

804



STATE OF THE UNION REPORT

www.TeamstersLocal804.org

DECEMBER 2015

For the last six years, it has been my privilege to serve as your Local 804 President.

When we took office, we inherited a union that was reeling from contract givebacks and pension cuts. Officer salaries had soared to record levels, while our Health and Pension Funds were in financial crisis.

We took decisive action to rebuild Local 804 power. Six years later, our union is in a very different place.

This State of the Union reviews where we've been and what we've accomplished together over the last six years. There's much more to do to

restore Teamster Power and win the respect we deserve from UPS.

Thank you for the privilege of serving as your President. I was a proud Local 804 Teamster long before I held any elected position—and I will remain one going forward.

Stay informed. Stay involved. Stay united.



Jim S. Lybster

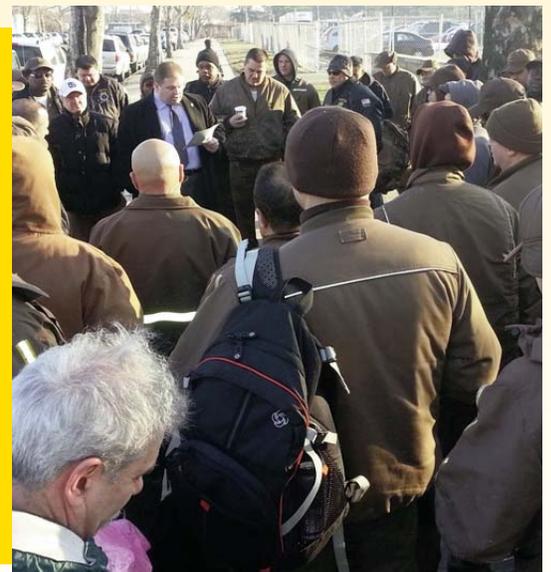


Financial Reforms

On our first day in office, we reduced the salaries of all officers and business agents to free up dues money to serve the membership. Our predecessors paid themselves an average of \$155,136 plus benefits. We cut all salaries to \$115,000 a year—a savings of \$40,000 per person—and never raised our compensation above \$125,000 a year. We also stopped using members' dues money to fund a 401K retirement plan that was exclusively for Local 804 officers. Through financial reform, we put your dues money to work for you.

Mobilizing for a Better Contract

We ended the information Brownouts that kept Local 804 members in the dark during contract negotiations. We put working Teamsters on our negotiating committee and launched a contract campaign with bulletins, rallies and contract actions. While UPSers across the country got hit with givebacks, we won contract improvements including pension increases, more full-time jobs, more vacation opportunities in the summer, layoff protections, higher pay at peak for part-timers, a new grievance procedure and more.





Making Contract Enforcement Pay

We launched contract enforcement campaigns to make UPS pay for violations that had long been ignored. We won record amounts of penalty pay for 9.5 and supervisors working. UPS management continues to walk all over the contract, knowing they have contract loopholes and weak International Union leadership on their side. We have to continue to stand up on the shop floor and in our own union to win the respect members deserve.

Fighting Harassment

We took on UPS harassment in the streets and in contract negotiations. The International Union made us withdraw our contract proposals on dishonesty, technology and harassment and claimed they would be covered in the national contract. That betrayal continues to haunt Local 804 members.



Higher Pensions

When we took office, members were fighting pension cuts and the elimination of 25 & Out benefits for new hires. Today, our pension has more than \$1.1 billion in assets and we won pension increases of \$400 per month. The International Union tried to get us to accept a pension of \$3,700 a month—and to give up 25 & Out benefits. We refused and won the first \$4,000 pension in Local 804 history and saved 25 & Out benefits regardless of age.



Full-Time Jobs for Part-Timers

We won 150 new full-time jobs and opportunities for part-timers to get to work full-time as Package Drivers. The pension increase resulted in hundreds of job opportunities for a new generation of drivers.



Fight for \$15

When the International Union sold out part-timers and negotiated starting pay of just \$10 an hour, we didn't give up, we fought back. We launched the Fight for \$15 with demonstrations at UPS buildings and in the streets of New York City. Our goal is to win starting pay of \$15 an hour and higher wages for every part-timer.



Grievance Procedure Reform

We won a new grievance procedure that delivers faster justice for Local 804 members. Under the old system, fired members could wait a year or more in the street for their case to be heard by an arbitrator. The new system reduces waiting time to weeks—and we used it effectively to win fired members their jobs back.

Building 804 Political Power

When we took office, our powerful local was politically isolated and weak. We turned that around and forged alliances with unions, community groups, progressive political leaders and the Working Families Party. When UPS fired 250 drivers, top city officials threatened to end millions of dollars in contracts and subsidies. Within days, UPS came to the table and returned every driver to work. Next, we put our political power and alliances to work in the Fight for 15.



804 HEALTH FUND UPDATE

www.TeamstersLocal804.org • www.Local804Fund.com FALL 2015

Save Money on Your Healthcare with These Simple Steps

Use In-Network Providers

Before you make an appointment with a doctor or a provider for the first time, make sure to ask them: "Are you contracted with Blue Cross Blue Shield and in my network?"

If you see an in-network provider, you'll only pay a small co-pay. Out-of-network providers charge much more. Staying in-network is the most important thing you can do to save on healthcare costs.

A full list of in-network providers is available at www.Local804Fund.com

Check your Health Coverage

Before you see a doctor or provider, make sure the specific service you are going for is covered.

A specialist may be in-network but not all procedures are covered 100 percent.

You can find out exactly what the health plan covers by calling the Health Fund or checking the Summary Plan Description or Plan Document. You can read these

Emergency Rooms vs. Urgent Care

Urgent Care

If you need medical care right away, but it's not an emergency, you can save time and money by visiting an in-network Urgent Care clinic.

The co-pay at an in-network Urgent Care clinic is just \$20. A separate co-pay for X-rays may also apply.

To find an in-network Urgent Care clinic near you, download a complete listing at: www.Local804Fund.com.

Emergency Rooms

The Local 804 Health Fund spends \$5 million a year on Emergency Rooms.

Our strong ER coverage saves lives.

If you have an emergency, go to the ER without hesitation.

Your co-pay for an Emergency Room visit can be up to \$200 if you are treated

Saving a Broke Health Fund

When we took office, the Health Fund had lost 83 percent of its assets, totaling \$26 million in losses, and was headed for insolvency. The decisions about our healthcare were about to be taken out of our hands and put in the control of an arbitrator. UPS was demanding severe benefit cuts, including raising retiree healthcare to more than \$1,100 a month. We saved affordable healthcare for members and their families and have built a strong Health Fund with over \$50 million in assets. We also won an arbitration decision that will protect the Fund against irresponsible mismanagement and collapse in the future.

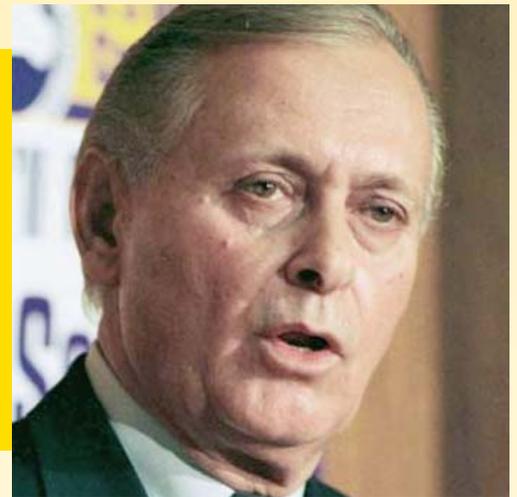


Retiree Healthcare

We stopped UPS from raising retiree healthcare to \$1,100 a month but we were forced to institute increases during the Health Fund's crisis. Since then, we have won multiple decreases in the cost of retiree healthcare. Starting January 1, the cost of retiree healthcare will be cut across the board and it will be reduced even further on January 1, 2018—to \$200/month for an individual, \$300 for member and spouse coverage, and \$450/month for family coverage.

Ron Carey Scholarships

We established scholarships to pay for Local 804 members to participate in union education and leadership development programs, including the AFL-CIO Bonnie Laden Union Leadership Skills Program, Labor Notes, the Teamsters for a Democratic Union Convention, Teamster Power Conferences and the Teamster National Black Caucus.



Honoring the Memory of Ron Carey

Ron Carey was Local 804's greatest president and the first democratically-elected General President in Teamster history. In 1997, Carey led us to victory in a nationwide strike against UPS—labor's biggest victory in decades. But Ron Carey was erased from our local's official history because the previous 804 officers were uncomfortable with his vocal opposition to union corruption and IBT President James Hoffa. We restored Ron Carey's place in our union's history. Our union hall and meeting room proudly bear his name.