training for members, officers and employees; and litigation costs and professional fees related to collective bargaining, contract administration, employment rights and benefits, organizational maintenance and defense, duties of fair representation under State of Connecticut law, and any other germane activities described above.

**Non-Chargeable Expenses** - Non-chargeable expenses are those expenses incurred by Local 2001 for the benefit and advancement of the members and Local 2001 which are not considered representational activities for non-members. Non-chargeable activities are those services that are ideological or political in nature, exclusively for the benefit of members, and those that are not considered germane to representing non-members in the collective bargaining process.

Activities that are considered as non-chargeable include the following: lobbying and political efforts before the state legislature, state agencies, or other executive branch officials, unless specifically related to ratification or implementation of a collective bargaining agreement or issues pertaining to members and non-members; external public relations not specifically related to collective bargaining or contract administration; political activities; supporting or contributing to charitable, religious or ideological causes; organizing or establishing new or expanded bargaining units as opposed to attempting to maintain current bargaining units and membership; litigation costs that are not germane to employee representation; and Local 2001 publications to the extent they report on non-representational activities.

**NOTE 4. SIGNIFICANT FACTORS AND ASSUMPTIONS USED IN THE ALLOCATION OF EXPENSES BETWEEN CHARGEABLE EXPENSES AND NON-CHARGEABLE EXPENSES**

**Personnel** - Consists of staff wages and longevity payments. These expenses have been allocated based on staff analysis of their time spent on the activities described in Note 3.

**Employee insurances** - Consists of Local 2001's share of staff health insurance. These expenses have been allocated based on staff analysis of their time spent on the activities described in Note 3.

**Pension plan and other postretirement** - Consists of Local 2001's contributions to staff pension plans and contributions for retiree health insurance. These expenses have been allocated based on staff analysis of their time spent on the activities described in Note 3.

**Payroll taxes** - Consists of Federal and state employer taxes on staff wages and longevity payments. These expenses have been allocated based on staff analysis of their time spent on the activities described in Note 3.

**Travel - miscellaneous** - Consists of staff mileage expenses, automobile allowances, automobile lease payments, automobile repairs and maintenance and other travel expenses. These expenses have been allocated based on related staff analysis of their time spent on the activities described in Note 3.

**Note regarding results of all other expenses analysis** - Certain overhead and administrative expense categories have been allocated between chargeable and non-chargeable expenses based on the results of analyzing all other expenses. This represents the analysis of all expenses that can be determined to be chargeable versus non-chargeable through analysis with the exception of Service Employees International Union per capita tax payments as that expense is not controllable by Local 2001.

**Telephone** - Consists of land lines at Local 2001 headquarters and cell phones. These expenses have been allocated based on the results of all other expense analysis.

**Office supplies** - Consists of pens, paper, office equipment expenses, printing supplies and various other office supplies. These expenses have been allocated based on the results of all other expense analysis.

**Postage** - Consists of general mailing and shipping costs. These expenses have been allocated based on the results of all other expense analysis.

**Maintenance of equipment** - Consists of service agreement costs for the offset press, labeling equipment, folding and inserting equipment, maintenance and repair costs of production equipment not covered by service agreements and copier leases. These expenses have been allocated based on the results of all other expense analysis.

**NOTE 4. SIGNIFICANT FACTORS AND ASSUMPTIONS USED IN THE ALLOCATION OF EXPENSES BETWEEN CHARGEABLE EXPENSES AND NON-CHARGEABLE EXPENSES (continued)**

**SEIU Per capita tax payments (less chapter rebates and AMECSS)** - Consists of per capita payments to Service Employees International Union, CTW, CLC - United States Division (SEIU). These expenses have been allocated based upon SEIU's audited consolidated statement of expenses and allocation between chargeable expenses and non-chargeable expenses - series 3 report for the year ended June 30, 2022. According to this audited report, chargeable expenses represented 26.67% of total expenses.

**Council/Chapter funding and rebates** - Consists of rebates and refunds to subordinate associations, chapters, and councils pursuant to the CSEA SEIU Constitution. Also consists of dues refunds to members and non-members and per capita payments to the State Council. These expenses are considered to be fully chargeable except for the per capita payments to the State Council which are considered non-chargeable.

**Sundry** - Consists of paper goods, cleaning supplies, and other miscellaneous uncategorized expenses. These expenses have been allocated based on the results of all other expense analysis.

**Professional fees** - Consists of professional fees paid for the audit of Local 2001's annual financial statements, preparation of Local 2001's annual Hudson statement, and preparation of government Forms LM-2 and 990. These expenses are considered to be fully chargeable.

**Computer service** - Consists of computer network and consulting fees. These expenses are considered to be fully chargeable.

**Bernard H. McCusker Scholarship Fund donations** - Consists of donations to the Scholarship Fund, which is a member only Fund. As such, these expenses are considered to be fully non-chargeable.

**Dues and subscriptions** - Consists of dues and subscriptions to various legal, labor, labor relations and arbitration publications or databases. These expenses are considered to be fully chargeable.

**Other taxes** - Consists of sales and use taxes. These expenses are considered to be fully chargeable.

**Staff training** - Consists of staff representative training and support staff training. These expenses are considered to be fully chargeable.

**Capital expenses** - Consists of equipment purchases. These expenses have been allocated based on the results of all other expense analysis.

**Housing** - Consists of insurance, fidelity bonding, real estate and property taxes, electricity, building maintenance, janitorial supplies, parking lot lease payments, heating, and water expenses. These expenses have been allocated based on the results of all other expense analysis.

**SERVICE EMPLOYEES INTERNATIONAL UNION, CTW, CLC AND SUBSIDIARY  
Consolidated Statement of Expenses and Allocation Between  
Chargeable Expenses and Nonchargeable Expenses - Series 3  
December 31, 2020  
With Independent Auditor's Report**

**Service Employees International Union, CTW, CLC and Subsidiary  
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December 31, 2020**

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**INDEPENDENT AUDITOR'S REPORT**

To the Executive Board,  
Service Employees International Union, CTW, CLC:

**Report on the Financial Statement**

We have audited the accompanying consolidated statement of expenses and allocation between chargeable expenses and nonchargeable expenses - series 3 (the "statement") of the Service Employees International Union, CTW, CLC and Subsidiary (the "International Union") for the year ended December 31, 2020 and the related notes to the statement.

**Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of this statement in accordance with the significant accounting policies presented in Note 2 to the statement, the definitions presented in Note 3 to the statement and the significant factors and methodologies described in Note 4 to the statement, this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the statement that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Basis of Accounting**

We draw attention to the notes to the statement, which describe the basis of presentation. The total operating expenses reflected in the total expenses column in the statement agree to the expenses reflected in the audited consolidated financial statements of the International Union for the year ended December 31, 2020. Notes 3 and 4 to the statement describe the definitions of chargeable expenses and nonchargeable expenses and the significant factors and methodologies used in the allocation of expenses between chargeable and nonchargeable, which was prepared based on management's interpretation of case law relevant to union fair share costs, in which a union is authorized by statute to collect from non-members only those fees and dues necessary to perform its duties as a collective bargaining representative. Our opinion is not modified with respect to that matter.

**Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated financial statements of the Service Employees International Union, CTW, CLC and Subsidiary as of and for the year ended December 31, 2020, and our report thereon dated May 14, 2021 expressed an unmodified opinion on those financial statements.

**Restriction on Use**

This report is intended solely for the information and use of the Executive Board and management of the Service Employees International Union, CTW, CLC and Subsidiary, and, at the International Union's sole discretion, its local unions and their agency fee payors, and is not intended to be and should not be used by anyone other than these specified parties.

*William Southwick Brown, PC*

July 2, 2021

**Service Employees International Union, CTW, CLC and Subsidiary  
Consolidated Statement of Expenses and Allocation Between  
Chargeable Expenses and Nonchargeable Expenses - Series 3  
Year Ended December 31, 2020**

	<b>Total Expenses</b>	<b>Chargeable Expenses</b>	<b>Nonchargeable Expenses</b>
<b>Operating expenses</b>			
Salaries	\$ 47,347,067	\$ 19,058,013	\$ 28,289,054
Benefits	20,875,363	8,810,616	12,064,747
Employee expenses	2,796,831	828,650	1,968,181
Professional fees	58,408,505	14,479,150	43,929,355
Non-employee generated expenses	2,575,616	1,813,610	762,006
Rent, utilities and building maintenance	3,375,619	3,303,864	44,755
Administrative expenses	11,424,329	9,890,363	1,733,966
Subsidies, payments and withdrawals	60,346,522	1,905,307	58,441,215
Contributions	39,220,943	51,284	39,169,659
Other union expenses	46,175,888	4,457,690	41,718,198
Total operating expenses	<u>292,547,664</u>	<u>64,457,547</u>	<u>228,090,117</u>
Less:			
Political expenses paid from voluntary contributions	(54,591,817)	-	(54,591,817)
	<u>\$ 237,955,847</u>	<u>\$ 64,457,547</u>	<u>\$ 173,498,300</u>
<b>Percentage</b>	<b>100.00%</b>	<b>27.08%</b>	<b>72.92%</b>

**Service Employees International Union, CTW, CLC and Subsidiary  
Notes to Consolidated Statement of Expenses and Allocation Between  
Chargeable Expenses and Nonchargeable Expenses - Series 3  
December 31, 2020**

**1. ORGANIZATION**

The Service Employees International Union, CTW ("Change to Win"), CLC ("Canadian Labour Congress") and Subsidiary (the "International Union") is a not-for-profit entity established to promote the general welfare of public service workers, health-care workers, property service workers and industrial and allied workers in the United States, Puerto Rico and Canada. The International Union engages in various activities on behalf of the members including organizing, collective bargaining, political education, legislative action, research and education, community service programs, improvement of working conditions and advancement of the social and economic well-being of union members. The primary source of revenue is per capita taxes paid by local unions.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The consolidated statement of expenses and allocation between chargeable expenses and nonchargeable expenses - series 3 (the "statement") has been prepared on the accrual basis of accounting.

**Basis of Presentation**

The statement was prepared based on management's interpretation of case law relevant to union fair share costs, in which a union is authorized by statute to collect from non-members only those fees and dues necessary to perform its duties as a collective bargaining representative. This statement is not intended to be a complete presentation of the International Union's financial position, or changes in its net assets and its cash flows in accordance with generally accepted accounting principles.

**Principles of Consolidation**

The statement includes the accounts of the United States Division, Political Education and Action Fund ("PEA International"), the Committee on Political Education ("COPE") and 1800 Massachusetts Avenue Corporation, a not-for-profit corporation formed to be a title-holding corporation for the International Union's existing headquarters building. All significant intercompany balances and transactions have been eliminated in consolidation.

**Accounting Estimates**

The preparation of this statement requires management to make estimates and determine methodologies that affect the reported amounts of expenses during the reported period. Actual results could differ from those estimates.

**Depreciation and Amortization**

Property assets are depreciated on a straight-line basis at rates calculated to amortize the cost of the assets over their respective estimated useful lives. For the year ended December 31, 2020, total depreciation and amortization expense was \$2,799,222 and is included in other union expenses on the statement.

**Subsequent Events**

In preparing this statement, management of the International Union has evaluated events and transactions that occurred after December 31, 2020 for potential recognition or disclosure in the statement. These events and transactions were evaluated through July 2, 2021, the date that the statement was available to be issued, and no items have come to the attention of management that require recognition or disclosure.

Service Employees International Union, CTW, CLC and Subsidiary  
Notes to Consolidated Statement of Expenses and Allocation Between  
Chargeable Expenses and Nonchargeable Expenses - Series 3  
December 31, 2020

3. DEFINITIONS

**Chargeable Expenses**

Chargeable expenses reflect the share of the costs of operations of the International Union which are considered necessary and reasonably incurred for the purpose of assisting local unions in the performance of their duties as a representative of the employees in dealing with the employers on labor management issues, including the costs of:

- Negotiating and administering the collective bargaining contracts,
- Settling grievances and disputes by mutual agreement, or in arbitration, court or otherwise,
- Activities and undertakings normally and reasonably employed to implement the duties of the local union as representative of the employees in the bargaining unit,
- Maintenance of the International Union and local unions' existence.

The following are examples of expenses classified as chargeable:

- Preparation for and negotiations of collective bargaining agreements,
- Contract administration including investigating and processing grievances,
- Meetings, conferences, administrative, arbitral and court proceedings and pertinent investigation and research in connection with work-related subjects and issues,
- Handling work-related problems of employees,
- Providing legal, economic and technical expertise on behalf of employees in all work-related matters.

**Nonchargeable Expenses**

Nonchargeable expenses are those expenses incurred by the International Union for the benefit and advancement of represented employees and their union which are not considered representational activities for non-members. Non-chargeable activities include those services that are ideological or political in nature, those that are exclusively for the benefit of full union members, and those that otherwise are not considered germane to the collective bargaining process.

The following are examples of expenses classified as nonchargeable:

- Legislative and government activities outside the limited context of contract ratification or implementation,
- Public relations and other efforts directed towards functional activities that are not considered germane to the collective bargaining process,
- Political activity expenses which include support at the federal, state or local level,
- Contributions to political and charitable organizations, for community service activities or for organizing purposes,
- Per capita tax fees paid to a labor organization,
- Organizing,
- Cost of benefits that are not available to non-members.

Service Employees International Union, CTW, CLC and Subsidiary  
Notes to Consolidated Statement of Expenses and Allocation Between  
Chargeable Expenses and Nonchargeable Expenses - Series 3  
December 31, 2020

4. SIGNIFICANT FACTORS AND METHODOLOGIES RELATING TO THE ALLOCATION OF EXPENSES BETWEEN CHARGEABLE EXPENSES AND NONCHARGEABLE EXPENSES

Personnel expenses are allocated to chargeable expenses and nonchargeable expenses based on the allocation of personnel costs as determined through a time study. The following are considered personnel expenses:

- Salaries,
- Benefits,
- Employee expenses.

Non-personnel expenses are allocated to chargeable expenses and nonchargeable expenses based on the specific purpose of the expense as determined when the expense is incurred. The following are considered non-personnel expenses:

- Professional fees,
- Non-employee generated expenses,
- Rent, utilities and building maintenance,
- Administrative expenses,
- Contributions,
- Subsidies, payments and withdrawals,
- Other Union expenses.

All expenses incurred by the Canadian Division of the International Union and paid directly from Canadian per capita taxes are considered nonchargeable expenses in this statement.

5. RISKS AND UNCERTAINTIES

The International Union is party to a number of lawsuits. The liability, if any, associated with these matters is not presently determinable. In the opinion of management, resolution of these matters will not have a material effect on the International Union's operating expenses.

Management continues to evaluate the impact of the COVID-19 pandemic (the "virus") on the service employees industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the International Union's financial position, and the results of its operations, the specific impact is not readily determinable as of the date of this statement. The statement does not include any adjustments that might result from the outcome of this uncertainty.

## Union Means YOU!

### Don't Be the Weakest Link: Get Involved!

continued from Page 5

**Media:** Leverage the power of social media to spread the word about pro-union candidates, share important legislative updates, and mobilize support. Be sure to follow CSEA on Facebook, Twitter and Instagram!

**Engage in Coalition Building:** Collaborate with other unions, community organizations, and progressive allies like SEBAC and Recovery For All to build a broader movement for social and economic justice.

**Sponsored Content**

**Attend Political Rallies and Events:** Show up at political rallies and events to demonstrate our union's strength, unity, and commitment to our collective goals. Don't forget to wear SEIU purple when you go!

**Run for Office:** Step up and run for political office to directly represent the interests of working families and bring our union's perspective to decision-making tables.

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