

**GRAND LODGE
INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS**

**MINUTES OF THE EXECUTIVE COUNCIL MEETING/
ANNUAL FINANCIAL REVIEW MEETING
HYATT REGENCY WASHINGTON
WASHINGTON, DC**

MAY 8-10, 2018

International President Robert Martinez, Jr., called the meeting to order at 1:00 p.m. on May 8, 2018. Executive Council Members Dora Cervantes, Philip Gruber, Gary Allen, Sito Pantoja, Stan Pickthall, James Conigliaro, Rickey Wallace, Brian Bryant and Robert Scardelletti were present. Executive Council Member Mark Blondin was present via tele-conference.

APPROVAL OF MINUTES

The Executive Council reviewed the minutes from the November 15, 2017, Executive Council Meeting.

After review, a motion was made, seconded, and carried, to approve the minutes from the November 15, 2017, Executive Council Meeting.

INTERNATIONAL PRESIDENT'S REPORT

International President Robert Martinez, Jr., advised the Executive Council that the Aerospace Conference will be held in Fort Worth, Texas, September 10-14, 2018.

International President Martinez updated the Executive Council on Lockheed Martin's F-35.

International President Martinez updated the Executive Council on several Article XXI charges.

International President Martinez introduced, to the Executive Council, the Director of Safety & Health and Apprenticeship James Reid to give a summary on the Consortium for Workers Education.

Motion – Join the Consortium for Workers Education

International President Martinez led a further discussion with the Executive Council on the Consortium for Workers Education.

After discussion, a motion was made, seconded and approved, to make a donation in the amount of \$60,000.00 a year for two years, not to exceed \$120,000.00.

International President Martinez introduced IAM General Counsel Mark Schneider to the Executive Council. IAM General Counsel Mark Schneider updated the Executive Council on the Department of Labor in regards to the IAM re-run election.

International President Martinez introduced the Director of Organizing Vinny Addeo and the Director of Information Systems Colleen Morgan to the Executive Council. Director Addeo presented to the Executive Council the Organizing report and Director Morgan presented information on a new software program that would provide an enhanced tracking system for better strategic organizing.

International President Martinez advised the Executive Council that the International Brotherhood of Teamsters (IBT) have reached a solidarity agreement.

International President Martinez updated the Executive Council on the Trump Administration's proposed tariffs on steel and aluminum.

International President Martinez updated the Executive Council on the North American Free Trade Agreement (NAFTA).

International President Martinez advised the Executive Council that information on membership benefits and iMail enrollment cards will be mailed out soon to all members.

International President Martinez updated the Executive Council on the Janus Case and advised that the Director of Strategic Resources is in the process of generating a report on the impact Janus will have on our members. International President Martinez further advised that there will be training on Janus for our members through W3.

International President Martinez updated the Executive Council on IAM branding.

International President Martinez updated the Executive Council on the strike at United Launch Alliance.

International President Martinez advised the Executive Council that West/South completed their negotiations with Lockheed.

GENERAL SECRETARY-TREASURER'S REPORT

General Secretary-Treasurer Dora Cervantes reviewed in detail with the Executive Council the Financial Statements as of March 31, 2018.

After discussion, a motion was made, seconded, and approved to accept the Financial Statements as of March 31, 2018.

General Secretary-Treasurer Cervantes reviewed in detail with the Executive Council the Strike Statement for the period November 1, 2017 – April 30, 2018.

General Secretary-Treasurer Cervantes introduced IAM General Counsel Mark Schneider to review in detail with the Executive Council the Litigation Summary.

ANNUAL FINANCIAL REVIEW MEETING

INDEPENDENT AUDITORS ANNUAL REVIEW

General Secretary-Treasurer Cervantes introduced Mary Margaret Prange from Calibre CPA Group to the IAM Executive Council.

Calibre CPA Group made a presentation to the Executive Council on the audit results of the IAM's Financial Statement for the year ending December 31, 2017.

Calibre CPA Group advised the Executive Council that their audit procedures and scope of audit were consistent with their planned audit strategy and that there were no material weaknesses in internal controls noted during their audit.

IAM CONTROLLER REVIEW

General Secretary-Treasurer Cervantes introduced IAM Controller Linda Fisher to the IAM Executive Council.

IAM Controller Fisher reviewed with the Executive Council the past IAM Budgets from 2013 through 2017, as well as the projected IAM Budget for the year 2018, including the yearly budget projections through the year 2022.

INVESTMENT CONSULTANT – GRAYSTONE CONSULTING

General Secretary-Treasurer Cervantes introduced Executive Director John Granger of Graystone Consulting to the Executive Council.

Graystone Consulting's Executive Director John Granger reviewed with the Executive Council the Grand Lodge performance as of March 31, 2018, on the Organizing Fund, Defense Fund, General Fund and the Healthcare Fund.

Motion – Graystone Investment Policies

Graystone Consulting's Executive Director John Granger thoroughly reviewed with the Executive Council investment policies for the Defense Fund, General Fund and Grand Lodge Pension Plan.

After review, a motion was made, seconded, and approved, to accept the investment policies.

INVESTMENT CONSULTANT – SCOTT WEALTH MANAGEMENT GROUP

General Secretary-Treasurer Cervantes introduced Managing Director Casey Scott of Scott Wealth Management Group to the Executive Council.

Scott Wealth Management Group's Managing Director Casey Scott updated the Executive Council on the status of the transfer of the Organizing Fund and the proposed investment strategy.

Motion – Request for Proposals from Travel Agencies

General Secretary-Treasurer Cervantes led a discussion with the Executive Council on the request for proposals sent to travel agencies.

After discussion, a motion was made, seconded, and approved, to retain Metropolitan Travel Services as the IAM's travel agency for three years.

GST DEPARTMENT

General Vice President Brian Bryant updated the Executive Council on the IAM's leased vehicles and the transition from ARI lease vehicles to EMKAY lease vehicles.

General Vice President Bryant updated the Executive Council on the IAM's insurance policy for lease vehicles.

General Vice President Bryant updated the Executive Council on issues at Local Lodge 2198 and that, effective immediately, the current secretary-treasurer has been suspended.

CANADIAN TERRITORY

General Vice President Stan Pickthall updated the Executive Council on servicing and organizing activities within the Canadian Territory.

General Vice President Pickthall updated the Executive Council on the strategic organizing program in the Canadian Territory.

General Vice President Pickthall advised the Executive Council that the Canadian territory is having a monthly organizing video conference (Bluejeans) and that it is having a great impact.

General Vice President Pickthall advised the Executive Council that the Canadian Organizing Manual called the "Yes Book" was updated and translated into French.

General Vice President Pickthall advised the Executive Council on a group of 2,400 Personal Support Workers and nurses that have merged with Spectrum Patient Transfer to form Spectrum Healthcare. As a result of that transfer, the IAM was able to claim jurisdiction.

General Vice President Pickthall updated the Executive Council on the IBT decertification at Swissport in Montreal and that those who decertified have come to the IAM for representation.

General Vice President Pickthall advised the Executive Council that staff representatives from UFCW and CLC left Unifor to join the IAM.

General Vice President Pickthall updated the Executive Council on plans to distribute remaining funds from Air Canada's 2005 bankruptcy. General Vice President Pickthall further advised that they will soon be moving forward with a final distribution.

General Vice President Pickthall advised the Executive Council on the staff mentorship program in the Canadian Territory that is building Canadian leadership for tomorrow.

General Vice President Pickthall updated the Executive Council on the raid involving the screeners at the Toronto Airport.

General Vice President Pickthall updated the Executive Council on the shortage involving Local Lodge 1681.

General Vice President Pickthall updated the Executive Council on organizing activities at Spectrum Healthcare.

General Vice President Pickthall updated the Executive Council on organizing activities at Swissport in Montreal.

General Vice President Pickthall updated the Executive Council on organizing activities at Aviation Airport Services (AAS) – Wheelchair services.

General Vice President Pickthall updated the Executive Council on organizing activities at Tekalia Aerospace in Montreal.

General Vice President Pickthall updated the Executive Council on organizing activities at The CAT Rental Store in Alberta.

General Vice President Pickthall updated the Executive Council on organizing activities in Vancouver at Innovation Parts, South Fraser Container and Victoria BMW.

General Vice President Pickthall updated the Executive Council on organizing activities at Swissport in Winnipeg.

General Vice President Pickthall updated the Executive Council on organizing activities at LaBerge Transport in Montreal.

General Vice President Pickthall updated the Executive Council on meetings that were held with three Airbus unions in Toulouse, France and advised that the meetings went very well.

General Vice President Pickthall updated the Executive Council on upcoming negotiations with Bombardier and C-Series Consortium.

General Vice President Pickthall updated the Executive Council on the IAM aerospace strategy in Canada and that they held their first meeting in April.

General Vice President Pickthall updated the Executive Council on Unifor's disaffiliation from the Canadian Labour Congress (CLC) and that Unifor is actively raiding Unite-Here.

TRANSPORTATION TERRITORY

General Vice President Sito Pantoja updated the Executive Council on servicing and organizing activities within the Transportation Territory.

General Vice President Pantoja advised the Executive Council that the Transportation Territory is currently in contract negotiations with all IAM represented airline carriers with the exception of United Airlines.

General Vice President Pantoja updated the Executive Council on healthcare plans at US Airways and American Airlines.

General Vice President Pantoja advised the Executive Council that negotiations at American Airlines have come to a stop, but the carrier now wants to proceed with the negotiations.

General Vice President Pantoja advised the Executive Council that negotiations at Southwest Airlines will start soon.

General Vice President Pantoja advised the Executive Council on ExpressJet and that after 7 years of negotiations we have a tentative agreement and it will soon go out to the membership for ratification.

General Vice President Pantoja advised the Executive Council that the IAM, along with three other unions, did not ratify a national agreement in the rails.

General Vice President Pantoja updated the Executive Council on the Article XXI charges that the IAM filed against the Association of Flight Attendants (AFA).

General Vice President Pantoja updated the Executive Council on the Jet Blue "Ramp" Campaign.

General Vice President Pantoja advised the Executive Council that UGE has added about 1,000 new members.

General Vice President Pantoja updated the Executive Council on financial issues concerning Local Lodge 2198.

MIDWEST TERRITORY

General Vice President Philip Gruber updated the Executive Council on servicing and organizing activities within the Midwest Territory.

Motion – Transfer Members of Bell Pole at Local Lodge W33 into Local Lodge 459

General Vice President Gruber led a discussion with the Executive Council on issues at Local Lodge W33.

After discussion, a motion was made, seconded and approved, to transfer Local Lodge W33 members employed at Bell Pole into Local Lodge 459, which is affiliated with District Lodge 77, effective close of business May 31, 2018.

Motion – Transfer Local Lodges Under the Jurisdiction of District Lodge W3 to District Lodge 5, District Lodge 77 and the Eastern Territory

General Vice President Gruber led a discussion with the Executive Council on issues at District Lodge W3.

After discussion, a motion was made, seconded and approved, to transfer Local Lodges currently under the jurisdiction of District Lodge W3 to the following District Lodge, effective close of business May 31, 2018:

- Local Lodges 760, W33, W62 and W384 are to be transferred into District Lodge 5
- Local Lodges 1502 and 1575 are to be transferred into District Lodge 77
- Local Lodge W260 is to be transferred into District Lodge 60 in the Eastern Territory

Motion – Transfer Local Lodges Under the Jurisdiction of District Lodge W3 to District Lodge 10

General Vice President Gruber led a further discussion with the Executive Council on issues at District Lodge W3.

After discussion, a motion was made, seconded and approved, to transfer Local Lodges 621, 655, 1543, 1713, W283 and W303 currently under the jurisdiction of District Lodge W3 to District Lodge 10, effective close of business June 30, 2018.

General Vice President Gruber updated the Executive Council on several plant closings in the Midwest Territory.

General Vice President Gruber updated the Executive Council on a finished \$141 million dollar agreement in Fargo, ND. Members remained united, even though they are in a “Right to Work” state and they were able to keep their pension.

General Vice President Gruber updated the Executive Council on the job fair for the members laid off at Harley Davidson in Kansas City, KS and would like to have Director of Apprenticeship Jim Reid attend to provide assistance with resume writing.

General Vice President Gruber advised the Executive Council that the IKEA campaign at Local Lodge 701 is going very well.

General Vice President Gruber advised the Executive Council on the Rolls Royce campaign in Indianapolis, IN and that they are using the electronic ACard filing.

General Vice President Gruber advised the Executive Council on issues at District Lodge 90.

General Vice President Gruber advised the Executive Council on organizing efforts at District Lodge 9 and Local Lodge 701 and that they are tracking their actions and progress.

TCU/IAM

TCU/IAM National President Robert Scardelletti updated the Executive Council on servicing and organizing activities within TCU.

TCU/IAM National President Scardelletti advised the Executive Council that TCU finished negotiating two of their largest contracts.

TCU/IAM National President Scardelletti advised the Executive Council that Amtrak overwhelmingly ratified their contract with minimal changes to their healthcare plan.

TCU/IAM National President Scardelletti further advised the Executive Council on issues at Amtrak and their CEO Richard Anderson.

TCU/IAM National President Scardelletti updated the Executive Council on the TCU lodge that was placed under Trusteeship.

TCU/IAM National President Scardelletti updated the Executive Council on the upcoming TCU Convention.

SOUTHERN TERRITORY

General Vice President Mark Blondin updated the Executive Council on servicing and organizing activities within the Southern Territory.

General Vice President Blondin advised the Executive Council on a strike at United Launch Alliance, the strike is active at three sites.

General Vice President Blondin further advised the Executive Council that the Southern Territory has a seasoned committee to handle strikes.

General Vice President Blondin advised the Executive Council on the potential layoff at Red River Army Depot in South Carolina. GVP Blondin further advised that Director Reid provided resume training and there will be job fairs in Fayetteville and Nashville.

General Vice President Blondin advised the Executive Council on plant closures in the sugar industry and that it will impact 1,900 families.

General Vice President Blondin advised the Executive Council that they donated money to the Georgia AFL-CIO for the Tennessee Governor's race.

General Vice President Blondin updated the Executive Council on the OEIDRA Program and advised the program identifies every ad that mentions "Machinists".

General Vice President Blondin advised the Executive Council that there was a decertification election that involves 22 workers in Abilene, TX.

EASTERN TERRITORY

General Vice President James Conigliaro updated the Executive Council on servicing and organizing activities within the Eastern Territory.

General Vice President Conigliaro advised the Executive Council that the Eastern Territory staff attended the Organizing Program at W3.

General Vice President Conigliaro advised the Executive Council on a strike in West Virginia that involves 30 members; the company is bringing in workers from Italy on temporary Visa's to replace union workers. One member crossed the picket line.

General Vice Conigliaro advised the Executive Council that Chief of Staff Negron has been speaking to a group from Puerto Rico that would like to join the IAM, which could possibly bring in 460 new members.

General Vice President Conigliaro updated the Executive Council on dividends for Maine Lobstering Union members and that in order to receive dividends, members must be involved or be a member for a year.

General Vice President Conigliaro updated the Executive Council on Harley Davidson.

General Vice President Conigliaro updated the Executive Council on issues at Local Lodge S6.

WESTERN TERRITORY

General Vice President Gary Allen updated the Executive Council on servicing and organizing activities within the Western Territory.

General Vice President Allen advised the Executive Council that they have filed 23 petitions and have had 14 wins this year, with the potential of 700 new members.

General Vice President Allen updated the Executive Council on the possibility of moving El Paso, TX into the Western Territory.

Motion - One-time Donation to LCLAA's 2018 Convention

General Vice President Allen led a discussion with the Executive Council on LCLAA's 2018 Convention.

After discussion, a motion was made, seconded and approved to make a one-time donation in the amount \$15,000.00 to LCLAA's 2018 Convention.

General Vice President Allen advised the Executive Council that the contract at Trax International is up for bid.

Motion - One-time Servicing Donation to Local Lodge SC310

General Vice President Allen led a discussion with the Executive Council on issues at Local Lodge SC310.

After discussion, a motion was made, seconded and approved to make a one-time servicing donation in the amount of \$20,000.00 to Local Lodge SC310.

Motion – Merge Local Lodge 2009 into Local Lodge 519

General Vice President Allen led a discussion with the Executive Council on issues at Local Lodge 2009.

After discussion, a motion was made, seconded, and approved to merge Local Lodge 2009 into Local Lodge 519, effective close of business May 31, 2018.

General Vice President Allen updated the Executive Council on strikes that are in the Western Territory.

General Vice President Allen updated the Executive Council on the National Union of Healthcare Workers (NUHW).

General Vice President Allen advised the Executive Council that Local Lodge 1930 has put together an informational packet in preparation for the "Janus" case.

General Vice President Allen further advised that Local Lodge 1930 had converted 1,300 agency fee payers to full dues paying members.

General Vice President Allen updated the Executive Council on the fundraising for the 2020 Grand Lodge Convention.

RESIDENT GENERAL VICE PRESIDENT

General Vice President Rickey Wallace updated the Executive Council on servicing and organizing activities within the D.C. & Vicinity Territory.

General Vice President Wallace updated the Executive Council on NFFE and advised that NFFE had the best year ever on organizing.

General Vice President Wallace updated the Executive Council on the Organizing Department and that they are working on five IKEA Campaigns. They are also working with Swedish partners on a neutrality agreement.

Motion – Establish IKEA Organizing Budget

General Vice President Wallace led a discussion with the Executive Council on issues at IKEA.

After discussion, a motion was made, seconded and approved, to establish an IKEA organizing budget in the amount of \$175,000.00 for all IKEA locations.

General Vice President Wallace updated the Executive Council on the meeting he had with Swissport.

General Vice President Wallace advised the Executive Council that our new Organizing Director Vinny Addeo has hit the ground running and that they have 14 organizers to help assist all territories.

General Vice President Wallace updated the Executive Council on W3.

General Vice President Wallace advised the Executive Council on the Disaster Relief summary for 2017 and that they paid 900 claims at over \$300,000.00. General Vice President Wallace further advised that District Lodge 141 made a \$250,000.00 donation to the Disaster Relief Fund.

General Vice President Wallace also advised the Executive Council that 32 IAM members have been affected by the volcano that erupted in Hawaii.

General Vice President Wallace updated the Executive Council on the Organizing Department.

General Vice President Wallace reviewed with the Executive Council the presentation for the associate organizing position.

ADJOURNMENT

There being no further business to be brought before the Executive Council the meeting was adjourned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Dora Cervantes", with a long horizontal flourish extending to the right.

Dora Cervantes
GENERAL SECRETARY-TREASURER