

the  
**SPEEA**  
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**August 2025**

# Spotlight

PROFESSIONAL AEROSPACE UNION



## Good food and fun at SPEEA picnic

*The NW New Hire / Young Members Committee brought together more than 250 SPEEA members, families and friends to Seattle's Golden Gardens beach park for a summer picnic. Some picnic participants played beach volleyball. Others played cornhole. Many just enjoyed conversations over hamburgers, hot dogs and more with other members and their families. Some SPEEA members even signed up as Area Reps or talked with committee chairs about attending committee meetings. New Hire / Young Members Committee members took the lead in hosting the picnic, including Paul Black, shown here at one of the grills. They received a lot of help from other SPEEA members who came early and stayed late to pitch in where needed.*

What's next in  
negotiations – P2

Auditors'  
report – P4-10

Harmful LOA  
mistakes – P11



# What's next in upcoming contract negotiations

## Midwest negotiations

The Wichita Technical and Professional Unit (WTPU) contract expires Jan. 31, 2026.

Several members recently applied to serve on the WTPU Negotiation Team. At the July Midwest Council meeting, the WTPU Council Reps formed a nominating committee to review the applications, interview the candidates and make recommendations to the full WTPU Bargaining Unit Council (BUC).

After the BUC votes, the negotiation team will begin building a contract proposal that addresses issues and priorities.

## Northwest negotiations

The SPEEA Prof and Tech contracts expire Oct. 6, 2026.

**Negotiation team process** – To prepare for electing the Prof and Tech negotiation team, the BUCs plan to call for applicants for the nominating committee this fall. SPEEA will start publicizing details on how to apply for the Prof and Tech negotiation teams in the coming months.

The Prof and Tech BUCs (made up of Council Reps for those bargaining units) will vote to select the members of their respective negotiation team in February.

**Additional NPC surveys** – The Negotiation Prep Committee (NPC) has been working on follow-up surveys to assess member priorities in specific areas of the contract. The four surveys are scheduled to roll out monthly this fall.

Want to know more about the NPC and its subcommittees? See their meeting schedules at [www.speea.org](http://www.speea.org) (drop-down menu: Bargaining Units/Current Negotiations).

## Show your support

Activists in Council Rep districts are inviting members to SPEEA events such as lunchtime meetings. Some districts are promoting red-shirt Wednesdays. Many activists are handing out SPEEA desk tents, stickers, magnets and buttons.

If you haven't attended a SPEEA event or picked up SPEEA visibility items, talk to your Council Rep. Not sure who is your Council Rep? Go to [www.speea.org](http://www.speea.org) (drop-down menu: Member Tools/Find your Council Rep).

# Seeking nominees for SPEEA NW leadership awards

Do you know Northwest SPEEA members whose union activism stands out? You can nominate them for a recognition award.

The Northwest Council will celebrate the award winners at a recognition banquet this fall.

Submit your nominations for any of the award categories below to [amberm@speea.org](mailto:amberm@speea.org) by Sept. 5. Include your contact information and specific examples/details specific to the award.

To be eligible, members must live/work in Washington state, Oregon, California or Utah and be a member in good standing.

### Award categories

- **New Activist** – New to activism in SPEEA within the last year.
- **Outstanding Activist** – Steps up repeatedly to serve SPEEA members. Participates in multiple committees, supports labor activism and internal organizing.
- **Outstanding Leader** – Demonstrates leadership in the workplace and the union.

- **Lifetime Achievement** – Provides significant contributions to SPEEA membership for an extensive period of time.
- **Friend of SPEEA** – A non-SPEEA organization or community leader who has displayed a significant act of solidarity for SPEEA.

## New: Union Spirit award

The Union Spirit award will recognize a SPEEA member who embodies the spirit of union solidarity.

The NW Membership Activities Committee initiated the special award in honor of **Joel Funfar**, former SPEEA president, and **Tony Hickerson**, former SPEEA Council chair. For decades before their deaths in the spring of 2023, they worked hard to bring out the activism in every member and advocated for unions at the federal, state and local level as well as in the workplace.

Want to know more about this new award? See the approved Northwest Council motion at [www.speea.org](http://www.speea.org) (drop-down menu: Councils/Approved Council motions/4/11/NW motion number 25-007).



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INTERNATIONAL FEDERATION OF  
PROFESSIONAL AND TECHNICAL ENGINEERS

# NW contract survey priorities and process

By Lynette Shiroma  
Northwest Regional Vice President

Your Northwest Council Representatives (CRs) spoke about their desire for Prof and Tech members to hear the initial survey results on contract priorities, and the Executive Board listened.

My vantage point as a regular CR at the time of this survey's inception in the Negotiation Preparation Committee (NPC) has shifted since I was elected to the Executive Board. Since then, I have undergone training on negotiations at the Washington Labor Education and Research Center to help me become more effective in making positive changes in our union at the Executive Board level.

## Executive Board meeting invite

Before I delve into the general findings of the survey results, I would like to remind members they are welcome to attend the Executive Board (E-Board) meetings to provide feedback. The E-Board typically meets on the first and third Thursday of each month. Carving out a member feedback portion on the agenda was something your current president, **John Dimas**, has maintained after past-president and current Secretary **Ryan Rule** established it as another

way for our union's leaders to hear from all levels of membership.

## About negotiations

As we head into negotiations, it's essential to understand that releasing information of any kind should be a deliberate choice, weighing both the benefits and potential repercussions. Whenever the Executive Board or the future negotiation team releases something regarding negotiations to the general membership, we are asking straightforward questions that are complex to answer accurately:

- 1) Does this benefit the union more than it could harm it?
- 2) Is there a better time to release this information?
- 3) Does this opinion reflect the majority of our membership or just the loudest voices?
- 4) Is there anything in the data that the company could use to divide our union?

Concerning points 1) and 2), the Executive Board at the time felt that the Negotiation Preparation Committee (NPC) survey was too early in the negotiation cycle and too complex to report on results because of the ranked-choice voting method. The Executive Board was also concerned that the "other" option would be too hard to process. In fairness, it was a heavy lift. However, thanks to the creative problem-solving of fellow union members like **Andrew Ferguson** and **Ben Merritt**, we now have a scalable, data-driven method to analyze ranked-choice voting and open-ended responses that genuinely works for us.

This wasn't handed down by staff or outside consultants—it was built by union members who saw a need and stepped up. That's the power we have when we get involved.

The compromise the NPC made with the Executive Board at the time was that the data gathered from the survey would be released through the negotiation team (whenever formed) to the general membership rather than by the Executive Board. I didn't fully understand it at the time as a CR, but the current Executive Board's desire (as well as the majority of others) is not to engage in major interim negotiations with the company again, as happened in 2020. Releasing very detailed data publicly could trigger that result.

## Snapshot of the data

As the members requested, I would like to provide some broad details about the Prof and Tech initial NPC survey data. Some aspects are exciting and groundbreaking, while others are not.

The exciting part: SPEEA gathered Northwest member feedback from every district, including members in Utah, Oregon and California. SPEEA

also had the highest survey response in recent history, with 40% of all NW Professional and Technical bargaining unit members responding. The less surprising part – members' main priorities (in no specific order) were:

- Fair and competitive pay
- Stronger benefits and long-term security
- More time and flexibility to live their lives

Thank you so much to everyone who helped us achieve this success through survey participation. I'm looking forward to even stronger engagement in the four follow-up surveys, which will build on the results of the initial survey and help us gather deeper insights from members. Each survey will focus on one of four key contract areas: Workforce, Employee Relations, Benefits and Compensation/Retirement.

These upcoming surveys will help the NPC solidify and refine the broad priorities members have already identified.

The NPC's deliverable is a general report for the Bargaining Unit Councils (BUCs) and a more detailed one for the Prof and Tech negotiation teams, which will include suggested bargaining platforms for our union.

## Climbing the campaign mountain

We're getting a lot of positive chatter all around the union stemming from the SPEEA leadership conference in May. Members have numerous ideas and graphics circulating about what to do with our future bargaining campaign. One of those graphics is what's called a campaign mountain. The point is to show the journey - it's a mountain - to get to a successful contract. A campaign has phases that build momentum.

Prompted by that, I'm asking you to consider how the NPC surveys fit into SPEEA's campaign mountain.

Want to learn more about how the campaign mountain applies to negotiations? See the case study by the United Auto Workers on its 2024 contract win at Daimler Trucks at ([uaw.org/daimler-case-study](https://uaw.org/daimler-case-study)).

## Index

Independent Auditors' Report and Financial Statements .....	P4-10
EWP Live! broadcasts bring the wonders of airshows to you.....	P10
Boeing: Mistakes by Leave Center hurting members on Leave of Absence .....	P11
Wichita Engineering Unit contract online .....	P11
Training/Events .....	P12
Laid-off SPEEA members recalled at Boeing.....	P12

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# Independent Auditors' Report and Financial Statements

## Prepared by:

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## Table of Contents

Independent Auditors' Report .....	4-5
Combined Statements of Financial Position .....	4
Combined Statements of Activities and Changes in Net Assets .....	4
Combined Statements of Cash Flows .....	5
Notes to Combined Financial Statements .....	6-10
Supplementary Information:	
Combined Statements of Operating Costs .....	6

## INDEPENDENT AUDITORS' REPORT

To the Tellers Committee and Members of Society of Professional Engineering Employees in Aerospace  
Seattle, Washington

## Report on the Audit of the Combined Financial Statements

### Opinion

We have audited the combined financial statements of the Society of Professional Engineering Employees in Aerospace [a 501(c)(5) organization] and Affiliates, which comprise the combined statement of financial position as of March 31, 2025, and the related combined statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of the Society of Professional Engineering Employees in Aerospace and Affiliates as of March 31, 2025, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Society of Professional Engineering Employees in Aerospace and Affiliates, and to meet our 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 Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation

*Continued on page 5*

## Combined Statements of Financial Position March 31, 2025 (with combined information as of March 31, 2024)

	Board Designated Funds										
	General Fund	Holiday Outreach Fund	Negotiation Fund	Building Fund	Organizing Fund	SPEEA Properties	KSSPINC, LLC	SPEEA ACE	Eliminations (Note 1e)	All Funds Combined 2025	2024
	ASSETS										
CURRENT ASSETS:											
Cash and cash equivalents (Note 1f)	\$ 2,530,626	\$ 28,501	\$ 1,894,523	\$ 64,905	\$ 1,546,724	\$ 85,792	\$ 150,265	\$ 2,456,281	\$ -	\$ 8,757,617	\$ 9,721,723
Accounts receivable (Notes 1h, 6)	154,427							61,283		215,710	178,541
Amounts due from/(to)	399,365					(8,210)		(391,155)			
Prepaid and other current assets (Note 1i)	117,313									117,313	111,850
Total current assets	3,201,731	28,501	1,894,523	64,905	1,546,724	77,582	150,265	2,126,409	-	9,090,640	10,012,114
LAND, BUILDINGS, VEHICLES, EQUIPMENT, AND FURNITURE:											
Land						456,655	144,560			601,215	601,215
Buildings						2,444,290	431,992			2,876,282	2,876,282
Vehicles	12,309									12,309	12,309
Equipment and furniture	1,482,037					1,758	18,852	178,458		1,681,105	1,413,193
	1,494,346	-	-	-	-	2,902,703	595,404	178,458	-	5,170,911	4,902,999
	(1,176,985)					(1,639,961)	(103,119)	(45,186)		(2,965,251)	(2,817,153)
Less: accumulated depreciation											
Net land, buildings, vehicles, equipment, and furniture (Note 1j)	317,361	-	-	-	-	1,262,742	492,285	133,272	-	2,205,660	2,085,846
OTHER ASSETS:											
Marketable securities (Notes 1g, 3)	7,419,439			7,423,614						14,843,053	13,977,878
Investment in affiliates (Note 1e)	2,326,954			250,000					(2,576,954)	-	-
Total other assets	9,746,393	-	-	7,673,614	-	-	-	-	(2,576,954)	14,843,053	13,977,878
Total Assets	\$13,265,485	\$ 28,501	\$ 1,894,523	\$ 7,738,519	\$ 1,546,724	\$ 1,340,324	\$ 642,550	\$ 2,259,681	\$ (2,576,954)	\$ 26,139,353	\$ 26,075,838
	LIABILITIES AND NET ASSETS										
CURRENT LIABILITIES:											
Accounts payable (Note 1l)	\$ 17,635	\$ -	\$ -	\$ -	\$ -	\$ 2,068	\$ 215	\$ 123	\$ -	\$ 20,041	\$ 31,417
Provision for severance pay and compensatory time off (Notes 1m, 9)	1,571,135									1,571,135	1,498,305
Total current liabilities	1,588,770	-	-	-	-	2,068	215	123	-	1,591,176	1,529,722
OTHER LIABILITIES:											
Grant advance (Note 10)								1,985,644		1,985,644	2,857,508
Total Liabilities	1,588,770	-	-	-	-	2,068	215	1,985,767	-	3,576,820	4,387,230
NET ASSETS	11,676,715	28,501	1,894,523	7,738,519	1,546,724	1,338,256	642,335	273,914	(2,576,954)	22,562,533	21,688,608
Total Liabilities and Net Assets	\$13,265,485	\$ 28,501	\$ 1,894,523	\$ 7,738,519	\$ 1,546,724	\$ 1,340,324	\$ 642,550	\$ 2,259,681	\$ (2,576,954)	\$ 26,139,353	\$ 26,075,838

## Combined Statements of Activities and Changes in Net Assets Year Ended March 31, 2025 (with combined information for the year ended March 31, 2024)

	Board Designated Funds									All Funds Combined	
	General Fund	Holiday Outreach Fund	Negotiation Fund	Building Fund	Organizing Fund	SPEEA Properties	KSSPINC, LLC	SPEEA ACE	Eliminations (Note 1e)		
										2025	2024
Dues income, net of refunds of \$6,388 and \$7,835 (Note 1n)	\$11,156,942	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$11,156,942	\$10,203,748
Operating costs (see supplementary info.):											
Payroll costs (Notes 1m, 4, 6, 8, 9)	7,194,531									7,194,531	7,258,033
Occupancy (Notes 1e, 1j)	340,854					69,398	11,161			421,413	380,758
Supplies and office	375,544									375,544	320,168
Professional services	343,109									343,109	307,345
Negotiations (Note 5)	100,335									100,335	634
Operations	2,377,085									2,377,085	2,030,535
Membership services	506,723									506,723	362,037
Total operating costs	11,238,181	-	-	-	-	69,398	11,161	-	-	11,318,740	10,659,510
Increase (decrease) in net assets from operations	(81,239)	-	-	-	-	(69,398)	(11,161)	-	-	(161,798)	(455,762)
Other income (expenses):											
Interest and dividends	433,169	14	74,992	383,637	70,617					962,429	651,028
Reimbursements from vendors, members, and other organizations	7,422									7,422	2,805
Disbursements on behalf of members	(104)									(104)	(929)
Grant income (Note 10)								1,150,437		1,150,437	882,903
Grant funds expense (Note 10)								(1,184,351)		(1,184,351)	(856,954)
Realized gains (losses) on sale of investments	61,889			60,325						122,214	(311)
Net change in unrealized gains on investments (Note 3)	22,433			27,763						50,196	1,315,709
Investment advisor fees and service charges	(38,373)			(34,147)						(72,520)	(100,281)
Net other income (expenses)	486,436	14	74,992	437,578	70,617	-	-	(33,914)	-	1,035,723	1,893,970
Increase (decrease) in net assets	405,197	14	74,992	437,578	70,617	(69,398)	(11,161)	(33,914)	-	873,925	1,438,208
Net assets at beginning of year	11,271,518	28,487	1,819,531	7,300,941	1,476,107	1,407,654	653,496	307,828	(2,576,954)	21,688,608	20,250,400
Net assets at end of year	\$11,676,715	\$28,501	\$1,894,523	\$7,738,519	\$1,546,724	\$1,338,256	\$642,335	\$273,914	\$(2,576,954)	\$22,562,533	\$21,688,608



# Independent Auditors' Report and Financial Statements

Continued from page 4

and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society of Professional Engineering Employees in Aerospace and Affiliates' ability to continue as a going concern for one year after the date that the combined financial statements are issued or when applicable, one year after the date that the combined financial statements are available to be issued.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are 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 GAAS 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 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 combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, 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 combined financial statements.

- 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 the Society of Professional Engineering Employees in Aerospace and Affiliates' 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society of Professional Engineering Employees in Aerospace and Affiliates' 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.

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

## Report on Summarized Comparative Information

We have previously audited the Society of Professional Engineering Employees in Aerospace and Affiliates' March 31, 2024 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated July 17, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2024 is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

**HUEBNER, DOOLEY & MCGINNESS, P.S.**

Shoreline, Washington  
July 18, 2025

Continued on page 6

## Combined Statements of Cash Flows

Year Ended March 31, 2025 (with combined information for the year ended March 31, 2024)

	Board Designated Funds									All Funds Combined	
	General Fund	Holiday Outreach Fund	Negotiation Fund	Building Fund	Organizing Fund	SPEEA Properties	KSSPINC, LLC	SPEEA ACE	Eliminations (Note 1e)	2025	2024
Cash flows from operating activities:											
Dues income	\$11,133,760	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$11,133,760	\$10,187,455
Interest and dividend income	433,169	14	74,992	383,637	70,617					962,429	651,028
Reimbursements from Ed Wells/ SPEEA-Boeing Partnership (Note 6)	568,821									568,821	522,674
Reimbursements from vendors, members, and other organizations	7,422									7,422	2,805
Miscellaneous cash receipts (payments)	(104)					150,000	28,704	278,573	(178,704)	278,469	299,304
Cash paid to suppliers and employees	(12,175,465)			(34,147)		(170,018)	(27,608)	(725,796)	178,704	(12,954,330)	(12,084,067)
Net cash provided by (used in) operating activities	(32,397)	14	74,992	349,490	70,617	(20,018)	1,096	(447,223)	-	(3,429)	(420,801)
Cash flows from investing activities:											
Equipment and improvements purchased	(244,766)							(23,146)		(267,912)	(27,394)
Investments purchased	(1,734,370)			(1,728,877)						(3,463,247)	(2,633,531)
Investments sold	1,381,769			1,388,713						2,770,482	2,151,265
Net cash used in investing activities	(597,367)	-	-	(340,164)	-	-	-	(23,146)	-	(960,677)	(509,660)
Increase (decrease) in cash and cash equivalents	(629,764)	14	74,992	9,326	70,617	(20,018)	1,096	(470,369)	-	(964,106)	(930,461)
Cash and cash equivalents at beginning of year	3,160,390	28,487	1,819,531	55,579	1,476,107	105,810	149,169	2,926,650	-	9,721,723	10,652,184
Cash and cash equivalents at end of year	\$ 2,530,626	\$ 28,501	\$1,894,523	\$ 64,905	\$1,546,724	\$ 85,792	\$150,265	\$2,456,281	\$-	\$ 8,757,617	\$ 9,721,723
Reconciliation of increase (decrease) in net assets to net cash provided by (used in) operating activities:											
Increase (decrease) in net assets	\$ 405,197	\$ 14	\$ 74,992	\$ 437,578	\$ 70,617	\$ (69,398)	\$ (11,161)	\$ (33,914)	\$-	\$ 873,925	\$ 1,438,208
Adjustment for non-cash (revenue) and expense items:											
Depreciation (Note 1j)	65,223					52,769	12,042	18,064		148,098	113,819
Realized (gains) losses on sale of investments	(61,889)			(60,325)						(122,214)	311
Net change in unrealized gains on investments (Note 3)	(22,433)			(27,763)						(50,196)	(1,315,709)
Change in assets and liabilities providing (using) cash:											
Accounts receivable	(23,182)							(13,987)		(37,169)	(63,589)
Amounts due (from)/to	(453,419)					(936)		454,355		-	-
Prepaid and other current assets	(5,463)									(5,463)	(39,689)
Accounts payable	(9,261)					(2,453)	215	123		(11,376)	(33,343)
Provision for severance pay and compensatory time off	72,830									72,830	61,869
Grant advance proceeds (spent)								(871,864)		(871,864)	(582,678)
Total adjustments	(437,594)	-	-	(88,088)	-	49,380	12,257	(413,309)	-	(877,354)	(1,859,009)
Net cash provided by (used in) operating activities	\$ (32,397)	\$ 14	\$ 74,992	\$ 349,490	\$ 70,617	\$ (20,018)	\$ 1,096	\$ (447,223)	\$-	\$ (3,429)	\$ (420,801)

# Independent Auditors' Report and Financial Statements

## Years Ended March 31, 2025 and 2024

# Notes to Combined Financial Statements

Continued from page 5

### Supplementary Information - Combined Statements of Operating Costs Years Ended March 31, 2025 and 2024

	2025	2024
<b>Payroll costs (Note 8):</b>		
Salaries	\$ 5,067,115	\$ 5,203,293
Change in provision for severance pay and compensatory time off (Notes 1m, 9)	72,830	61,869
Payroll taxes	448,784	436,948
Medical benefits	868,821	833,182
Retirement and life insurance benefits (Note 4)	1,152,484	1,085,282
Mileage and phone allowances	137,917	134,376
Ed Wells expenses	5,279	15,108
Payroll processing costs	10,122	10,649
Gross payroll costs	7,763,352	7,780,707
Reimbursements from Ed Wells/SPEEA-Boeing Partnership (Note 6)	(568,821)	(522,674)
	<u>\$ 7,194,531</u>	<u>\$ 7,258,033</u>
<b>Occupancy - the Society:</b>		
Rent Seattle office (Note 1e)	\$ 98,700	\$ 98,700
Rent Everett office (Note 1e)	51,300	51,300
Rent Wichita office (Note 1e)	28,704	28,679
Insurance	55,429	59,165
Property taxes	1,651	1,298
Repairs and maintenance	-	235
Telephone and internet	39,847	38,837
Equipment depreciation (Note 1j)	65,223	34,331
	<u>\$ 340,854</u>	<u>\$ 312,545</u>
<b>Occupancy - SPInc.:</b>		
(Income) expenses:		
Rent income from SPEEA (Note 1e)	\$ (150,000)	\$ (150,008)
Buildings depreciation (Note 1j)	52,769	52,768
Property taxes	36,818	34,790
Facilities	37,911	42,186
Insurance	10,431	8,612
Janitorial	15,981	16,139
Maintenance	18,294	14,428
Auditor and accounting fees	2,310	3,560
Utilities	44,884	36,580
	<u>\$ 69,398</u>	<u>\$ 59,055</u>
<b>Occupancy - KSSPINC, LLC:</b>		
(Income) expenses:		
Rent income from SPEEA (Note 1e)	\$ (28,704)	\$ (28,679)
Insurance	375	350
Property taxes	12,609	12,869
Repairs and maintenance	9,632	8,574
Utilities	5,207	3,583
Depreciation (Note 1j)	12,042	12,461
	<u>\$ 11,161</u>	<u>\$ 9,158</u>
<b>Supplies and office:</b>		
Office supplies	\$ 62,455	\$ 50,007
Software licenses and other subscriptions	161,936	162,913
Postage and delivery	62,379	45,812
Reproduction costs	33,964	20,554
Stationery and envelopes	54,810	40,882
	<u>\$ 375,544</u>	<u>\$ 320,168</u>
<b>Professional services:</b>		
Legal and arbitration	\$ 299,794	\$ 267,430
Auditor and accounting fees	43,315	39,915
	<u>\$ 343,109</u>	<u>\$ 307,345</u>
<b>Negotiations (Note 5):</b>		
Meetings and events	\$ 100,335	\$ 634
	<u>\$ 100,335</u>	<u>\$ 634</u>
<b>Operations - the Society:</b>		
Affiliation fees	\$ 349,129	\$ 282,617
Representative training	139,262	115,230
Auto maintenance costs	822	168
Conferences	74,555	36,236
Conventions - related organizations	110,565	15,035
Food	13,122	4,423
Leave with pay	206,111	119,883
Mileage	1,453	2,061
Organizing	23,383	35,424
Community grants and contributions	58,685	62,281
Per capita dues - IFPTE	1,387,562	1,341,757
Staff administration costs	3,325	6,627
Staff training	9,111	8,793
	<u>\$ 2,377,085</u>	<u>\$ 2,030,535</u>

### Note 1 - Summary of Significant Accounting Policies

### Supplementary Information - Combined Statements of Operating Costs Years Ended March 31, 2025 and 2024 - continued

	2025	2024
<b>Operations - SPEEA ACE (Note 10)</b>		
Salaries and benefits	\$ 427,309	\$ 296,437
Supplies and equipment	63,580	8,481
Marketing and outreach	67,721	75,837
Tuition and assistance	336,902	320,528
Curriculum	265,587	134,891
Other indirect costs	5,188	6,521
Equipment depreciation (Note 1j)	18,064	14,259
	<u>\$ 1,184,351</u>	<u>\$ 856,954</u>
<b>Membership services (Note 10):</b>		
Spotlite - printing and postage costs	\$ 177,724	\$ 160,180
Executive board and council chairs honorarium	4,917	5,000
Staff travel and regional support	25,626	30,584
Labor support contributions	60,723	4,800
Membership meetings	28,833	34,393
Membership supplies	52,211	21,495
Visibility items	156,689	105,585
	<u>\$ 506,723</u>	<u>\$ 362,037</u>

#### a. General:

The Society of Professional Engineering Employees in Aerospace, IFPTE Local 2001 (the Society or SPEEA), is a labor union and a 501(c)(5) organization (a tax-exempt entity) representing employees of The Boeing Company in Washington, Oregon, California, and Utah, and Spirit AeroSystems in Wichita, Kansas.

SPEEA Properties (or SPInc.), an affiliate of the Society, is a 501(c)(2) organization (a tax-exempt entity) formed in 1978 to own and operate the Society's headquarters in Seattle, Washington. The Society initially invested \$140,000 to purchase property on which the building was constructed. A further surcharge to SPEEA members and a sale of a portion of the property financed the construction of the building. During the year ended March 31, 2008, SPEEA's Everett office was transferred to SPEEA Properties at a net book value of \$1,352,804.

During the year ended March 31, 2016, SPEEA formed KSSPINC, LLC, (a limited liability company) in which SPEEA is the sole member. KSSPINC, LLC was formed to purchase, own, and operate property in Kansas for SPEEA's Midwest office. KSSPINC, LLC purchased property in Wichita, Kansas for \$275,000 on June 15, 2016 and was remodeled to accommodate SPEEA use.

During the year ended March 31, 2022, SPEEA's Aerospace Career Enhancement (ACE) program was created by, and is operated through, a grant received from the State of Washington to promote, expand, and enhance the workforce training and education in support of the aerospace industry and its supply chain in the State of Washington. During the year ended March 31, 2025, the Society formed SPEEA Aerospace Career Foundation, a corporation which is recognized as a Charitable Organization in the State of Washington.

#### b. Basis of Accounting:

The combined financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

#### c. Basis of Presentation:

The accompanying financial statements have been prepared in conformity with the disclosure and display requirements of

the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities*. This ASU establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into net asset classes according to donor-imposed restrictions. Accordingly, the net assets of the Society have been reported as follows:

- *Net assets without donor restrictions* are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Society's management and the governing board.
- *Net assets with donor restrictions* are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Society or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions. All other net assets, including board-designated or appropriated amounts, are reported as part of net assets without donor restriction. The Society had no net assets with donor restrictions on March 31, 2025 and 2024.

#### d. Fund Accounting:

To ensure observance of limitations and restrictions placed on the use of resources available to the Society, the accounts of the Society are maintained in accordance with the principles of fund accounting. This is the method by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund and, accordingly, all financial transactions have been recorded and reported by fund.

The assets, liabilities, and net asset balances of the Society are reported in two fund groups as follows:

- 1) The General Fund, which includes undesignated resources that represent the portion of funds that are available for support of operations.
- 2) Board designated funds represent funds designated by the Executive Board for the Holiday Outreach Fund, the Negotiation Fund to be used to fund negotiations of contracts for the Society's members, the Building Fund for replacement of the Society's building and equipment, and the Organizing Fund to be used for organizing new members into the Society. Funds can be moved from these accounts only by board actions.

Continued on page 7

# Independent Auditors' Report and Financial Statements

## Years Ended March 31, 2025 and 2024

### Notes to Combined Financial Statements

#### Note 1 - Summary of Significant Accounting Policies - *Continued from page 6*

Contributions to the Holiday Outreach Fund come from various sources other than dues income.

##### e. Principles of Combination:

The assets, liabilities, and net asset balances of SPEEA Properties and KSSPINC, LLC are owned by the Society as separate entities. SPEEA Properties and KSSPINC, LLC have not issued capital stock and are owned by the members in good standing of the Society. All transactions between the Society, SPEEA Properties, and KSSPINC, LLC are eliminated upon combination. When combining the financial information of the Society and these related entities, there are certain items which appear in two entities; in these cases entries were made to eliminate the amounts. The Society's investment in SPEEA Properties includes: the \$140,000 initial investment made and the additional investment of \$1,352,804 as a result of the transfer of the building in Everett, and during the years ended March 31, 2011 and 2010, an additional \$30,000 and \$470,000, respectively. Rent of \$150,000 and \$150,008 for the years ended March 31, 2025 and 2024, respectively, was paid by the Society to SPEEA Properties and eliminated within occupancy expenses. The Society's investment in KSSPINC, LLC includes: a net investment of \$534,150 as a result of the transfer of the building in Wichita and \$50,000 for the funding of costs incurred during the year ended March 31, 2018. Normal operations of KSSPINC, LLC began April 1, 2017. Rent of \$28,704 and \$28,679 for the years ended March 31, 2025 and 2024, respectively, was paid by the Society to KSSPINC, LLC and eliminated within occupancy expenses.

##### f. Cash and Cash Equivalents:

For purposes of the financial statements, cash equivalents in-

clude time deposits, certificates of deposit, and all highly liquid instruments with original maturities of three months or less.

##### g. Investments:

Investments in equity and debt securities are reported at fair value. Realized gains and losses, unrealized gains and losses, and investment returns are recognized in the combined statement of activities and changes in net assets.

##### h. Accounts Receivable and Allowance for Doubtful Accounts:

Accounts receivable represents Ed Wells expense reimbursements which were due to the Society and collected after the close of the fiscal year. All balances due were less than 90 days past due as of March 31, 2025 and 2024.

The Society uses the direct write-off method to account for bad debts. No allowance for doubtful accounts has been included as of March 31, 2025 and 2024 because management considers all recorded receivables to be fully collectible.

##### i. Prepaid Expenses:

Prepaid expenses represent advance payments for products and services and consist primarily of postage, prepaid payroll taxes, and insurance, which will be used in operations during the next 12 months.

##### j. Land, Buildings, Vehicles, Equipment, and Furniture:

Land, buildings, vehicles, equipment, and furniture are stated at cost less accumulated depreciation. The Society and SPEEA Properties generally follow the practice of capitalizing all expenditures for property and equipment in excess of \$500 and a useful life greater than one year. Routine repairs and maintenance are expensed as incurred. Depreciation is computed

using the straight-line method of depreciation using the following estimated useful lives:

	Lives in Years
Buildings and building improvements	15 - 40
Furniture, vehicles, and office equipment	3 - 10

Depreciation expense on the Seattle and Everett buildings owned by SPEEA Properties was \$52,769 and \$52,768 for the years ended March 31, 2025 and 2024, respectively. Depreciation expense on the Wichita, Kansas building and equipment owned by KSSPINC, LLC was \$12,042 and \$12,461 for the years ended March 31, 2025 and 2024, respectively. Depreciation expense on vehicles, furniture, and equipment was \$65,223 and \$34,331 for the years ended March 31, 2025 and 2024, respectively.

As of March 31, 2025 and 2024, the land and buildings held by KSSPINC, LLC and SPEEA Properties had an assessed market value of \$4,217,300 and \$3,895,500, respectively, based on property tax assessments.

##### k. Impairment of Long-Lived Assets:

At each reporting date, long-lived assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately.

*Continued on page 8*

#### Functional Allocation of Expenses 2025

A summary of total disbursements and a reconciliation of total expenses to total disbursements is presented below for the year ended March 31, 2025:

	Program Services	Supporting Services	Total
Representational activities	\$ 5,194,373	\$ -	\$ 5,194,373
Political activities and lobbying	-	229,750	229,750
Contributions, gifts, and grants	-	408,622	408,622
General overhead	-	2,270,701	2,270,701
Union administration	668,077	-	668,077
	5,862,450	2,909,073	8,771,523
Benefits	1,625,859	389,402	2,015,261
Per capita tax	1,736,691	-	1,736,691
Purchases of investments and fixed assets	-	960,677	960,677
Direct taxes	410,498	98,316	508,814
Total disbursements	\$ 9,635,498	\$ 4,357,468	\$ 13,992,966
Total expenses, per financial statements			\$ 13,144,536
Add -			
Purchases of investments and fixed assets			960,677
Other changes in assets and liabilities			35,851
Less -			
Depreciation and amortization			(148,098)
Total disbursements			\$ 13,992,966

#### Functional Allocation of Expenses 2024

A summary of total disbursements and a reconciliation of total expenses to total disbursements is presented below for the year ended March 31, 2024:

	Program Services	Supporting Services	Total
Representational activities	\$5,107,564	\$ -	\$5,107,564
Political activities and lobbying	-	215,352	215,352
Contributions, gifts, and grants	-	615,404	615,404
General overhead	-	1,441,189	1,441,189
Union administration	645,910	-	645,910
	5,753,474	2,271,945	8,025,419
Benefits	1,603,237	307,691	1,910,928
Per capita tax	1,624,374	-	1,624,374
Purchases of investments and fixed assets	-	2,660,925	2,660,925
Direct taxes	406,744	78,062	484,806
Total disbursements	\$ 9,387,829	\$ 5,318,623	\$14,706,452
Total expenses, per financial statements			\$12,140,348
Add -			
Purchases of investments and fixed assets			2,660,925
Other changes in assets and liabilities			18,998
Less -			
Depreciation and amortization			(113,819)
Total disbursements			\$14,706,452



# Independent Auditors' Report and Financial Statements

## Years Ended March 31, 2025 and 2024

### Notes to Combined Financial Statements

#### Note 1 – Summary of Significant Accounting Policies - *Continued from page 7*

**l. Accounts Payable:**

Accounts payable represent costs and expenses that are obligations of the Society at the end of the fiscal year, which are billed by the vendor after the close of the fiscal year. In the normal course of operations, the Society receives, approves, and pays these obligations after the close of the fiscal year. The balances consisted primarily of billings for payroll taxes, utilities, leave with pay, and other operating expenses of the Society.

**m. Provision for Severance Pay and Compensatory Time Off:**

The Society accrues its contractual obligation for severance pay, vacation pay, sick leave, and compensatory time off as a liability, and represents the Society's obligation at each employee's current salary level. The actual amounts paid to satisfy this liability will depend upon the employee's salary level at the time of the payment.

**n. Dues Income:**

Dues income represents funds received from members either through a payroll deduction by The Boeing Company and Spirit AeroSystems, or a direct payment by individual members. As part of contract agreements with the Society, companies withhold monthly membership dues from the paychecks of the Society's members. The Society bills all "Beck Objector" dues directly to those employees on a monthly basis. No part of dues income was paid directly to support any political parties or candidates. Dues are refunded as necessary to members who have overpaid.

**o. Functional Allocation of Expenses:**

The Office of Labor-Management Standards (OLMS) enforces certain provisions of the Labor-Management Reporting and Disclosure Act (LMRDA), including reporting and disclosure requirements for labor unions, their officers and employees, employers, labor relation consultants, and surety companies. Salaries, benefits, and related costs are allocated on the basis of time and effort expended in these functional categories. Certain costs of program and supporting services activities have been allocated to five functional disbursement categories.

*\* See 2025 and 2024 tables on page 7*

**p. Advertising Costs:**

Advertising costs are expensed as incurred.

**q. Concentrations of Risk:**

Financial instruments that potentially subject an entity to a concentration of credit risk consist of cash in bank and brokerage deposit accounts. The Society and SPEEA Properties maintain cash balances at several financial institutions. Depositor's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, are insured by the Federal Deposit Insurance Corporation (FDIC) up to the standard maximum deposit insurance amount (\$250,000), for each deposit insurance ownership category. As of March 31, 2025 and 2024, the total uninsured cash balance was approximately \$7,771,500 and \$5,594,500, respectively. The Society and SPEEA Properties have not experienced any losses with these accounts during the years ended March 31, 2025 and 2024, and management believes it is not exposed to any significant credit risk on its cash balances.

All of the Society's members are covered by collective bargaining agreements. Since dues and fees revenue from these members represents a significant portion of the Society's gross receipts, it is at least reasonably possible that a strike resulting from expired contracts would disrupt the normal function of the Society.

**r. Use of 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 and disclosures. Accordingly, actual results could differ from those estimates.

**s. Income Tax Status:**

The Society is exempt from federal income taxes under section 501(c)(5) and SPEEA Properties is exempt from federal income taxes under section 501(c)(2) of the Internal Revenue Code and, therefore, have made no provision for federal income taxes in the accompanying combined financial statements. In addition, there was no unrelated business income for the years ended March 31, 2025 and 2024.

The Society accounts for tax positions in accordance with FASB Accounting Standards Codification Topic 740, *Income Taxes*. With few exceptions, the Society is subject to federal and state income tax examinations by tax authorities for the prior three years. Management has reviewed the Society's tax positions and determined there were no uncertain tax positions as of March 31, 2025 and 2024.

**t. Subsequent Events:**

In preparing these combined financial statements, management of the Society has evaluated events and transactions for potential recognition or disclosure through July 18, 2025, the date the financial statements were available to be issued.

#### Note 2 – Availability and Liquidity

The Society regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. Financial assets in excess of daily cash requirements may be invested in certificates of deposit, money market funds, and other short-term investments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Society considers all expenditures related to its ongoing activities of furthering and protecting the rights of its members, as well as the conduct of services undertaken to support those activities, to be general expenditures.

The Society's governing board has designated a portion of its unrestricted resources for other purposes. Those amounts are identified as board designated funds in the accompanying combined statements of financial position. These funds are invested for long-term appreciation and current income but remain available and may be spent at the discretion of the board for their designated purpose. As of March 31, 2025 and 2024, the following financial assets could readily be made available within one year of the combined statement of financial position date to meet Society expenditures:

Financial assets:	2025	2024
Cash and cash equivalents -		
General fund	\$ 2,530,626	\$ 3,160,390
Designated funds	6,226,991	6,561,333
Investments -		
General fund	7,419,439	6,982,516
Designated funds	7,423,614	6,995,362
Total financial assets	\$ 23,600,670	\$ 23,699,601

#### Note 3 – Investments and Fair Value Measurements

The Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under this Topic are described below:

- 1) Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access.
- 2) Level 2: Inputs to the valuation methodology include:
  - a. Quoted prices for similar assets or liabilities in active markets,
  - b. Quoted prices for identical or similar assets or liabilities in inactive markets,
  - c. Inputs other than quoted prices that are observable for the asset or liability,

*Continued on page 9*

### About the independent auditors' report

Every year, SPEEA Tellers appoint an independent financial auditor. Prior to publishing the final report, the auditor and Tellers meet to review the report, financial statements and any findings.

SPEEA publishes the report to give our members and the public a general idea of our financial health and our priorities regarding spending. This is required by SPEEA's Constitution, specifically Article 9.2.5.3.

To see more, go to [www.speea.org](http://www.speea.org) - drop-down menu: Councils/Governing Documents.



# Independent Auditors' Report and Financial Statements

## Years Ended March 31, 2025 and 2024

### Notes to Combined Financial Statements

#### Note 3 – Investments and Fair Value Measurements - Continued from page 8

d. Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

3) Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of March 31, 2025:

- Stock funds: Valued at the closing price reported on the active market on which the individual securities are traded.
- Mutual funds: Valued at the net asset value of shares held by the organization at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Society and SPEEA Properties believe their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

- All investments are classified under level 1 measurements within the fair value hierarchy.
- The investments of the Society and SPEEA Properties consisted of the following as of March 31, 2025 and 2024, with their respective cost and fair values:

	2025			2024		
	Cost	Fair Value	Unrealized Gain (Loss)	Cost	Fair Value	Unrealized Gain (Loss)
Stock funds	\$ 5,553,706	\$ 6,845,852	\$ 1,292,146	\$ 5,216,531	\$ 6,583,999	\$ 1,367,468
Mutual funds	7,268,850	7,997,201	728,351	6,791,046	7,393,879	602,833
	\$ 12,822,556	\$ 14,843,053	\$ 2,020,497	\$ 12,007,577	\$ 13,977,878	\$ 1,970,301

#### Note 4 – SPEEA Staff Pension Plans

The Society contributes to a money purchase pension plan and a 401(k) plan that provides benefits for substantially all full-time SPEEA staff. Both plans are defined contribution plans so that there are no past service costs, and vested benefits cannot exceed the assets of the plan. The provision for the money purchase pension plan is computed at 7.5% of the employees' eligible compensation. Contributions to the money purchase pension plan for the years ended March 31, 2025 and 2024 were \$474,995 and \$440,429, respectively. The provision for the 401(k) plan is computed by matching a portion of the employees' eligible contributions to the plan. Contributions to the 401(k) plan for the years ended March 31, 2025 and 2024 were \$267,374 and \$269,526, respectively. The liability for future pension costs for both plans is based solely on future compensation of the SPEEA staff.

The risks of participating in multiemployer plans are different from single-employer plans in the following aspects:

- \* Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- \* If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- \* If the Society chooses to stop participating in some of its multiemployer plans, it may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Society's participation in this plan for the annual periods ended March 31, 2025 and 2024 is outlined in the table below. The "EIN / Pension Plan Number" column provides the Employee Identification Number (EIN) and the three-digit plan number, if applicable. The most recent Pension Protection Act (PPA) zone status is based on information that the Society received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are less than 80 percent funded, and plans in the green zone are at least 80 percent funded. The "FIP / RP Status Pending / Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented.

The Society's contributions did not exceed 5% of total plan contributions per the plan's most recently available Form 5500 annual report, for the following plan and plan years:

Pension Fund	EIN / Pension Plan Number	Pension Protection Act Zone Status	FIP / RP Status Pending / Implemented	Surcharge Imposed	Society Contributions	
					2025	2024
Western Conference of Teamsters Pension Plan	91-6145047 - 001	Green as of 12/31/24	N/A	N/A	\$ 287,685	\$ 258,944

#### Note 5 – Negotiation Expenses

Included in negotiation expenses are the direct, non-payroll expenditures for providing collective bargaining for the Society's members.

During the year ended March 31, 2025, the Society completed negotiations with Spirit AeroSystems on behalf of the Wichita Engineering Unit. In the Puget Sound, Bargaining Unit Committees have been formed in preparation for contract negotiations with Boeing for contracts expiring October 2026. During the year ended March 31, 2024, the Society completed Negotiations with The Boeing Company on behalf of the Pilots/Instructors Unit and formed the negotiation team from the Spirit WEU unit.

#### Note 6 – Ed Wells/SPEEA-Boeing Partnership Reimbursements

The Ed Wells/SPEEA-Boeing Partnership (the Institute) is operated as a part of the contract negotiated between the Society and The Boeing Company. The Ed Wells Partnership will seek to develop and implement initiatives approved by the Joint Policy Board to achieve the following goals: effective partnership; a skilled, motivated, productive, and stable workforce; employability; lifelong learning; knowledge retention and sharing; and career development. Members of the Society's staff have been placed in the Institute's office to help further its goals. The Society received reimbursements from the Ed Wells/SPEEA-Boeing Partnership totaling \$568,821 and \$522,674 in the years ended March 31, 2025 and 2024, respectively, for the payroll, pension, employee benefit, and other expenses paid by the Society on the Institute's behalf. Accounts receivable on March 31, 2025 and 2024 includes \$154,427 and \$131,245, respectively, of reimbursements received from the Ed Wells/SPEEA-Boeing Partnership by the Society after the fiscal year-end.

#### Note 7 – Chargeable Expenses

The Society is required to make an annual calculation of the chargeable portion of its total expenses (the "Beck Calculation"). Chargeable expenses are those expenses that are considered necessarily and reasonably incurred for the purpose of performing the Society's duty for its represented activities.

#### Note 8 – Payroll Costs and Staff Employment Contracts

The Society has entered into two employment contracts with the unions representing its professional and office staff. Both of these contracts grant general and selective pay increases along with lump sum payouts based on the prior year's gross pay.

Continued on page 10

# Independent Auditors' Report and Financial Statements

Years Ended March 31, 2025 and 2024

## Notes to Combined Financial Statements

### Note 9 – Provision for Severance Pay and Compensatory Time Off

- Continued from page 9

Contracts entered into by the Society with their employees provide for payments of compensatory time off for extra hours worked and payments for unused vacation, sick leave, and severance payments. The overall provision at year-end equaled \$72,830 and \$61,869 during the years ended March 31, 2025 and 2024, respectively. These amounts are reflected in current payroll costs as reported in operating expenses.

### Note 10 – Grant Agreements with State of Washington Department of Labor & Industries

On December 11, 2020, SPEEA, through its Aerospace Career Enhancement (ACE) program, entered into a grant agreement (Grant #1) with the State of Washington Department of Labor & Industries with a purpose to promote, expand, and enhance workforce training and education, and support in the aerospace, and aerospace supply chain industries in the State of Washington. SPEEA is to furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to the performance of this work. The approved budget for Grant #1 is up to \$5,000,000 with an approved indirect cost rate of up to 10%. Grant #1 ends on June 30, 2026. SPEEA recorded the initial grant advance of \$5,000,000 as a liability and recognizes grant income as direct and indirect costs are incurred. Grant income of \$836,521 and \$629,260 was recorded related to Grant #1 during the years ended March 31, 2025 and 2024, respectively. The remaining grant advance liability as of March

31, 2025 and 2024 was \$1,974,405 and \$2,810,926, respectively.

On November 1, 2021, SPEEA, through its Aerospace Career Enhancement (ACE) program, entered into a grant agreement (Grant #2) with the State of Washington Department of Labor & Industries with a purpose to promote, expand, and enhance workforce training and education, and support in the aerospace, and aerospace supply chain industries in the State of Washington. SPEEA is to furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to the performance of this work. The approved budget for Grant #2 was up to \$542,000 with an approved indirect cost rate of up to 10%. Grant #2 ended on June 30, 2023 and was extended 2 years to June 30, 2025, with an additional \$271,000 of funding per fiscal year. SPEEA recorded grant income of \$313,916 and \$253,643 related to Grant #2 during the years ended March 31, 2025 and 2024, respectively.



## EWP Live! broadcasts bring the wonders of airshows to you

Can't make it to an in-person airshow this summer? Head over to the Ed Wells Partnership inSite page to experience the wonder of an airshow in a different way.

We hope these topics captured this year in EWP Live! recordings will inspire you to think about the products you work on in a new light.

### Working Together - Journey from 7J7 to 777

In this inspiring presentation, **Peter Morton**, who served as the marketing manager for the 737-100 and -200, reflects on working on "Boeing's Lost Airliner," testing new technologies and working together to produce a new airplane family. This talk looks at both the technology and culture of Boeing in the 1980s and 1990s.

### The Design & Development of the 747-400 Flight Deck

Celebrate the legacy of the Boeing 747-400, a groundbreaking evolution in aviation that transformed the skies 20 years after the original 747's debut. Discover the design challenges and innovative solutions that shaped this engineering marvel and gain a rare glimpse into the future of flight while honoring its remarkable past.

### The Boeing B-29 and the Home Front Battle

Hear the story of how the near impossible was achieved, a story of the women and men working on the design, engineering, production and

testing of the Boeing B-29 Superfortress. Learn about the challenges of building new manufacturing facilities and hiring and training new workers. Their success was producing the most technical advanced aircraft at the time – delivered in record time. Join us for a fascinating presentation and captivating stories with aviation historian **Mike Lavelle**.

### Skyward Bound: Breaking Barriers in Aviation

**Joe Davis** is a distinguished Black pilot, military officer and entrepreneur. With more than 16 years of military experience and a career spanning aviation, intelligence and leadership, Davis has overcome significant challenges to forge a path in the aviation industry. This session will provide aspiring pilots and aviation professionals with actionable insights, motivation and strategies for success.

### The Audacious 737

Discover why Boeing launched this aircraft as part of the "Jet Transport Family Plan," despite entering the twin-jet market later than competitors. **Peter Morton**, who served as the marketing manager for the 737-100 and -200, shares how it transformed from a potential "loss leader" to a market success. Don't miss this opportunity to gain insights into the audacity and resilience that defined the 737 program!



Aircraft performing at Oshkosh airshow. Photo by SPEEA member **Andrew Hanes**.

## Watch EWP Live! webcasts

If you would like to view a recording of these or any of the other EWP Live! webcasts, navigate to the Ed Wells Partnership inSite page on the Boeing intranet by searching for **Group Id 102595**. All past recordings can be found under the **EWP Live! Recordings Category** on the left-hand group menu.

Joining the group will allow you to receive notifications when a new EWP Live! recording has been added.

If you have a suggestion for a topic or speaker for a future EWP Live! webcast, you can send it to: [edwells.sbpartnrshp@boeing.com](mailto:edwells.sbpartnrshp@boeing.com).



# Mistakes by Leave Center hurting members on Leave of Absence

**S**PEEA Contract Administrators have been fighting a consistent pattern of errors committed in Boeing's leave of absence process.

The issue is not new, said SPEEA Contract Administrator **Jason Collette**, our union's benefits specialist.

"I have repeatedly brought this issue to my counterpart in Benefits starting at least four years ago, as well as Labor Relations," he said. "Yet the issue remains. They are telling our most vulnerable people egregiously incorrect information, and our folks are making life-changing decisions based on that bad information."

The problem stems from the administrators of Boeing's leave office (the Reed Group) consistently ignoring the fact that SPEEA members, through our collective bargaining agreements with Boeing, are entitled to have their active health insurance benefits continue for six whole months while on an approved medical leave of absence.

## Employee/dependents

Additionally, if a SPEEA employee's medical leave of absence continues for more than six months, their medical insurance can continue for another 24 months with Boeing continuing to make its regular contributions. The employees' dependents may also remain on Boeing coverage during this two-year period but must pay the full cost of coverage. After six months, both the employee and dependents' coverage are considered COBRA.

Instead of precisely communicating to medically disabled SPEEA members how their benefits work, Boeing's Leave Office is telling SPEEA members that their active health coverage will be canceled after 90 days, at which point they'll have to start paying the full cost of a COBRA plan if they wish to continue to have health coverage benefits.

## COBRA costs

Typically, COBRA coverage is far more expensive, Collette explained. SPEEA members on Boeing's Traditional medical plan pay \$45 to \$90 a month, depending on their base salary. The unsubsidized COBRA rate is about \$850 per person per month on Traditional and over \$500 for Advantage+. These costs can be prohibitive for a family already dealing with the added medical expenses during a protracted illness or injury while having to get by on a reduced income from disability payments. After being told incorrectly that they will see this steep jump in expenses months earlier than they should, SPEEA members have felt the financial pressure to return to work before they have reached a full medical recovery, Collette said.

## Member impact

Collette related how a SPEEA member went to a doctor after experiencing dizziness and a severe headache at work. The doctor ordered him to have immediate brain surgery to remove a tumor. The surgery was successful, but after 60 days

off, Boeing's Leave Office incorrectly told this employee he would have to return to work at the end of the third month or start paying the full cost of COBRA to remain on the Boeing health insurance. Faced with those options, he opted to return to work. However, this employee needed longer to recover and wasn't ready to be back at work, Collette said. The SPEEA member made several mistakes at work and ended up receiving a Notice of Remedial Action (commonly called a NORA) from his manager.

"The tragic irony is that he returned to work to save his health insurance, and that decision almost cost him his career," Collette said. "It's all because of the incorrect information he got from the Boeing Leave Center." Unfortunately, this is emblematic of a larger trend at Boeing, where expertise in the Human Resources function has been eroded and the apparatus that supports employees is seemingly no longer up to the task.

## Know your benefits if taking leave

Employees who are facing an extended medical leave of absence are encouraged to reach out to Council Representatives or SPEEA Contract Administrators (CA) to ensure they understand the protections and benefits in their collective bargaining agreement. To find their CA's contact information, go to [www.speea.org](http://www.speea.org) (drop-down menu: Member Tools/Find your Council Rep or Contact Us/SPEEA Staff).

## Mail-order pharmacy change for Boeing plans

**A**s of Aug. 1, Boeing's mail-order pharmacy switched from Walgreens to CVS. Specialty Pharmacy is also transitioning.

Employees who have received prescriptions from Walgreens in the past year should have already received a mailing from Boeing explaining some of the details of the change.

The Boeing drug list is not changing – the prescription coverage and pricing do not change.

The retail network will remain the exact same, with Walgreens remaining in-network. Prime Therapeutics continues as the pharmacy benefit manager.

If SPEEA-represented employees at Boeing want to access the mail-order site directly, they will need to register through **Caremark.com**.

However, a single sign-on access will be available through **myprime.com**.

Prescriptions with refills remaining should be automatically sent over to CVS.

## FYI on certain prescriptions

Compound drugs and controlled substances cannot be transferred, so your provider must send over a new prescription to CVS.

## Questions

If members are unable to resolve their prescription issues, they are encouraged to reach out to SPEEA Contract Administrator and Benefits Coordinator **Jason Collette** at [Jasonc@speea.org](mailto:Jasonc@speea.org).

## Wichita Engineering Unit contract online

**T**he current Wichita Engineering Unit (WEU) contract is online at [www.speea.org](http://www.speea.org) (drop-down menu: Bargaining Units/Contracts).

When the WEU print contract is available, interested members can pick up a copy at the SPEEA office.

WEU Council Reps will also receive a print copy.



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## TRAINING/EVENTS

See online calendar for details. RSVP where you plan to attend.

### NORTHWEST

#### Union Solidarity Night at the AquaSox

Minor League Baseball

**Thursday, Aug. 7, game at 7:10 p.m.**  
Funko Field, Everett

Limited number of free tickets may still be  
available at SPEEA Everett and Tukwila Halls  
*Snohomish and Island County Labor Council*

#### IAM 751 Steel and Wheel car show

**Saturday, Aug. 16, 10 a.m. to 3 p.m.**  
IAM Union parking lot,  
8729 Airport Rd., Everett

Limited number of free entries through  
SPEEA and info booth at the show

Email [meetings@speea.org](mailto:meetings@speea.org)  
about SPEEA registration

About the IAM car show, go to  
[www.steelandwheel.org](http://www.steelandwheel.org)

District IAM 751-A fundraiser for  
Guide Dogs of America

*SPEEA is a sponsor*

#### Union Night at the Mariners

Major League Baseball

**Friday, Aug. 22, game at 7:10 p.m.**  
T-Mobile Park, Seattle

Discount tickets for main and view level

Limited number of SPEEA gift cards for stadium  
food and merchandise with proof of ticket  
purchase – one per member only

See more details and QR code for discount  
tickets on the flyer at [www.speea.org](http://www.speea.org)  
(home page link to SPEEA Events)

*NW Membership Activities Committee (gift cards)*

#### Discount tickets for OL Reign

Professional women's soccer

Limited number of discount tickets

**Friday, Aug. 29, 7:30 p.m.**  
Lumen Field, Seattle

See more details and QR code for discount  
tickets on the flyer at [www.speea.org](http://www.speea.org) (home  
page link to SPEEA Events)

*NW Women's Advocacy Committee*

### MIDWEST

#### Labor Day celebration

**Saturday, Aug. 30, noon to 4 p.m.**  
Machinists Hall, 3830 S Meridian, Wichita

Free food, bingo with prizes and more!

#### Wichita Wind Surge vs Tulsa Drillers

Minor league baseball

**Saturday, Sept. 6**  
Riverfront Stadium, Wichita

Game starts at 6:05 p.m.

Limited number of tickets  
coming soon to the SPEEA office

*Midwest Membership Activities Committee*

## Laid-off SPEEA members recalled at Boeing

**M**ore than 140 laid-off SPEEA members have been recalled by Boeing through a provision in our union contracts that gives SPEEA members priority in the hiring process.

The union members started returning to work in July, and there has been a steady increase in the number recalled in recent weeks.

In some cases, SPEEA staff members have been involved in helping Boeing contact our laid-off union members and getting them signed up so they could exercise their priority recall rights under our union's contracts. In all cases, staff have been reviewing the return-to-work offers to ensure Boeing is offering laid-off members the right pay and benefits and to make sure the return-to-work instructions are clear.

Priority recalls are a less-talked-about, but still important, contract right for SPEEA members at Boeing. They ensure that laid-off workers get a chance to return to their old jobs before Boeing starts hiring new workers off the street.

These latest recalls are separate from the 58 workers who were brought back to work by Boeing after our union first filed grievances and then threatened to take the company to arbitration. In those cases, the union members were laid off even though workers loaned to Boeing by other companies, under Industry Assist agreements, were kept in their jobs, which our union alleges was a violation of our contracts with Boeing.

At this point, about a third of the SPEEA members who were let go by Boeing in a cost-cutting move this past winter have returned to work.

SPEEA members with questions about the priority recall process can contact their Contract Administrators, who are listed online with their contact information at [speea.org](http://speea.org), under the Contact Us button.