

**ASSOCIATION OF FLIGHT ATTENDANTS-CWA, AFL-CIO  
FORTY THIRD BOARD OF DIRECTORS MEETING  
APRIL 28 – 30, 2015  
LAS VEGAS, NEVADA**

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**SUBJECT:** LEC Budget – Carry Over at 100% (Section IV.C.1.)

**STATEMENT OF QUESTION:**

Should the C&B be amended to allow Local Councils to retain 100% of all budgetary surpluses at end of fiscal year?

**SOURCE AND DATE SUBMITTED:** CAL 62, 63, 64 – February 27, 2015

**BACKGROUND INFORMATION:**

Currently all LECs can only keep 50% of any budget surplus they have at the end of the fiscal year. The other 50% is required to be returned to the MEC, which in turn must return 80% of any surplus back to the International treasury. There is no incentive or reward with the current system for LECs to use good judgement and exercise restraint with their budgets. By adopting this resolution, Local Councils will be rewarded for showing good budgetary practice, and will be financially better equipped to properly do the members business.

**PROPOSED RESOLUTION:**

WHEREAS, the membership is better served by well funded Local Councils; and,

WHEREAS, there is currently little to no incentive for fiscal responsibility at the local level; and,

WHEREAS, this lack of incentive is a detriment to the membership,

THEREFORE BE IT RESOLVED, that all budget surpluses at the local level in any fiscal year be retained by the Local Council for the benefit of their membership.

**PROPOSED LANGUAGE:**

Amend the last two sentences of Section IV.C.1. to the following:

Fifty **One Hundred** percent ~~(50%)~~ **(100%)** of any funds remaining at the end of the fiscal year are to be carried over into the succeeding year's local budget. ~~All remaining funds are to be returned to the Airline Master Executive council Administration fund.~~