

MINUTES
NATIONAL POSTAL MAIL HANDLERS UNION
LOCAL 308'S EXECUTIVE BOARD MEETING
March 30, 2009

The Executive board meeting was held at the Local 308 Headquarters in Philadelphia, PA.

Executive Board members present:

John Macey	Local President
Tony Branco	Local Treasurer
John Gibson	Local Vice President
Ed Tucker	Recording Secretary
Robert Singleton	PA State Executive Board Member
Steve Bahrle	NJ State Executive Board Member
Quentin Seth	DE State Executive Board Member

After Pledge of Allegiance, Local President Macey suggested that Brother Tucker read the minutes from the previous executive meeting for official acceptance by the board. Upon conclusion of the reading and discussion and adjustments the minutes for the December 1, 2008 executive board meeting were accepted by the board as official.

Then President Macey introduced our newest Executive Board Member Robert Singleton who recently was sworn in telephonically by National President John Hegarty as the PA State Representative. President Macey then acknowledged Vice President John Gibson who was re-elected as Branch President of the Philadelphia BMC. He was also sworn in telephonically by President Hegarty. President Macey then announced our National President would be visiting our local April 7, April 8, and April 9, 2009 starting with Delaware, then Swedesboro, then Harrisburg. On April 8, the Local 308 Presidential tour would go to GPO, BMC, and then SJ. Then on Thursday morning he would conclude his visit at Trenton. President Macey indicated he would send letters to the Plant Managers advising them of our intentions of our National President's tour by tomorrow.

The next phase of the meeting consisted of having our accounting firm on teleconference with the Board to discuss the LM2 report. Tyler Geiman, and Carrie Antosz updated the executive board on the LM2 status. Mr. Geiman reported that the report was finished with the exception of the officers who had resigned during the previous term. Frank Scott and Ken Yellets had resigned and the accounting firm needs more information concerning this. The board provided the accounting firm with requested information. Tyler indicated the financials indicate our net worth at the end of the year is a negative number \$820,000. The two most significant pieces of that are the payroll tax liability because some of the time the former administration was not paying all taxes to the IRS. The other item is the tax on the associate member dues approximately \$50,000 for 2008. The former accounting firm came up with a number of \$275,000 for the period 2004-2008. He also discussed item 69 which is a section on the LM2 report that allows for an explanation of the first three months where some expenditures were being questioned.

Records were not complete and investigation continues. President Macey then requested from the accounting firm a list of priorities for the board to address. Mr. Geiman indicated that basically he just mentioned the priorities and stated we do not want to delay because penalties and interest continue to accrue. He then stated he would work up a return and try to work out a payment plan with the IRS. Brother Gibson questioned the accounting firm about the amount of penalties and interest. Mr. Geiman said it would be a big number possibly approaching 6 figures. He also said that he recommended he get a power-of-attorney to deal with the IRS involving payroll and taxes that were not deducted. As far as order of priorities he indicated the LM2 by tomorrow, then the 990T, and 990. He indicated the audit would be done for the period from March of 2008 until the end of the year. An audit would include a financial statement audit, which includes a balance sheet, and income statement. The audit makes sure that looking at the two statements the numbers are reasonably stated.

The accounting firm recommended keeping reimbursed expenses separate from salary. In other words recording two checks in Quick Books would be better instead combining the two on the same paycheck. This is time consuming and confusing trying to differentiate the two when they did not add up correctly causing potential problems down the road. However, he did remind the board this is considered a low priority in the grand scheme of things and this would be a decision for the board to make.

President Macey questioned the accounting firm if we could earmark revenue checks for making some of these payments to the IRS and LIUNA directly from National. The accounting firm did not recommend doing this even though it is the board's choice with the reason being something may come up where the funds may be needed for another emergency

He also discussed LIUNA pension numbers were calculated by St. Clair Bond Beebe had difficulty trying to figure out how they came up with these figures. At the beginning of the year it was \$36,000 and then at the end of the year it was \$137,107. The next line is pre-payroll taxes liability and it was \$124,069-and now we are at \$227,378. Comparing its payroll liabilities to last year when it was \$194,000. That has been reduced down to \$15,000 of accruable payroll at the end of the year. The big numbers are the 990T tax liabilities at the beginning of the year \$275,000 and \$342,000 at the end of the year. The grand total liabilities equaled - \$630,000 at the end of 2007 to \$750,000 in 2008.

President Macey then turned the meeting over to the Treasurer, Tony Branco. Brother Gibson questioned the treasurer about the reconciliation for the issues with the finances from last year specifically July, August, and September. Brother Gibson reminded us that we are required to review quarterly what the income and disbursement are not what they almost are. An accurate report is required. Treasurer Branco indicated he was working on that and that due to the manual inputting of information and the new system the discrepancy still exists. He suggested that many reports should be available from Quick Books. The board continued to discuss the financial report noting that Nicole Blake, a Kelly Services accounting temp. could bring up some reports that the Executive board may want to see. Brother Gibson related he wanted a written detailed financial

report of the monies received and disbursed since his or her last report. He further noted that everybody in this room should want the same. Treasurer Branco also discussed phone expenses and payroll. Furthermore it was noted that the local had paid off \$128,000 debt owed to National that we had started out with.

The following motions were made and approved or disapproved during the meeting:

1. Motion: Vice President Gibson made a motion to post previous Board and Council meeting minutes on the web site. Motion was seconded by Quentin Seth.

Motion passed unanimously

It was further discussed that the E-Board should receive minutes for the executive board meeting within 14 days of the meeting for review and then sent to Branch Presidents within 21 days of the meeting and then put them on the website within 28 days.

2. Motion: Vice President Gibson made a motion that we accept minutes read with necessary changes. Motion was seconded by PA State Rep. Robert Singleton.

Motion passed unanimously

3. Motion: Vice President Gibson made a motion to go over grammatical changes to by-laws from previous council meeting. Motion was seconded by President Macey.

Motion passed unanimously

4. Motion: President Macey made a motion to accept grammatical and by-law changes. Motion was seconded by Brother Seth.

Motion passed unanimously

5. Motion: President Macey made a motion to allow funds to provide Article 12 training for up to 2 people per facility scheduled for April 30, 2009. Motion was seconded by Brother Seth.

Motion passed unanimously

6. Motion: President Macey made a motion to finance Newsletter for one year and then evaluate whether to continue with initiative.

Brother Gibson seconded motion.

Motion passed unanimously

7. **Motion:** President Macey made a motion to accept financial report as read.
Brother Seth seconded motion.

Motion passed by a 6 to 1 margin

John Macey- Yes
Tony Branco-Yes
John Gibson - No
Ed Tucker - Yes
Robert Singleton -Yes
Steve Bahrle- Yes
Quentin Seth - Yes

8. **Motion:** President Macey made a motion to have next Executive Board Meeting Tuesday, June 30, 2009.

Motion passed unanimously

9. **Motion:** Treasurer Branco made a motion to provide a \$750. bonus to office manager in recognition of taking on additional responsibilities. Motion was seconded by Brother Gibson.

Motion passed unanimously

Other topics of discussion included retiree watches and the need to consult with National about discounts on watches or shop for another vendor. Therefore, issue was tabled until next meeting. President Macey indicated he desired that all offices in our local be compatible with our network. Brother Tucker commented that some of his scanning equipment is not compatible with applications for sending documents electronically to one another. With this in mind the board insisted that equipment be purchased to ensure we are able to send scanned documents electronically to one another. The Board had open discussion concerning the newsletter that would be initially mail out to all union members. Discussion included cost cutting measures that could be taken in this endeavor. The ultimate goal for this newsletter is to have open communication with the members.

The next phase of the meeting included the board addressing the charges from William Finley against Tony Branco. After considerable discussion the board decided the charges did not rise to the level of a violation of the National and Local Constitution. A letter

will be sent to the charging party of our decision. He will be able to appeal this decision within 15 days upon receipt of letter to the President per Local constitution.

The meeting concluded with a motion by Brother Seth and seconded by Brother Singleton to adjourn the meeting. The Board agreed to schedule the next meeting for June 30, 2009 at Local headquarters.

Respectfully submitted,



Ed Tucker
Recording Secretary
NPMHU/ Local 308