

## **PRESIDENT'S REPORT - 2012 STATE OF THE UNION**

This year the state of the union is like a coin, it is two sided, we have the past year, and we have the future.

I'll start with this past year; it has been a very busy year for MSEA. As an organization we have had to prepare and fight an attempt to make Minnesota a right to work (for less) state, which if the measure had made the ballot and passed would have essentially been the end of MSEA. Right to work was not a battle we asked for, but it was a battle we had, and have to help fight. There is no doubt in my mind that if this measure had been on the ballot and passed that it would have been the end of MSEA. It is plain and simple; your union could not have survived under right to work.

We developed the next three-year strategic plan which will take us from September 1<sup>st</sup> 2012 to August 30 2015. This year's development of the strategic plan was done a little different than the last plan. Because the staff is such an important part of the plan and the organization, the board thought it was imperative that the staff was involved in the development process of the plan. In consulting with the staff it was decided that the best way of doing a strategic plan was by creating a committee with both board and staff members. I would like to thank the committee members for all their time and hard work and a couple members of the committee will be presenting the 2012-2015 strategic plan to you later in the program.

This year the staff contracts were up and I'm happy to say we negotiated new three-year contract with all the staff.

During the past year the organizer didn't work out, his philosophy and MSEA's philosophy of service didn't work out, and so we ended up hiring a new organizer, Shane. Please, welcome him aboard if you get a chance.

We held a wonderful August Rally, and the staff did an outstanding fall training in Bemidji and Mankato. If I could take a minute and ask that you please give our staff a round of applause for all the great work they do not only for the trainings, but all year long. Thank you staff, I know I for one don't thank you enough for all your hard work.

Now I'll talk about the other side of the coin, our future. With the work on this next year's budget, the new strategic plan and with staff contracts being up we asked Lynn Jansen to develop a three-year financial projection for MSEA, and the projections don't look very good. As of right now MSEA is sitting with a three to four month budget reserve, which is imperative to have for the summer months when we don't have much for dues coming in. By looking at the three-year projections, we could see that we will have to start going into those reserves almost immediately. Two things that stand out the most when you look at the projections and discuss how to solve the future financial problems of MSEA is #1: lack of growth and #2: our fair share numbers. To some extent we do have the ability to solve a major portion, if not all, of our financial problems thru growth and fair share conversions.

We, as an organization, need to make more of a concerted and constant effort to work on converting our fair share members to full members, and at the same time, need to work on getting new members and units. We, as members, need to understand that the board and staff cannot do this by themselves, to solve our future financial problems it will take a complete effort by all of MSEA, board, staff and members. We as members, have just as much, if not more, responsibility in solving the future financial problems of MSEA as staff, because after all this is our, the members, union. Thank you.