

First, I want to thank Brother Donelson for posting this message for me. My name is Steve Zamanakos and yes, I'm a retired national officer. If that disqualifies me from this debate than read no further. I have served our great Union as a steward, chief steward, state treasurer, local vice president and 21 years as an NBA. I retired almost six years ago after deciding that life "on the road" had finally taken its toll on me. I have always appreciated that the membership "had my back" both politically and financially.

For those that may remember me, they will tell you that I really appreciated my time at conventions. I enjoyed being with delegates from all over the country. I attended every national convention from 1980 - 2010 and two things I did from my first convention to my last was to try and learn the truth about issues and to voice my opinions at the mike. I was never shy about challenging the chair, or disagreeing with the administration regardless of who was president. Delegates always told me that they appreciated my ability to get at the truth so that they could cast a knowledgeable vote.

This brings me to why I am posting something for the first time since I retired. I have read the ORP Committee report; Resolution 14; and the comments made by members of the ORP Committee and Constitution Committee and I don't believe the delegates are getting the full story about what is going on here. Let me explain:

The ORP Committee was established by convention mandate. However, please keep in mind that all the members of the committee along with the Constitution Committee are appointed by the President. The question then becomes - "Do we have a legitimate financial crisis on our hands, or is there another agenda at work here?" One thing I learned very quickly is that presidents always have an agenda and it is the delegate's job to sniff it out. People are put on committees for a reason.

One appointment that raised my eyebrows was that of Brother Jonathan Smith, President, New York Metro. I don't know him personally; however I believe there is a conflict of interest here. His Local currently has 14 retired local officers in the ORP. His Local also owes the national union a significant amount of money because they failed over the years to pay the "employer's" share into the plan. Freezing the ORP would benefit his Local financially. Will their debt be forgiven? I don't know what has transpired between our President and Brother Smith, but given the financial circumstances of his Local he shouldn't have been appointed to chair the ORP Committee. This committee is too important to even have the hint of bias. What was the president's motive for choosing Brother Smith from all the Local Presidents across APWU? Why choose the one Local President who has a stake in the outcome of the vote?

I reviewed the ORP Committee report and comments that committee members have made and there are a few things that concern me:

First, why is the committee citing 2000 - 2009 as the benchmark for their conclusions? They were formed after the 2014 convention so they certainly had more recent financial figures at their disposal! Again, what is the motivation here? The reason I mention this is

that I was at the 2010 convention when President Burrus reported that we were in sound financial condition and actually had a surplus of \$10 million! Don't get me wrong; 2000 - 2009 was a rough period for APWU. There were two "crashes" in the stock market in 2000 and 2008. There was the passage of the Pension Reform Act in 2007/08. However, this 10 year period is not representative of the 44 year history of the ORP. Currently, the ORP is funded at 123%! Why are we relying on old data that is not representative of the ORP as a whole? What is the motive? Why did the committee sight a 2008 letter from President Burrus voicing his concerns immediately after the Pension Reform Act had passed? That letter is 8 years old and doesn't take into account that they were "concerns" and that changes were made that resulted in a \$10 million surplus in 2010! What is the motive?

Second, why hasn't the committee named any projects that APWU had to forego or have to abandon in the future because of a budget shortfall? If we truly are in a financial crisis then they should be able to point to some major project that APWU was unable to finance because of the ORP funding. I can't remember a single one between 2000 - 2009 and I haven't heard of any going forward. In fact, if memory serves me correctly I believe we funded the infamous "outside organizing" campaign during this period. That debacle headed at the time by our current President cost APWU about \$10 million and resulted in a few hundred members! Or, how about the current "Boycott Staples" campaign? Again, headed by our current President. I'm told we have spent millions on TV ads and hiring picketers, staff, and Danny Glover to be our spokesperson! Hiring picketers? Allowing Danny Glover to be our spokesperson? President Biller must be shouting from the grave! All this money to battle one company that will be out of business in a few years if not sooner. Also, why this company? It's not like stamps aren't being sold elsewhere. Is the committee saying we want to "gut" the ORP in favor of spending more money on these kinds of adventures? I hope not. However, the delegates don't know because the committee hasn't said what the savings will be used for. It will simply go into the General Fund to be spent as the President sees fit. Will we have more appointees and family members working at APWU headquarters? We don't know. The membership will have no say in this spending other than to voice their displeasure in an election.

Third, the committee talks about the costs to APWU to fund the ORP going forward at \$5.6 million/year for the next 10 years. Is that what the Actuary has said? I don't ever remember the Actuary making projections that far out, but for the sake of this discussion let's say the figure is close. That's a scary number right? Well, not if you consider that APWU collects more than \$56 million/year in dues; OPM payments (for running our own Health Plan); Interest; Dividends; and Rent. All steady streams of income. Those numbers don't include the changes to income as a result of the new Collective Bargaining Agreement! The three raises our members receive will result in more income to APWU; not to mention the conversion of 5,000 PSEs to career dues paying members! Delegates shouldn't be fooled by words such as "core income" or "unsustainable" or "golden parachute" (a business term for a financial package paid to executives for leaving a company early and not a retirement plan) unless the committee explains what these terms really mean. The only thing I trust is the LM reports because if someone lies on those

reports they're going to jail! Again, why hasn't the committee reported why APWU needs more than \$50 million/year (\$56 - \$5.6 million)? Why hasn't the committee told the delegates how much money if any will be saved over the next 10 years by gutting the ORP? Are they saying no money will be deposited into the ORP? What are these alleged savings going to be spent on? \$50 million/year for the next 10 years is a lot of money! Where is it going to be spent? What is the motive?

Fourth, the committee talks about national officer salaries and benefits (including the ORP) being 27% of APWU's budget/year like that's some kind of impossible number that has to be changed. I have to laugh, because one member of the committee is from my region and she is a full time officer with less than 300 members! I guarantee that her salary and benefits equal more than 27% of the Local's yearly budget! In fact, how many Locals can stand up at the convention and truthfully say that officer(s) salaries and benefits are less than 27% of their yearly budget? Who's kidding who? This is a "red herring" thrown out by the committee to somehow scare delegates into voting for Resolution 14. One final point on this issue. I can't tell you the number of times I wanted to vomit whenever USPS cried during contract negotiations that employee salary and benefits equaled 70% of USPS yearly budget. 70%, not 27% Brothers & Sisters! It's a red herring! USPS is a service. Our members provide an amazing product to the American people day in and day out. Of course salary and benefits are 70% of budget. The same holds true for our national officers. They provide a service to our members primarily of negotiating and enforcing a Collective Bargaining Agreement. 27% of the yearly budget is a bargain for what these fine women and men provide to our membership. Committee members and others keep trying to compare our national officers to the members and that simply isn't a fair comparison. With all due respect to our members and the work they perform; there is no comparison to what a national officer does for a living. Our members go to work and provide a great service to the American public and go home. They are compensated for working overtime; at night; on Sundays; and on holidays. Some of our members are making six figure salaries all because there were those at the national level who gave this up in order to insure the membership's economic well being. When I began my postal career in 1973 I made less than \$8,000/year. When I left, my postal salary was \$50,000/year. That was due to the tireless work of national officers. When I was Vice President of my Local I conducted new employee orientation for 6 years. I always opened my remarks asking the question: "By a show of hands, who is here because they always wanted to be a postal employee since they were a young child?" You know, not one person ever raised their hand in 6 years. I then went on to say that they were here for the wages, benefits and job security. All of which came about because of APWU. For the purposes of this discussion I could just have easily said "the work of national officers".

In the 1970s delegates such as yourself went to a National Convention and voted to provide national officers with a retirement plan over and above the one provided by USPS. These Sisters & Brothers recognized that as the highest ranking body in the APWU they were the employer. They had no desire to shrug off their responsibility to the USPS retirement system like WalMart does with their employees. Allowing tax payers to pay for their employees' financial needs. In the early 1980s at the Miami convention the delegates

completely revamped the officer structure and voted for pay raises for all national officers. As a new delegate, I wanted to know how the APWU benefit package came into being and asked a delegate from my region that was at that convention. He explained to me that the delegates biggest concern was being able to attract and keep the best officers they could find. He said the delegates wanted to have the best of both worlds. A pay and benefits package that would attract and keep the very best on board and an election that would give the members the chance to change officers if needed. My last year in office my counterpart in management made about \$30,000/year more than I did not counting bonuses. National officers get all forms of proposals from management; the private sector; and even the AFL-CIO. We even lost a Secretary/Treasurer to the AFL-CIO in part because they offered a better financial package. National officers have families to provide for just like everyone else. They have doctor bills to pay and college funds to save for. When you're on the convention floor take a look around you. How many new faces do you see? Much of that turnover of local officers has to do with the fact that spouses and family members pressured those no longer there to stop putting in the long hours and being away from home because there was not enough and in some cases no financial compensation for the work that was being performed. Do you want the same at the national level? Do you want to chance losing a president to the private sector or the AFL-CIO because all APWU offers is a 401K? It's your future and the future of your membership you are representing. Don't vote for something simply because a committee or even a president recommends it. Vote based on whether or not there is a real problem and whether or not the proposed solution hurts or helps the membership going forward.

For those that took the time to read this lengthy post I thank you for your patience. I wish you a prosperous and productive convention and a safe trip home.

Steve Zamanakos