

Bricklayers and Allied Craftworkers

Local Union 1 Minnesota/North Dakota/South Dakota



312 Central Avenue SE
Suite 328
Minneapolis, Minnesota 55414

"Building for the Future"

Douglas B. Schroeder
President/Secretary-Treasurer

Telephone: (612) 379-2966
Fax: (612) 379-8754
Website: www.bac1mn-nd.org

Dear Brothers and Sisters,

I write to you today to ask for your assistance in securing BAC Local 1's future. In order to continue to thrive, grow, and deliver for members—current and future—we need to strengthen our foundation in the present. That's why I'm asking you to vote "YES" in the enclosed ballot to adopt the proposed Local 1 Constitution and By-Laws and the dues structure as set forth in the related dues addendum. I believe that doing so is the surest path to our collective success.

Local 1 has not updated its constitution in over 20 years so many of these proposed changes are long overdue. The proposal calls for separating the offices of President and Secretary-Treasurer, it clarifies the language for apprenticeship eligibility, it defines the rights of contractor and supervisory members, it updates the procedures in case of a vacancy in one of the officer positions, and it calls for appropriate funding of the International Masonry Institute to help guarantee future work hours, among many other necessary improvements.

Moreover, the Constitution reflects a number of changes that are required because of Resolutions passed by previous IU Conventions. These include adding an organizing committee made up of rank-and-file members, updated definitions to various membership categories, and Code changes that both ensure we retain trade jurisdiction over our traditional crafts and that delete outdated modes of communication in favor of modern methods, among others.

I encourage all of you to read it closely. These changes will provide us with the necessary stable foundation to operate, yet they will also ensure that we remain nimble enough to respond to events and take advantage of opportunities in real-time. It will provide for more checks and balances and will bolster union democracy while also streamlining our operations. In short, I believe this document will serve as an invaluable resource for this generation of Local 1 members and the next.

Copies of the proposed Constitution are enclosed and will also be available on the website. They will also be available for inspection at the Local's offices.

The proposed constitution also includes a dues addendum for your approval. Historically Local 1 has had the lowest hourly dues structure not only in the International Union of Bricklayers and Allied Craftworkers, but also amongst other local trades in our region. For many years this dues rate was sufficient to cover normal operating costs. But it made us more subject to the economic whims of the day and less able to weather downturns. For example, during periods of economic

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strife, the local had to implement layoffs to conserve resources while attempting to maintain services to the members. Most of the local's reserves are invested in government backed securities like CD's and bonds that are secure and reliable, but do not have a high rate of return and in the most recent past, have returned very low interest rates and losses. This coupled with higher service costs for many necessary functions including audit fees, daily operational expenses, IT services, and the increasing benefit structure, has resulted in a negative effect on our reserves.

Therefore, following extensive consultation with the IU, I recommend that we increase our dues check-off amount from 1 percent plus the Market recovery allocation to a flat 2 percent. The 2 percent calculation would only be for the local, and the IUBAC Dues Check Off contribution would stay at 1 percent.

I propose that this change be implemented in three parts. The following describes the local's dues check off during the 3-part implementation starting after member approval. First, 50% of the increase would be implemented the 1st of the month following the approval from the membership, followed by 25% of the increase by May 1, 2025, and the remaining 25% of the increase by May 1, 2026. This would put the locals' dues check off at 2% at the end of the onboarding. Please note that at the time of the new funding amount in the first phase, for most of the members, the increase would be offset by the rolling in of the Market Recovery allocated amounts.

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Dues Increase

Local Monthly Base Dues (Journey person)	\$29.00
Local Monthly Base Dues (Apprentice)	\$18.60
Local 1 Working Dues	2%
Contractor Member Working Dues	2%
Initiation Fee Amount	\$400.00

Although this change is marginal compared to other affiliates as well as other BAC locals, I believe that this necessary investment will keep the local on good financial footing moving forward. These monies will be used for marketing for new members including advertising and targeted messaging, organizing efforts around the local for new contractors, member handouts, budgeting for a local-

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wide Market Recovery program (currently no grants are offered in Western ND or all of South Dakota), increased online presence for recruiting, upgrading IT services due to auditing standards, maintaining current office staffing, and service provider increases. The new dues structure increases will NOT be used to change the current structure of pay for the President or the staff of BAC local 1.

I recognize that this is a sacrifice that I am asking all of you to make, and I do not ask lightly. But, after many hours of analysis and consideration, I firmly believe that this change is necessary and will benefit all of us in the long term.

We have accomplished a great deal together and I remain confident that if we approve the proposed Constitution and its dues addendum, we will continue that path.

In Solidarity,

Fraternally,
Douglas B. Schroeder

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