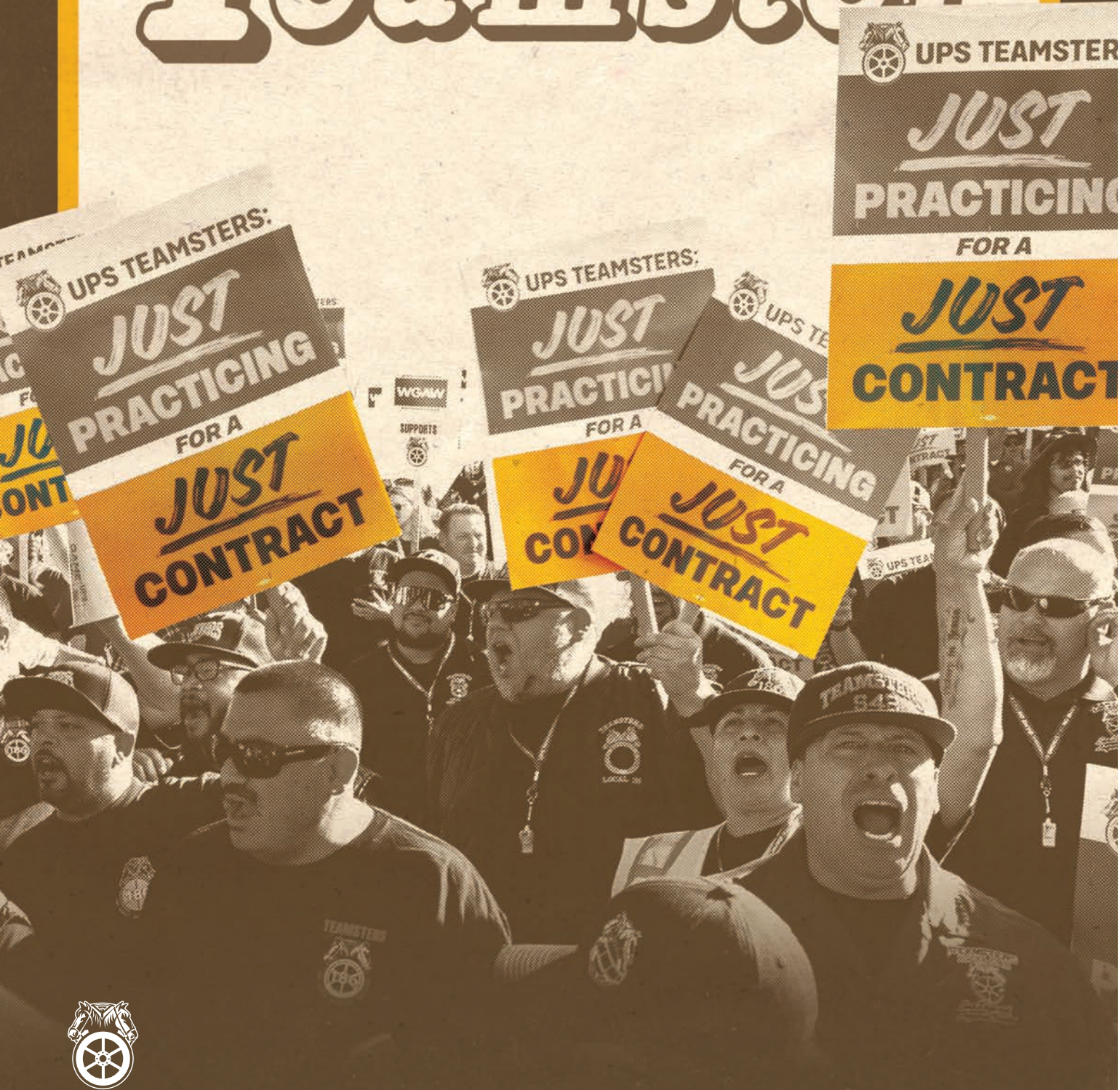


THE TEAMSTER MAGAZINE • FALL 2023

Teamster





Stand with AMAZON TEAMSTERS

Amazon workers need your support to protect their union and win good jobs. Drivers and dispatchers in California joined the Teamsters in April and negotiated a first-of-its-kind contract at Amazon. These workers are demanding their rights and the respect they deserve.

We are standing with our new Teamster siblings. We all need to pitch in now to make sure they can support their families as they take on Amazon.



DONATE
<http://ibt.io/ADSolidarityFund>

SEAN M. O'BRIEN

General President



America's rank-and-file workers have taken centerstage recently winning strong contracts, striking unfair employers and organizing in a multitude of industries, putting Corporate America on notice that the era of go-along-to-get-along is over. And the Teamsters are leading the way as the American labor movement experiences this unprecedented resurgence.

Our historic victory at UPS was made possible because of member involvement during an aggressive campaign. Our collective coordination revealed the power of Teamster militancy not seen in generations. The campaign included rank-and-file Teamsters every step of the way who demanded the best contract in the history of UPS. It was not only a win for the Teamsters, but for all working people.

But there is so much left for all of us to do. Organizing in our core industries

and at Amazon are top priorities. Fighting for the needs of working people in the halls of Congress, reforming unfair labor laws, and continuing to strengthen our organization for future Teamsters are paramount demands before us. And first and foremost, we must defend and enforce all of our Teamster contracts, holding employers fully accountable. These goals are achievable when we stay vigilant and work together.

Militancy and solidarity can't just be words. They must be actions we take to make our union the best it can be. Let's continue to build a stronger, more powerful union so we can achieve all our goals and objectives for the future.

Teamsters General President

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IN CONVERSATION

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RAISING the BAR

5,000 rank-and-file Teamsters at Anheuser-Busch are currently negotiating with the world's largest beermaker. Workers are seeking wages that keep up with inflation, elimination of two-tiered health benefits and other improvements.

Whether it's UPS or Anheuser-Busch, **the Teamsters are fighting for their share in the success of these companies.** Stand in solidarity with Anheuser-Busch Teamsters, show your support and stay tuned for updates on negotiations.

IT'S TIME *for* ANHEUSER-BUSCH to PICK UP THE TAB!

TAKING ON TForce

Teamster achievements are measured not just in victories won, but in tangible benefits gained for members. With the most recent TForce contract, the union has showcased its commitment to member welfare through an impressive array of accomplishments: groundbreaking new benefits, an overwhelming ratification vote, and a significant organizing victory. These triumphs underscore the Teamsters' un-

wavering dedication to members and the need to empower more workers nationwide.

"Teamsters at TForce have set a powerful example for how to take on the employer and win a strong agreement," said Sean M. O'Brien, Teamsters General President and Chair of the Teamsters National Freight Industry Negotiating Committee (TNFINC). "Over the next five years, TForce workers will continue to establish

better standards for freight under this contract, including the most lucrative economic package in the industry and vital protections for technology, pension, health care, and safety."

A Bottom-Up Approach

The TForce National Master Agreement covers roughly 8,000 workers at 126 local unions across the country and is one of the most critical national contracts the Teamsters bargain every five years. For this reason, it was important for rank-and-file members to serve on the national negotiating committee for the first time in Teamster history.

"One thing that I learned from this experience is that it's not as easy as you think," said Dee Patel, a Local 773 driver who served on the committee. "A lot of members out there don't realize the work and the time that's involved in this. And it's not as easy as just saying, 'This is what we want and you're going to give it to us.' It doesn't work like that.

There's a lot of back and forth. But our team did an awesome job, and I'm very proud of the people that I worked with."

"I think it's important to have rank-and-file members on bargaining committees because it increases transparency," said Rob Smiley, a dock worker from the same barn as Patel who also served on the committee. "I think it helped in a lot of situations when the company made comments, and then when we would go into caucus the union officers could ask us rank-and-file committee members 'Hey, is this actually what's going on?' We would tell them, 'Yes it is,' or 'No, that's not the way it actually happens on the job.' I think it gave the union the credibility it needed to go back to the members and be able to say 'Look, the company is trying to pull the wool over our eyes, but here's what's actually happening.'"

"Months of hard work and commitment paid off, resulting in a comprehensive agreement that addressed our members' top priorities and delivered substantial economic gains and non-economic enhancements to benefit every Teamster at TForce," said Kris Taylor, Teamsters TNFINC Co-Chair. "I applaud the entire negotiating team, especially our seven dedicated rank-and-file members who were on the committee."

Hard Work Pays Off

The member-driven approach to bargaining with TForce paid off in a big way. The national contract

was ratified by a margin of victory greater than 80 percent, and for good reason.

Workers received historic wage increases, and much like the UPS National Master Agreement, a two-tiered system was eliminated. It also includes additional paid holidays, health care and pension contributions. Three notable and groundbreaking improvements include a massive reduction in subcontracting, protection against discipline from driver-facing cameras in trucks, and guarantees that workers won't lose their jobs to automation.

"The subcontracting language is huge," Patel said. "For as long as I've been with this company, subcontracting has been a major problem. We've been fighting subcontracting since Day One of negotiations, and I think we finally hit the nail on the head. Now, with the percentages in place with the daily guarantee, the company can't lay off any or every road driver it wants to. I think now we're taking the right steps forward. It's important because there were times when our guys were sitting at home, and these subcontractors were out here running around making money. We could've been doing that work, and now we are."

The Final Barn

In a final triumphant development, workers at TForce Freight in Savannah, Georgia, unanimously voted to join Local 728 in Atlanta. This achievement brought the last remaining group of unorganized drivers at the company into

“Months of hard work and commitment paid off, resulting in a comprehensive agreement that addressed our members' top priorities and delivered substantial economic gains and non-economic enhancements to benefit every Teamster at TForce.”

—Kris Taylor

Teamsters TNFINC Co-Chair

the Teamsters, and it underscores the strength of the newly negotiated master agreement.

"For us, it's always what's best for each and every individual. We came together to become Teamsters because we knew that's what was best for all of us," said Tyrone Williams, an 18-year city driver with the company who helped lead the organizing effort. "It was easy to put the information in front of everyone and conclude that this was the direction we needed to go. It's an awesome contract that we wanted to be covered by."

The success in Savannah is a testament to the power of unity and the dedication of rank-and-file Teamsters to improve the lives of their fellow workers. With these recent accomplishments, the Teamsters Union continues to pave the way for a brighter future for TForce members and workers across the nation.



ABF: ALWAYS BE FIGHTING!

Teamsters Continue Winning Streak with Latest ABF Contract

When the Teamsters began negotiations at UPS last year, one thing was made clear from the get-go — if the workers didn't have a deal by the contract's expiration date, they were going to strike. On a sunny day in Chicago last May, Teamsters National Freight Director John A. Murphy was drawing the exact same line in the sand in front of a roaring crowd of workers employed by Arkansas' Best Freight (ABF).

"Freight Teamsters are standing strong at the table. Our members have been instrumental in negotiations," Murphy said. "The contract at ABF will set a new tone. We will not rest until we get the contract you deserve. And if we don't have a ratified contract by June 30, we will be on the streets."

Rank-and-File Focus

ABF turned 100 this year, and it's one of the longest-running national master agreements that the Teamsters have with any employer. The agreement covers 8,600 members across 137 local unions, making it a critical bell weather for the entire logistics

industry. In other words, ABF is a legacy employer — but that doesn't mean that the Teamsters implemented a legacy strategy.

The union had a long wish list, and to get it done, they had to activate a level of member engagement at ABF that hadn't been seen in decades. Events like the one Murphy hosted in



Chicago were commonplace. Union leaders called on workers to attend meetings, be ready for on-the-job actions, and participate in the process in any and every way. The goal was to mobilize them into militancy; Teamsters International Vice President At-Large and Assistant Freight Division Director Tony Jones made this abundantly clear when he was meeting with members at Local 957 in Dayton.

"The negotiating team is going to fight hard at the table," Jones said. "We're going to put rank-and-filers first throughout this campaign, and together we are going to raise standards at ABF."

Mobilizing Members

A bottom-up approach requires a bottom-up bargaining team, which is exactly why the rank-and-filers on the ABF national negotiating committee were indispensable to the success of the campaign. Wendell Green, a member of Teamsters Local 651 in Lexington, Kentucky, was one of those people, and he called on his co-workers to join him in getting

involved for a better contract.

"We are in this together. The committee is working around the clock to get our ABF brothers and sisters what we deserve," Green said. "We just need to get what belongs to us. To all my fellow members across the country — we need to stick together, support our union, and stand united as one unit. As one unit, we can succeed in what we're trying to do."



The barnstorming tour and dedication to member engagement paid off. ABF Teamsters got most of what they wanted.

Setting the Tone

"This national agreement will serve as the model for the rest of the freight industry," said Sean M. O'Brien, Teamsters General President. "It will set the tone for national freight contracts moving forward. The gains made at the table will be long-lasting and far-reaching."

A critical piece of the ABF national contract was major wage increases. The workers received a raise in the first year of the contract — \$3.50 — that was greater than those of the entire previous contract. The contract also included MLK, Jr. Day as a paid holiday, two additional paid sick days, and more money for health care and pension benefits.

With an eye towards the future, ABF Teamsters also made sure that the new agreement included language that has since become standard for

enhancing the job security of the membership. It prohibits the use of invasive technology, such as inward-facing cab cameras, audio recorders, body sensors, and biometric technology in vehicles operated by bargaining unit employees. It also ensures protections against the use of autonomous vehicles or freight transportation without operators, safeguarding job security.

Education and Training

"We have paved the way for a brighter future for every Teamster at ABF," Murphy said. "I want to thank the negotiating team for their hard work, especially our rank-and-file members who were able to join the committee for the first time. Their participation and input were invaluable."

Having ratified one of the best national agreements in decades at ABF, Teamsters now begin their next goal: enforcement. The Freight Division is working closely with local unions on educating and training members on how they can hold ABF

"The contract at ABF will set the tone for the entire freight industry."

*—John A. Murphy
Teamsters National
Freight Director and
TNFINC Co-Chair*

accountable for following the rules set forth in the agreement down to the last letter.

"With any company, you need to force them to follow the collective bargaining agreement, because if you give an inch, the employer will take a mile," Murphy said. "That's why we plan on holding their feet to the fire on every little detail. If we don't enforce this agreement, it's just a piece of paper. Our members at ABF work way too hard for that to happen."

HOW WE CHANGED THE GAME



GENERAL PRESIDENT SEAN M. O'BRIEN reflects on more than a year of **ORGANIZING, STRATEGIZING, AND FIGHTING** to win a **MONUMENTAL CONTRACT** in lockstep with **340,000 UPS TEAMSTERS**

We moved out to Virginia. After spending nearly seven weeks alongside our national negotiating committee, bargaining for a new agreement across the table from UPS executives in the heart of Washington, DC, contract talks jumped to the other side of the Potomac in McLean.

It was the middle of June and just our third day in Virginia. We knew we'd return to DC in short order, but we weren't in a rush to get back. Because something truly historic was kicking off. The Teamsters managed to move UPS up a mountain and forcefully tip the logistics giant over the

other side with a show of solidarity the company never expected. The Teamsters got air conditioning.

Did we get it in every package car? No. Did we get UPS to agree to retrofit every existing vehicle with air conditioning? No. But we accomplished two things — and, honestly, a whole lot more — that made the union certain we were going to win big in the long-term for our members against this colossal corporation.

In securing air conditioning, we proved that getting UPS to do something it historically never wanted to do was within our

power. For generations — and especially in recent years as dialogue around climate change increased and more rank-and-file Teamsters faced the deadly risks of a hotter world — UPS routinely told the public and the union it was cost-prohibitive to install air conditioning. After all, these executives believed sporadic water bottles and management-driven meetings about paying attention to your personal health were sufficient.

But proving UPS wrong and forcing the company in writing to equip vehicles with air conditioning wasn't the only achievement on that warm June afternoon in east Virginia. The Teamsters convinced UPS to install air conditioning in all new package cars purchased after January 1, 2024 — and to retrofit all vehicles bought after 2013 with two fans, protective heat exhaust shields, and ventilation ducts in the often-sweltering cargo compartments our members navigate every day. Knowing we would eventually secure a powerful five-year contract, getting this language down in ink and forcing UPS to spend the money to protect our members meant something much bigger than air conditioning units themselves.

It meant that Teamsters at



UPS were building a bridge to the future. It meant that by taking this step in a legally binding contract with the union, UPS would have to embark down a long road to eventually replace every single one of its vehicles with the necessary equipment to safeguard Teamsters from the unforgiving heat. And it meant the past is not prologue. It doesn't matter what greedy corporations have told us during previous negotiations. If we are united, and we refuse to give in or give up, we can draw

the blueprint for better contracts from here on out.

A Year in the Making

General Secretary-Treasurer Fred Zuckerman and I knew, upon taking office on March 22, 2022, that there was no bigger or more immediate priority than establishing a game plan to take on UPS. After all, the Teamsters represent 1.3 million hardworking people across North America — but with 340,000 members at United Parcel Service, the might and momentum of UPS

Teamsters must be the guiding light for our success as this continent's strongest labor union.

Sunday, July 31, 2022, marked the 25th anniversary of the consequential 1997 UPS Teamsters strike. It also signaled the one-year mark from the UPS contract we were all destined to renegotiate. So, what better time to get the ball rolling than Monday, August 1 — to come out in full force against the suits at UPS and prove to them that the Teamsters had new energy, a



roaring fire in our gut, and a clear-headed determination to leave it all on the field to win big.

I tell anyone who's willing to give me the time of day — a politician, an employer, or a die-hard Teamster member — that fighting for working people is a full-contact sport. In the Teamsters of 2022 and beyond, you'd better have your helmet with you and stay ready to buckle your chin-strap. When the UPS Teamsters contract campaign kicked off on August 1 of last year, Fred and I knew it was necessary to attack

UPS from all sides. We'd be ready to talk to the media, we'd launch a refreshed UPS Teamsters app, we'd get aggressive dialogue going for a new national agreement all across social media.

But more importantly than any of those singular factors, we needed to be physically engaged with rank-and-file UPS Teamsters coast-to-coast. From the get-go, every single UPS Teamster knew we needed to dedicate ourselves for the next full year to waging a campaign to claw back the concessions of earlier genera-

tions and send an unmistakable message to the corporate elite that we weren't going to back down. We were in this for the long-haul. If UPS didn't realize it off-the-bat, we would prove our resolve every hour of every day for the next 52 weeks.

Rallying Around the Clock

Unfortunately, as General President, I have not yet had the privilege to shake hands and speak with every single rank-and-file UPS Teamster. This is a personal goal I hope to accomplish one day. But as our campaign got underway at the end of last summer, Fred and I committed ourselves to spend several days every week walking the belts and meeting with our UPS members in barns nationwide. State after state. Week after week. The interaction did not stop. It was not only critical for our team at the International and from our 176 local unions representing UPSers to get real facetime with members — it was so important for UPS management to see with its own eyes that the Teamsters were rallying, the Teamsters were talking, and the Teamsters were strategizing to get the contract we've earned.

There is no substitute for the day-to-day logistics that local unions coordinated and engaged in to build solidarity across the union for the length of the campaign. Teamster business agents, shop stewards, principal officers, volunteer organizers, part-time warehouse workers, and full-time package car and feeder drivers — everyone making up the army of

the UPS Teamsters stepped up and played their part to pull off this contract campaign.

As rallies and parking lot meetings with members continued through the end of 2022, and supplemental negotiations got going in early 2023, more than 1,000 UPS Teamster stewards were taking extra time on their days off to participate in webinars and workshops to continue to drive the campaign forward. Members were sharing infor-

tions for supplements, riders, and addenda continuing from January to April, UPS Teamsters were gaining more steam day-by-day to back the company into a corner it never expected to occupy.

Rewriting Old Rules

Senior UPS Teamsters know the reality all too well. For contract cycle-after-contract cycle, the Teamsters previously negotiated the UPS National Master Agreement ahead of 44 supplements

“Holding **UPS'S FEET TO THE FIRE FOR 12 MONTHS** or more is a **SUPERHUMAN EFFORT**, and it doesn't happen by accident. It is **MANUFACTURED, IT IS BUILT, BRICK BY BRICK**, with **RANK-AND-FILE ACTIONS** and spread out across the **TEAMSTERS PACKAGE DIVISION'S NATIONAL NETWORK OF ORGANIZERS.**”

—SEAN M. O'BRIEN, TEAMSTERS GENERAL PRESIDENT

mation about campaign misinformation from management, activists were drawing up leaflets to wrangle members together for early morning chats in the lots, and the rank-and-file were completing polls and surveys on their phones and in their barns to stay engaged with the International Union.

Holding UPS's feet to the fire for 12 months or more is a superhuman effort, and it doesn't happen by accident. It is manufactured, it is built, brick by brick, with rank-and-file actions and spread out across the Teamsters Package Division's national network of organizers. With negotia-

to that national contract. While it placed visual priority on the global agreement, this old play-book inevitably allowed negotiations for riders and other regional contracts to stretch on for months after any prior national agreement was settled. It left scores of UPS Teamsters in limbo, and oftentimes members were waiting up to a full year to receive retro checks.

Fred and I knew early on that 2023 had to be different. We told UPS from the beginning that under no circumstances would we negotiate the national contract first. It was a strategy that UPS didn't expect, and one that





the corporation later lamented when, in mid-April, we instructed UPS to do everything in its power to finalize any outstanding supplements before national talks could meaningfully get underway.

By the time the summer kicked into high gear, all supplements were agreed to, and UPS knew the Teamsters' sole focus rested on the national agreement. Singular contracts in Chicago were also in the best position that they'd ever previously been to be finalized in full before the expiration of the national master. For the first time in generations, UPS was staring down the barrel of an uncomfortable reality — with supplements, riders, and addenda wrapped up, there was nothing outstanding that could prevent 340,000 members from collectively withholding their labor if the company failed to agree to an historic contract by July 31, 2023.

For UPS, for their CEO, and all those suits in their corporate boardrooms, the clock was ticking.

Giving It All

Roughly two weeks after the Teamsters secured groundbreaking air conditioning and heat protection contract language, the union broke the news of another historic feat rarely achieved in labor negotiations. The Teamsters had demolished 22.4s, brokered language to reclassify all delivery members as regular package car drivers, and put a permanent end to an unfair two-tier wage system.

The euphoria of this exciting development was to be short-lived as, just several days later, UPS came to the Teamsters on July 5 and told the union it had "nothing more to give." At that time, the company wasn't all that interested in equitably compensating part-time members, executives had no appetite for rewarding our members with longevity bonuses, and they couldn't find it in themselves to give more in hourly wages to workers than what they wanted to funnel to corporate shareholders.



If the Teamsters' vast network of local unions, if the business agents, if the fired-up rank-and-file are to be commended for their organization and sacrifice at the onset of our national contract campaign, then our selfless and heroic members deserve unending praise for their ability to mobilize in the wake of UPS's actions on July 5.

Following the company's greed fueled inaction, UPS Teamsters assembled practice picket lines in every single state in the union practically overnight, including Alaska, Hawaii, and Puerto Rico. UPS Teamsters talked to their friends, neighbors, and local business owners; Fred and I appealed directly to the public and left Washington, DC, to again walk the belts with our members to mobilize even more engagement. If UPS thought for a moment that the Teamsters were going to walk away from the fight to nurse any residual bruises, the corporation quickly found out that it was unmatched and unprepared for the solidarity of America's strongest union.

With practice pickets rolling around the clock throughout July, UPS scuttled back to the bargaining table a little more than two weeks after its declaration of having nothing left to give. And on Tuesday, July 25, with UPS against the wall, the Teamsters emerged victorious with news of an unbeatable and unbreakable tentative agreement that secured more for our members than any single contract in the union's 120-year history.



More than 60 non-economic improvements and protections in the new contract. Historic wage increases for all members across the board — full-time and part-time alike. Monumental achievements pulled off by an unshakable union that chose to do things differently, that vowed to remain united, that organized such a thunderous strike threat to put more money in members' pockets without a single rank-and-filer having to walk a picket line for one day.

UPS Teamsters, stretching far across the United States, have drawn the blueprint. Have we secured every dime that we know we've earned? No. Have we completely stopped UPS from trying to devise dirty tricks to exploit our members in the future? No. Do we have air conditioning in every single vehicle starting now? No. Not yet. But each one of us in this great union has done something significant and historic together. We shook one of the world's big-

gest corporations and brought it to its knees to reward workers in ways that it had never been forced to before. We made enormous gains for the future financial security of our families. And we reminded all of Corporate America that, in fact, it does not want to face the Teamsters out in the streets.

We built a bridge — a mighty one — and we did it in lockstep with one another. There are gains in this new five-year contract that we must all remain proud of for a lifetime. And when those new package cars do roll off the line and into our barns, we must let the cool breeze coming from those vents remind us that nothing worth fighting for is ever easy. We must acknowledge the battle, honor the sacrifice, and remember how good it feels.

BUILDING WORKER POWER AT AMAZON

Ready *for* prime time



A picket line of Teamsters walked across the parking lot entrance of DAX8, an Amazon delivery station that sits along the edge of the San Gabriel Mountains in Southern California. Loud chants and bullhorns pierced the desert air, sounding off the first strike by Amazon delivery drivers in the U.S. on June 24, 2023.

"This is a fight for all of us," said Jarrid Long, an Amazon delivery driver on strike at the Palmdale, Calif., delivery station. Long, who has worked as an Amazon driver since 2020, said he and his co-workers decided it was time to take a stand against dangerous working conditions and low pay. "Jeff Bezos can go to space when he wants to. I can't even afford to go to a decent restaurant with my children."

The first-ever unfair labor practice (ULP) strike by Amazon delivery drivers follows an historic organizing victory in which Long and his co-workers successfully formed their union with Teamsters Local 396 in Los Angeles.

The 84 workers bargained a first-of-its-kind contract with Amazon's Delivery Service Partner (DSP), Battle-Tested Strategies (BTS). Despite the absolute control it wields over BTS and workers' terms and conditions of employment, Amazon has refused to recognize and honor the

union contract. Instead, Amazon has violated labor law.

Amazon's unfair labor practices compelled the workers to strike, and they have extended their picket line to more than 20 Amazon facilities all over the country.

"Teamsters stand up to bullies and these workers are standing up to one of the biggest corporate bullies on the planet," said General President Sean M. O'Brien. "But the fight out of Palmdale is just the beginning. Amazon better pay attention because there's more to come."

"Since this strike started, these Amazon workers have remained united," said Victor Mineros, Secretary-Treasurer of Local 396. "Despite Amazon's illegal refusal to recognize their union or engage in bargaining, millions of Teamster members stand shoulder-to-shoulder with our brothers and sisters at Amazon."

Amazon drivers in Palmdale organized with the Teamsters to protect their safety in extreme temperatures, which regularly exceed 100 degrees during Palmdale summers. Their Teamster contract guarantees the rights of workers to drive safe equipment and refuse unsafe deliveries. But making the contract's protections a reality will

require an overhaul of Amazon's exploitative labor practices.

A Shipping Shell Game

One afternoon, Long found himself en route to a dangerous delivery. His Rabbit app — Amazon's GPS tool for DSP drivers — directed him to a long narrow road that hugged the slope of a mountain toward the remote residence of a customer. From his larger step van, he spotted signs restricting large vehicles like his. He called his dispatcher, who told him to keep going and try not to get stuck.

He drove slowly, nervously watching the outer edge of the road inch closer to his left tires and the roughly 100-foot drop on the other side. The underbody of the truck scraped the jagged road surface before he finally made it to the customer's driveway.

"Even the guy who lived there was like, 'Why would Amazon send you up here in a truck like that?'" Long remembers, adding that the customer helped him turn the truck around so he could drive back down the mountain and on to his next stop.

Amazon Teamsters in Palmdale deliver to a mostly rural area where it is common for drivers to encounter wild animals and vicious dogs. Dog bites are a frequent



occurrence on drivers' routes. When delivery vans and trucks become stuck in the mud, drivers are often left stranded for hours.

Drivers are also pressured by a merciless algorithm to deliver faster while being monitored and scored on a range of metrics that frequently lead to write-ups for unavoidable maneuvers on poorly mapped routes.

When Palmdale drivers first petitioned their DSP owner to address many of these issues, the owner was sympathetic.

"He really understood our issues and wanted to help us, but he said his hands were tied," Long said.

Amazon has long claimed it is not the employer of the drivers who deliver its packages in Amazon-branded vehicles. The e-commerce giant has used this subcontracting scheme to avoid accountability and prevent worker organizing.

"I have never seen a company that has this much control over their subcontractors. There's a reason almost all the DSP owners lack industry expertise and experience. It's because Amazon essentially runs the business for them. This is the

business model Teamsters are exposing in Palmdale to the point that Amazon will have to concede they are the employer and they need to bargain in good faith to address their workers' issues," said Randy Korgan, Teamsters Amazon Division Director and Joint Council 42 Director of Organizing.

Reclaiming Our Industries

The successful organizing campaign and subsequent ULP strike in Palmdale didn't happen on a whim. It took years of painstaking groundwork to build the community support and worker militancy that propelled delivery drivers to take action.

"Before anything could get off the ground in Palmdale, we had to build the infrastructure by engaging the community, the workers, and Teamsters in the industry. None of this works without our members engaging with the community," Korgan said.

The areas that have had the most success in stopping new development of Amazon facilities are those that have participated in trainings offered by the Amazon Division and built those community relationships.



SUPPORT AMAZON TEAMSTERS

Amazon Teamsters in Palmdale need your support to protect their union and win good jobs.

While the company has abandoned these brave workers because they organized their union,

Teamsters have their backs.

PITCH IN NOW to make sure these Teamsters can support their families as they take on Amazon.



"It's the communities themselves that are disrupting many of these Amazon projects because of the partnerships we've built — it is community-led, anchored by the Teamsters' strategy," Korgan said.

That strategy relies on six platforms: member engagement; worker engagement; community engagement; anti-monopoly advocacy; industry pressure; and global solidarity. Each platform helps create the infrastructure to support Amazon workers as they build the power and take on a trillion-dollar corporation.

"We're issuing a challenge for workers to take control of their industry," Korgan said. "All of this leads to Amazon workers taking the fight directly to the shop floor. They are not waiting for an NLRB process, for legislation to pass, or for laws to change. This is how we're challenging the industry and our own organization, calling on locals and Joint Councils to join this effort. Because the only way we are going to succeed is by building worker power at the shop floor level and taking direct action in the areas where workers have shown they are willing to

walk out or threaten to walk out to disrupt Amazon's operations. That happens when our members recognize the power they have in influencing the community and influencing workers in the industry."

When Amazon recently announced raises for warehouse workers and drivers, it was clear to workers that the raises were insultingly small. But it was also clear that the raises were in response to Teamsters' organizing efforts, including the industry pressure the union is building with the new historic UPS Teamsters contract which includes unprecedented gains for full-timers and part-timers at the company.

Highlighting the union difference at UPS is key to organizing at Amazon, where workers are doing the same work as UPSers but at rock-bottom industry standards.

Rank-And-File Organizers

Peter Walrond talks regularly with Amazon workers about the union difference at UPS. Walrond is a UPS Teamster with Local 25 who vividly remembers the day

his employer's actions — and the union's response to them — turned him into a die-hard Teamster activist.

"It was 2020 and COVID had just shut down the world," he said. "I was driving my package car and needed lunch — everything was closed."

Walrond was an eighth of a mile from his house where his wife was pregnant with their first child.

"I just stopped to grab a bite, kiss my wife, kiss the belly, and got back to work," Walrond said.

When UPS fired him for "stealing time," Walrond was devastated, facing dark uncertainty during a pandemic with a baby on the way and no job. But then his business agent intervened and Walrond's termination was converted to a two-day suspension.

"When I got back on the job, I was committed to being the best UPS driver and an even better Teamster," he said.

Today, Walrond is a shop steward at UPS and volunteer organizer on the Amazon campaign. The Teamsters Volunteer Organizing Program that he and



other members have joined is built on the premise that the best organizer is the rank-and-file Teamster. Locals around the country that have gotten involved in the program are identifying active members who then participate in a series of training modules.

"I tell Amazon workers my story and they are blown away," said Walrond, who works part of the week in his package car at UPS and part of the week as an organizer talking with Amazon workers. "When you realize there is a giant corporation like Amazon that is driving down industry standards across the board, that they are coming for our jobs, that's when you understand why we need to organize. And we all have to be part of it. If you're out on your truck and you see an Amazon driver, talk to them. Because that conversation — even a short one — can spark something in them."

Volunteer organizers like Walrond reach out to Amazon workers in their area, identify contacts, and help workers build organizing committees. Volunteer organizers also build relationships with local community groups that are taking on Amazon.

"Their fight is our fight — and vice versa," said Elizabeth Laster,

another UPS Teamster and volunteer organizer out of Local 728 in Georgia. Laster used to work at Amazon before getting a job as a part-time inside worker at UPS, where she is also a shop steward. She spends two days a week reaching out to Amazon workers and talking about the game-changing wins Teamsters secured in the new contract at UPS.

"People get really excited when they hear about the UPS contract, but I try to also help them understand that the solution is not to leave Amazon and try to work at UPS. I tell them they can win the same things at Amazon, but it will take time and organizing," Laster said.

From her point of view, the decision as a Teamster member to get involved in the Volunteer Organizing Program is simple. "UPS sees what Amazon gets away with and they want to do the same at UPS. But we set the bar at UPS, and we can raise that bar even higher by helping the workers at Amazon build power, too."

Everyone's Fight

Taking on Amazon's empire of exploitation requires fighting on many fronts. Teamsters have been pushing regulators to crack

down on Amazon's business model and that pressure is starting to pay off.

In September, the Federal Trade Commission (FTC) and attorneys general from 17 states announced an antitrust lawsuit against Amazon. The FTC's suit details how Amazon engages in abusive business practices to illegally maintain its powerful position in the market at the expense of workers and small businesses.

But the heart of the fight at Amazon is on the picket line and on the shop floor.

"In Palmdale and at the picket extensions, the energy is powerful and we've had a lot of Teamsters and UPS workers join us on the line," Long said. "When the other workers see us, they are all for it, even though a lot of them are still scared to join us because of the fear the company creates. Amazon has big pockets but a small heart."

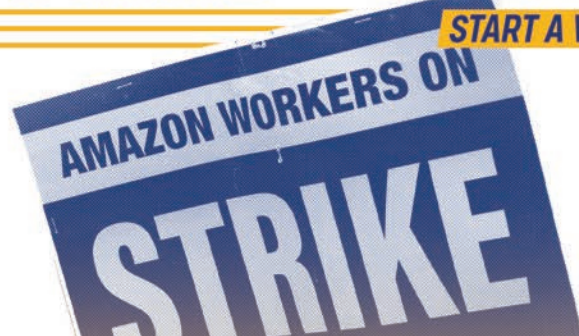
"If we as a union want to stop Amazon from destroying good union jobs in this industry, we need our members to take up this challenge," Korgan said. "Go to a Volunteer Organizer training. Donate to support the courageous workers in Palmdale. Every Teamster has a stake in this fight."

STAND *with* AMAZON TEAMSTERS

START A VOLUNTEER ORGANIZING PROGRAM AT YOUR LOCAL

We need Joint Councils, locals, and rank-and-file members to get involved so we can take on Amazon and protect the hard-won industry standards Teamsters have on the job.

SIGN UP TO BEGIN



On August 29, a noisy procession of more than 1,500 Teamsters marched through downtown Nashville, converging at the intersection of Commerce Street and Rep. John Lewis Way. Their destination: the now-shuttered corporate headquarters of Yellow Corp., a once-mighty trucking giant. The worker action was part of the annual Teamsters Women's Conference, but it was driven by a somber occasion — Yellow's Chapter 11 bankruptcy filing less than a month earlier.

The fall of Yellow, plagued by years of gross mismanagement, left more than 30,000 workers out of a job, including 22,000 Teamsters. Since 2009, the Teamster workforce had given over \$5 billion in concessions to keep the company afloat. This astonishing figure included voluntary wage cuts exceeding \$3.7 billion and pension benefit reductions surpassing \$1.4 billion.

The air was thick with anger as protesters decried Yellow's executives for their greed and incompetence. But this protest went beyond condemning a single corporation. It was a clarion call for substantive bankruptcy reform, a demand to prioritize workers throughout the process.

Amid the bewildered faces of C-suite staff peering through office windows, Teamsters General President Sean M. O'Brien took the bullhorn to call upon the federal government to put workers before corporate interests.

"Corporate bankruptcy law in the U.S. is a joke. The rules are written to favor corporations in

this country, not working people," O'Brien declared through a megaphone.

His words resonated not only with the 1,500 Teamsters gathered in Nashville but with countless union workers who had experienced the injustice of federal labor law, be it through bankruptcy, organizing drives, contract fights, or simply by living in a "right to work" state.

A Flawed System

To understand the urgency of this moment, one must first recognize the inherent flaws in the existing bankruptcy laws. As O'Brien passionately explained in Nashville, the law disproportionately favors Corporate America (and corporate executives) over working people.

"The Teamsters are on a mission to reform corporate bankruptcy laws and put workers at the front of the line," O'Brien said to cheers. "Workers in this country need real protections against corporations who game the system. We need real reform now that puts workers first in this process — not greedy executives like 'Do Nothing' Darren!"

As the story of Yellow's bankruptcy unfolds, CEO Darren "Do Nothing" Hawkins finds himself at the center of the controversy, casting an even darker shadow over the sad saga. The disgraced CEO was shameless in his last few months on the job, approving millions in executive bonuses at the same exact time Yellow was voluntarily choosing not to pay millions in worker health care and

pension benefits — a pre-bankruptcy action that serves as one more reason for reform.

"It's maddening to learn that these guys were giving themselves more money while our families were suffering," said Shanon Abbott, a 20-year mechanic for YRC Freight in Dallas.

The longtime Local 745 steward has since found work at another Teamster employer, Active Transportation USA, but the pain and uncertainty Yellow has caused his family still resonates today.

"Even before the bankruptcy, Yellow executives continued to bring home big salaries and bonuses while we were left with table scraps. They knew the company was going under, but they didn't care," Abbott said.

The Rise and Fall of Yellow

Yellow's history was once intertwined with the rise of American trucking. Established in 1924, this less-than-truckload (LTL) company became a linchpin of the U.S. supply chain. The 1950s, marked by the National Highway System's advent, catapulted the trucking industry to prosperity, with Yellow among the giants, fortified by strong unionization and limited competition.

Then came 1980, when deregulation of the trucking industry disrupted the status quo and new non-unionized companies challenged Yellow's dominance.

Rather than adapt, Yellow embarked on an acquisition spree in the years that followed, accumulating massive debt.

Their pivotal acquisition of Roadway in 2003, followed by Holland in 2005, marked the beginning of the end. While it expanded Yellow's reach, it created operational inefficiencies. The focus on revenue and market share, at the cost of profitability, began to backfire.

"Holland used to be a great company to work for before Yellow took over," said Mark Roper, a 32-year truck driver and Local 728 member out of Georgia. "Everything changed after that."

When the 2008 financial crisis hit, Yellow's woes deepened, never to recover.

The Weight of Debt: A Never-Ending Spiral

Yellow's financial turmoil resulted from a series of ill-fated business decisions and acquisitions in the early 2000s. As the parent company, Yellow ensnared each of its operating companies in a web of massive debt.

In 2008, Yellow pushed for a five-year collective bargaining agreement with the Team-

sters, seeking concessions as Yellow teetered on the brink of bankruptcy.

Initially, Yellow requested a 10 percent wage cut, promising reversal by March 31, 2013. Teamsters reluctantly accepted these concessions to keep the company alive. But Yellow's appetite for concessions grew as its financial troubles worsened. In 2010, they demanded another 5 percent wage cut and a 75 percent reduction in pension contributions, freezing pension benefits.

"It was just one concession after the next," Roper said. "Like most drivers, I knew it was a troubled company, but I'm the type of person who will do whatever I need to do for my family. That's why most of us were willing to put up with it for so long, to take care of our families."

"Looking back on it now, there was never a future at this company," Abbott said. "Working at Yellow is like being handcuffed under water and expected to swim."

In total, the Teamsters saved Yellow from liquidation multiple times, enduring immense sacrifices over the next 15 years.

Government Lifeline: Squandering \$700 Million CARES Act Loan

Yellow found itself shackled by an immense debt burden. To service this debt, the company had no choice but to maintain its revenue streams. Losing customers and revenue were simply not options, so Yellow opted to keep the status quo, a decision that would later prove costly.

In 2020, the company was on the brink of failing to meet its debt obligations. Amid the COVID-19 pandemic, concerns about Yellow's sustainability rippled through the industry, leading many to question its future as Yellow once again faced default.

Just when it seemed Yellow's fate was sealed, an unexpected and unlikely lifeline emerged. In a twist of fate, the federal

**"THE TEAMSTERS ARE ON A MISSION to
REFORM CORPORATE
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WORKERS IN THIS COUNTRY NEED REAL PROTECTIONS
AGAINST CORPORATIONS THAT GAME THE SYSTEM."**



SEAN M. O'BRIEN
TEAMSTERS GENERAL PRESIDENT



government came to Yellow's rescue with a \$700 million loan, part of a COVID-19 relief package. The Treasury Department deemed Yellow's services vital to national security due to its contracts with the Pentagon.

The CARES Act loan provided Yellow with much-needed breathing room, but the company still couldn't manage itself. The financial troubles persisted as Yellow sought further concessions.

The Last Straw

In 2021, Yellow embarked on an ambitious, anti-worker initiative to cut costs by closing terminals and consolidating activities. Billed as "One Yellow," the proposed change of operations triggered even greater conflict with the union, as it would have violated the company's contractual obligations. The Teamsters resisted the changes, refusing to

allow Yellow to unilaterally alter the agreement.

"One Yellow wouldn't have just violated the contract; it would have gutted the entire agreement. Yellow's failure to live up to its word and shift blame marked the beginning of the end," said John A. Murphy, Teamsters National Freight Director. "We were done playing games."

Yellow's attempt to unilaterally reopen and modify its contract with "One Yellow" proved to be the last straw for workers. As Murphy crisscrossed the country, he noticed the discontent brewing nationwide.

"Ever since we took office and revamped the Freight Division, we could see the anger from the membership," Murphy said. "In every terminal, in every corner of the country, we heard the same thing from workers who felt their sacrifices had gone unappreci-

ated. We knew we couldn't allow the concessions to continue. We knew something had to be done."

The relationship between the union and the company continued to sour over the proposed operational changes, leading to a contentious standoff. Ultimately, the Teamsters rejected Yellow's change of operations on March 23, 2023.

One Final Betrayal: Yellow Shows Its True Colors

With time and money running out, the situation grew worse over the summer. By July, Yellow owed Central States \$50 million. After failing to make payment on July 23, the Central States Board of Trustees voted to suspend health care benefits and cease pension accruals for Yellow workers.

The refusal to honor health care and pension commitments was the ultimate betrayal. Any

trust between workers and the company fully eroded after that.

All the while, Yellow was paying bonuses totaling approximately \$4.6 million to eight current and two former executives in the weeks before the company went bankrupt with plans to liquidate, according to corporate disclosures in Delaware bankruptcy court. The July payments include a \$1 million retention bonus to Yellow Chief Restructuring Officer Matthew Doheny, \$1.08 million to Chief Operating Officer Darrel Harris and, unsurprisingly, an additional \$625,000 to Hawkins.

As workers were preparing for an uncertain future, the \$700 million loan was being criticized for its "national security" justification. A scathing June 27 report by the Congressional Oversight Committee found the loan was riddled with problems, citing significant risk to taxpayers because of

Treasury's equity and debt stakes in the beleaguered LTL carrier and recommending Congress not create similar risky, open-ended, sector-specific loan programs like Yellow's in the future.

O'Brien intervened, applying intense pressure on the Central States Health and Welfare Fund to extend health care benefits. Although a massive strike was averted, Yellow's collapse appeared inevitable in the days that followed. On July 30, Yellow closed its four operating companies, leaving approximately 22,000 Teamsters jobless. A week later, on August 6, the company finally filed for Chapter 11, immediately sparking a new fight for bankruptcy reform.

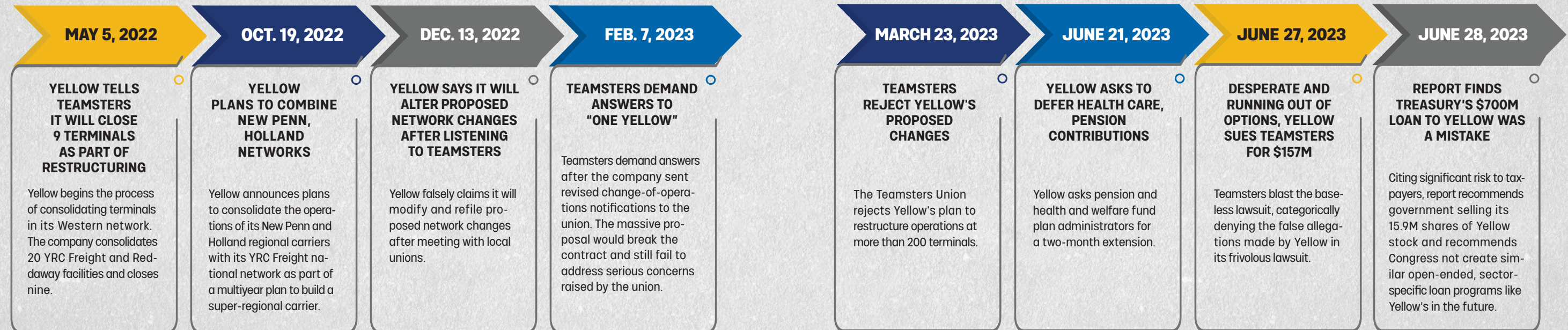
Corporate Vultures

As the bankruptcy unfolded, rank-and-file Teamsters were ready to remind the 99-year-old freight

company that workers are, in fact, Yellow's largest creditor. The International worked alongside locals to get out-of-work members placed with other Teamster employers while simultaneously calling on the federal government to reform U.S. bankruptcy law.

One alarming trend that the Teamsters highlighted was the acquisition of failed companies by investors or buyers with the sole intent of restructuring to undermine labor contracts and dismantle unions. The collapse of Yellow Corp. exemplified this very trend.

Amid the turmoil of Yellow's bankruptcy, a glimmer of hope emerged on August 16 when General Secretary-Treasurer Fred Zuckerman was appointed to the Unsecured Creditors' Committee to represent the interest of Teamsters at Yellow. This appointment



marked a significant step toward ensuring workers' interests were represented in the bankruptcy proceedings.

"Yellow is trying to fast track liquidation. Meanwhile, more than 22,000 union workers are out of work after sacrificing more than \$5 billion over the past 15 years through wage and benefit concessions, a fact the company would prefer to conceal from the American public and the bankruptcy courts," Zuckerman said. "We haven't had bankruptcy reform in this country for nearly two decades. We need to take this opportunity to right the wrongs at Yellow and prevent them from happening again. The status quo cannot continue."

Zuckerman joined a majority coalition of union-friendly parties on the committee, including the Pension Benefit Guaranty Corporation (PBGC), Central States

Pension Fund, and New York State Teamsters Pension and Health Funds. Together, they formed a powerful alliance determined to protect the rights and well-being of the workers who had borne the brunt of Yellow's financial mismanagement.

But they had their work cut out for them. The law was not on the side of workers, and Yellow was attempting to squeeze workers one last time to line their own pockets. The need for reform was more evident than ever.

Investigation Demanded

The Teamsters Union wasted no time in demanding action. On September 19, a special Senate Judiciary Committee hearing was held on corporate manipulation of Chapter 11 bankruptcy.

During the hearing, Senator Amy Klobuchar (D-Minn.) cast a spotlight on Yellow, highlighting

the company's attempts to expedite liquidation of its assets to evade responsibility for its mismanagement at the expense of workers.

"These are things that workers have worked hard for and have earned," Sen. Klobuchar said during the hearing. She pointed out that Yellow's bankruptcy jeopardized the livelihood and health benefits of many hard-working Minnesotans, including 480 Minnesota Teamsters.

Following the hearing, the Teamsters called for a comprehensive Senate investigation into Yellow, urging Senators Dick Durbin and Bernie Sanders to hold hearings before the Senate Committee on the Judiciary and the Health, Education, Labor, and Pensions (HELP) Committee to look into the bankruptcy proceedings.

"Existing bankruptcy rules

encourage corporate vultures to pick apart workers' bones, shred union contracts, and kill off companies," O'Brien said. "Yellow's collapse should bring deep shame to its corrupt management team, but it is an opportunity for unions, workers, and elected officials to take real steps to protect working people during such devastation. We need to enact new laws that safeguard American families from the greed and mismanagement of any employer."

The Teamsters' fight for reform has historical roots. The union has long advocated for the Protecting Employees and Retirees in Business Bankruptcies Act, last introduced in 2020. The essence of this bill, or any future iterations, to revamp the bankruptcy system, will prioritize workers and retirees in the bankruptcy process.

A Cautionary Tale

When the dust finally settles, Yellow's bankruptcy will serve as a stark reminder of corporate greed's consequences.

For former Yellow workers like Abbott, Yellow's demise was a long time coming.

"The day always seemed inevitable, and yet, that hasn't made the aftermath any easier," he said. "We loved the job, and we still love our union, but this company flat-out sucked. It's just that simple."

At the rally for bankruptcy reform in Nashville, a chorus of Teamsters echoed Abbott's thoughts. After running through chants about bankruptcy reform and calls to hold "Do Nothin" Darren accountable, a new refrain broke out: "Yellow sucks! ... Yellow sucks!"

It may not have been the cleverest of chants, but it was apt.

Yellow sucked up everything they could and still couldn't stay afloat. The only solace will be in preventing it from ever happening again.

"Yellow never learned its lesson, but we will make sure the country knows what happened here. Our fight will continue in the halls of government," O'Brien said. "The fall of Yellow should be a wake-up call for Corporate America. Prioritizing workers over profits is not just a moral imperative but a practical one."

As Yellow's demise illustrates, it's time for the federal government to learn from the past and prioritize worker well-being while holding Big Business accountable for their misdoings and mismanagement.

*At the time of publication, the fight is still ongoing and the workers who sacrificed to keep the company afloat — i.e., Yellow's largest creditors — still bear the brunt of the burden due to gross corporate mismanagement. **Learn more about the fight at teamster.org/freight.***

JUNE 30, 2023

YELLOW CALLS ON WHITE HOUSE TO GET TEAMSTERS TO TABLE

Yellow sends a letter to the White House seeking assistance.

White House declines to intervene.

JULY 15, 2023

STRIKE RISK RISES AS YELLOW PUNTS ON MORE THAN \$50M IN REQUIRED CONTRIBUTIONS

Two Yellow operating companies, YRC Freight and Holland, fail to make required payments totaling \$50 million to the Central States Health and Welfare Fund and the Central States Pension Fund.

JULY 23, 2023

STRIKE AVERTED AT YRC FREIGHT, HOLLAND

The Central States Health and Welfare Fund agrees to extend health care benefits for workers at Yellow operating companies YRC Freight and Holland, under intense pressure from Teamsters General President Sean M. O'Brien and General Secretary-Treasurer Fred Zuckerman.

JULY 30, 2023

YELLOW SHUTS DOWN

Yellow shuts all four of its operating companies. Approximately 22,000 Teamsters at YRC Freight, Holland, New Penn and Reddaway are laid off along with nearly all their unrepresented employees and managers.

AUGUST 6, 2023

YELLOW FILES FOR CHAPTER 11 BANKRUPTCY

Yellow abandons its entire workforce one more time as they embarrassingly file for Chapter 11 bankruptcy. The Teamsters denounce any attempt by the company to evade its financial obligations through legal maneuvers.

AUGUST 29, 2023

TEAMSTERS RALLY OUTSIDE YELLOW CORPORATE HEADQUARTERS IN NASHVILLE

More than 1,500 Teamsters hold massive rally outside of Yellow's corporate headquarters in Nashville to call for bankruptcy reform.

SEPT. 19, 2023

SENATE HEARING ON MANIPULATION OF CORPORATE CHAPTER 11 BANKRUPTCY

Following a special Senate Judiciary Committee hearing on corporate manipulation of Chapter 11 bankruptcy, Teamsters call for the Senate to investigate the unfolding bankruptcy at Yellow Corp.



TEAMSTERS
Career Center





MEMBERS OF BOSTON'S LOCAL 3 ENJOYING THE TEAMSTER DIFFERENCE

IN CONVERSATION

Jobs in the printing industry have been under pressure for more than 20 years. Advances in digital technology and other forms of media distributing information have caused employment in the industry to contract. In an environment like this, being a part of a strong union like the Teamsters is a necessity. Teamsters Local 3 represents members in the graphic communications industry at big daily newspapers like the Boston Globe and Providence Journal, as well as smaller local employers. Job classifications at the local level include pressmen, mailers, corrugators, and graphic artists. Although

Teamsters at the local work in a wide variety of careers, they share the same sense of passion for the Teamsters.

"Leadership is about doing what's best for the members and not ignoring the challenges we

"By joining them, we know we did the right thing, because we know

Teamsters have our backs whenever we need them."

—CARLOS MACHADO

BAND OPERATOR, WESTROCK WAKEFIELD, MASSACHUSETTS | TEAMSTERS LOCAL 3

face," said Steve Sullivan, President of Local 3 in Boston. "It's obvious that being members of a strong, respected union like

the Teamsters is the best path forward for members in our industry. Other unions just don't have what the Teamsters have to offer and our members have an appreciation for that."

A New Attitude

"Last year, our local leadership worked with our contract committee to get the best contract and conditions in decades at Westrock," said Pedro Ramos, a steward and 32-year employee at Westrock Services. "We fought hard and increased wages eight percent in the first year alone with absolutely zero givebacks. We have a new attitude now as part of the Teamsters."

"In our previous union, my co-workers and I felt like we never were heard. We never had a voice. So, we discussed it and we turned to the Teamsters," said Carlos Machado, a band operator at Westrock. "We knew the Teamsters was a union we could speak to and that would listen to us, that would always be there for us. Now, any time we have a problem, we call on Local 3, and they come right down to help us with any situation we have. They're always there for us. And with their support, we just negotiated the best contract ever at Westrock. By joining them, we know we did the right thing, because we know they have our backs whenever we need them."

Teamster Pride

"I'm proud to be a Teamster," said Sean O'Connor, who works at the Providence Journal. "It's great to have militant leaders and a

powerful union with real strength and a bright future. Now, we demand more from our employers. We have each others backs, and we know our Teamsters Union has our backs, too."

"If you want real representation, then you need to get with the Teamsters," said Jelani Washeed, a commercial pressman at Catch the Truck. "I've been with other unions that didn't appreciate the members, so I made the jump to the Teamsters. Whether it's fighting for higher wages, your rights at work, or your safety conditions — the Teamsters will fight for all those things and more."

Rank-and-File Advocates

"I've been a union member since 1979 and I've seen both good leadership and not-so-good leadership," said Phil McColgan, a lead press operator at the Boston Globe. "Thankfully, we now belong to the Teamsters where President

Sean O'Brien's first priority is the union members. So, now we are being represented correctly. And I'm proud of that. I just wish he was here 10 years ago."

"The best thing about being a Teamster is that they're looking out for you. They're your best advocate, and they will speak up for you. They address your issues and concerns and I'm glad to say at the end of my career I've joined with a union that's run by a man who believes in the rank-and-file and puts them first," McColgan said.



**Real VOICE
Real UNION**

UNION'S FINANCES, STRIKE FUND ON SOLID GROUND

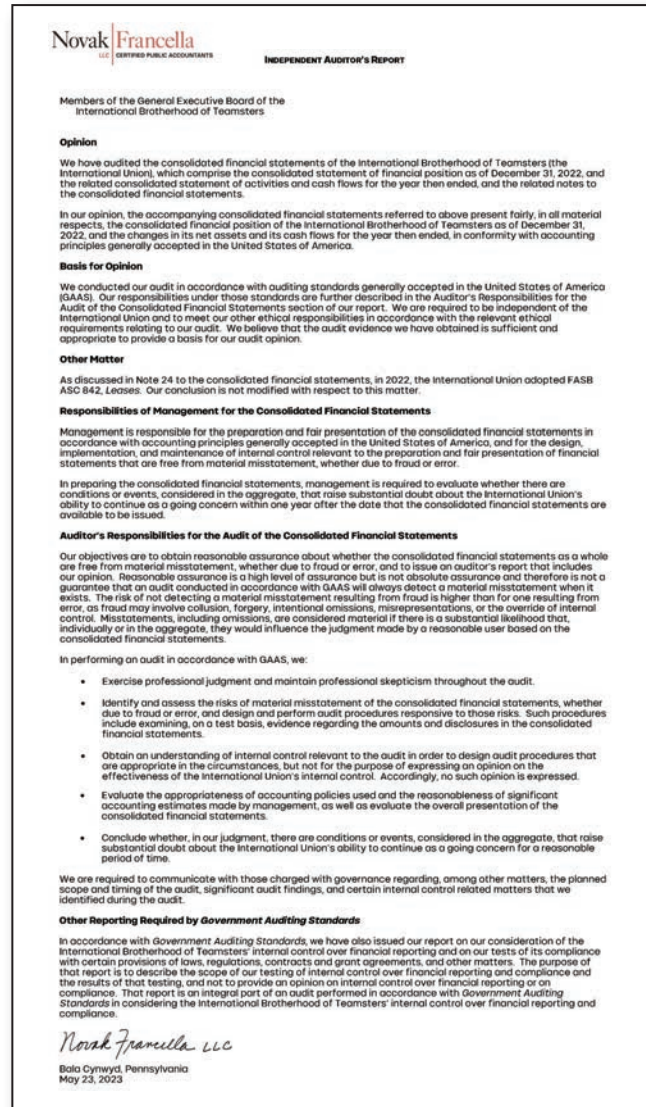
Today, the Teamsters union stands on solid financial ground. At the close of 2022, the Strike and Defense Fund totaled \$286 million. In addition, the combined net assets for the General Fund and the Strike Fund amounted to \$434 million. Our financial position was a major factor in enabling us to win the best UPS contract possible.

We were able to secure a historic contract at UPS because of a credible strike threat. The company understood from the start that we weren't bluffing and knew better than to test our resolve on the picket line. At companies big and small, management knows better than to test the Teamsters. They know we have the resources and fortitude to take on the employer for as long as it takes to win a strong contract.

To keep growing stronger, we must continue to focus on organizing. Expanding our union ranks constitutes a paramount objective for the O'Brien-Zuckerman administration. We have already initiated efforts to attract more members, underpinned by a renewed commitment to organizing in our core industries.

We are also dedicated to consolidating our existing bargaining units by conducting internal organizing campaigns and signing up workers as fully-fledged Teamsters, particularly within so-called "right to work" states. And the Teamsters are actively engaged in dialogue with policymakers at all levels of government to make it easier for working Americans to join a union and win higher wages, robust benefits, safer work environments, and secure retirements.

My foremost commitment is to act as a responsible and vigilant guardian of our union's finances. I assure all members that the treasury is sound and in good



hands. Together, we will continue to grow and succeed in the years to come.

Fred Zuckerman
General Secretary-Treasurer

INTERNATIONAL BROTHERHOOD OF TEAMSTERS
DECEMBER 31, 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	General Fund	Strike and Defense Fund	Teamsters Scholarship Fund	Teamster Disaster Relief Fund	Supplemental Benefits Trust	Total
ASSETS						
Cash and cash equivalents	\$ 68,656,880	\$ 3,815,480	\$ 3,205,800	\$ 780,086	\$ 1,038,518	\$ 77,496,764
Receivables, net						
Trade	19,719,551	58,000	-	-	472,963	20,250,514
Grants and contributions	655,258	-	-	-	-	655,258
Accrued investment income	15,056	177	-	-	73	15,306
Due from/(to) related entities	(469,138)	970,458	(74,276)	-	(158,000)	269,044
Other	7,224	-	-	-	-	7,224
Investments	43,330,763	281,420,935	-	-	22,115,725	346,867,423
Loan to related entity	-	-	-	-	1,000,000	1,000,000
Inventories	402,597	-	-	-	-	402,597
Prepaid expenses	1,532,127	-	-	-	-	1,532,127
Security deposits and other	436,563	-	145,376	-	-	581,939
Property and equipment, net	36,395,434	-	-	-	-	36,395,434
Leases - Right-of-use assets, net	1,269,258	-	-	-	-	1,269,258
Total assets	\$ 171,951,573	\$ 286,265,050	\$ 3,276,900	\$ 780,086	\$ 24,469,279	\$ 486,742,888
LIABILITIES AND NET ASSETS						
LIABILITIES						
Accounts payable and accrued expenses	\$ 16,032,509	\$ 31,596	\$ -	\$ -	\$ 33,500	\$ 16,097,605
Special fundraising events deferred revenue	-	-	1,276,900	-	-	1,276,900
Lease obligations	1,269,258	-	-	-	-	1,269,258
Accrued pension cost	6,095,101	-	-	-	-	6,095,101
Accrued postretirement benefits cost	719,376	-	-	-	-	719,376
Total liabilities	24,116,244	31,596	1,276,900	-	33,500	25,458,240
NET ASSETS						
Without donor restrictions	147,835,329	286,233,454	-	-	24,435,779	458,504,562
With donor restrictions	-	-	2,000,000	780,086	-	2,780,086
Total net assets	147,835,329	286,233,454	2,000,000	780,086	24,435,779	461,284,648
Total liabilities and net assets	\$ 171,951,573	\$ 286,265,050	\$ 3,276,900	\$ 780,086	\$ 24,469,279	\$ 486,742,888

See accompanying notes to consolidated financial statements.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS
YEAR ENDED DECEMBER 31, 2022

CONSOLIDATED STATEMENT OF ACTIVITIES

	Strike and Defense Fund		Teamsters Scholarship Fund		Teamster Disaster Relief Fund		Supplemental Benefits Trust		Total
	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions		
	General Fund	Fund	Fund	Fund	Fund	Trust	Trust		
REVENUE AND OTHER SUPPORT									
Per capita and initiation fees	\$ 174,329,657	\$ 25,196,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 199,526,234
Grants and contributions	3,405,979	-	2,000,000	220,669	(2,000,000)	-	-	-	3,626,648
Affinity program	-	-	-	-	1,879,968	-	-	-	1,879,968
Investment income, net	(5,067,898)	(43,428,162)	-	-	-	-	(3,022,856)	-	(51,518,916)
Sales of supplies, net	48,201	-	-	-	-	-	-	-	48,201
Loss on disposal of property and equipment	(3,671)	-	-	-	-	-	-	-	(3,671)
Other	166,244	-	-	-	-	-	-	-	166,244
Total revenue	172,878,512	(18,231,585)	2,000,000	220,669	(3,142,888)	-	(3,142,888)	-	153,724,708
EXPENSES									
Program services									
Member services									
Communications, magazine and public relations	16,737,363	-	-	-	-	-	-	-	16,737,363
Industry trade divisions and relations	27,954,032	-	-	-	-	-	-	-	27,954,032
Strike and defense	3,833,356	11,222,379	-	-	-	-	-	-	15,055,735
Research, education and training	12,989,409	-	-	-	-	33,750	-	-	13,023,159
Retiree relations, scholarships and other	20,379	-	-	-	-	-	-	-	20,379
Organizing	20,633,108	-	-	-	-	-	-	-	20,633,108
Other	9,747,475	-	-	242,668	-	819,400	-	-	10,809,543
Affiliation fees	10,335,301	-	-	-	-	-	-	-	10,335,301
Government affairs	12,649,491	-	-	-	-	-	-	-	12,649,491
Legal and litigation	6,088,805	-	-	-	-	-	-	-	6,088,805
Civil RICO	7,932,692	-	-	-	-	-	-	-	7,932,692
Teamster Affiliates Pension Fund	15,000,000	-	-	-	-	-	-	-	15,000,000
Convention	1,591,249	-	-	-	-	-	-	-	1,591,249
Total program services expenses	145,512,660	11,222,379	-	242,668	-	853,150	-	-	157,830,857
Support services									
Administration and governance	8,425,752	-	-	-	-	246,651	-	-	8,672,403
Total expenses	153,938,412	11,222,379	-	242,668	-	1,099,801	-	-	166,503,260
CHANGE IN NET ASSETS	18,940,100	(29,453,964)	2,000,000	(21,999)	(4,242,689)	-	(4,242,689)	-	(12,778,552)
NET ASSETS									
Beginning of year	180,193,031	315,687,418	-	802,085	28,678,468	-	-	-	525,361,002
Other pension and postretirement adjustments	(51,297,802)	-	-	-	-	-	-	-	(51,297,802)
End of year	\$ 147,835,329	\$ 286,233,454	\$ 2,000,000	\$ 780,086	\$ 24,435,779	\$ -	\$ -	\$ -	\$ 461,284,648

See accompanying notes to consolidated financial statements.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS
YEAR ENDED DECEMBER 31, 2022

CONSOLIDATED STATEMENT OF CASH FLOWS

	General Fund	Strike and Defense Fund	Teamsters Scholarship Fund	Teamster Disaster Relief Fund	Supplemental Benefits Trust	Total
CASH FLOWS PROVIDED BY (USED FOR) OPERATING ACTIVITIES						
Cash received from						
Affiliated conferences, joint councils and local unions	\$ 175,797,290	\$ 24,215,283	\$ -	\$ -	\$ -	\$ 200,012,573
Investment income	1,551,521	9,781,316	-	-	862,197	12,195,034
Other revenue and reimbursements	4,003,435	29,000	3,131,524	220,669	1,924,211	9,308,839
Net cash received	181,352,246	34,025,599	3,131,524	220,669	2,786,408	221,516,446
Cash disbursed to						
Service providers, suppliers, vendors and others	(144,571,248)	(7,096,713)	74,276	(242,668)	(3,092,043)	(154,928,396)
Affiliated conferences, joint councils and local unions	(9,052,166)	-	-	-	-	(9,052,166)
Members for benefits under Strike Benefit Assistance Program	-	(5,294,971)	-	-	-	(5,294,971)
Net cash disbursed	(153,623,414)	(12,391,684)	74,276	(242,668)	(3,092,043)	(169,275,533)
Net cash provided by (used for) operating activities	27,728,832	21,633,915	3,205,800	(21,999)	(305,635)	52,240,913
CASH FLOWS USED FOR INVESTING ACTIVITIES						
Proceeds from sale or redemption of investments	28,409,097	289,809,343	-	-	3,500,092	321,718,532
Purchase of investments	(31,138,162)	(308,076,832)	-	-	(5,862,288)	(345,077,282)
Purchase of fixed assets	(1,656,053)	-	-	-	-	(1,656,053)
Disposal of fixed assets	529,236	-	-	-	-	529,236
Payment of loans by affiliates	-	-	-	-	-	-
Net cash used for investing activities	(3,855,882)	(18,267,489)	-	-	(2,362,196)	(24,485,567)
Cash flows from financing activities						
Loan repayment from related entity	-	-	-	-	2,000,000	2,000,000
NET INCREASE (DECREASE) IN CASH	23,872,950	3,366,426	3,205,800	(21,999)	(667,831)	29,755,346
CASH AND CASH EQUIVALENTS						
Beginning of year	44,783,930	449,054	-	802,085	1,706,349	47,741,418
End of year	\$ 68,656,880	\$ 3,815,480	\$ 3,205,800	\$ 780,086	\$ 1,038,518	\$ 77,496,764

See accompanying notes to consolidated financial statements.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

NOTE 1. NATURE OF OPERATIONS

The International Brotherhood of Teamsters (the International Union) is one of the largest labor unions in North America with a membership representing a variety of industries and trades. The primary source of revenue is per capita taxes paid by local unions.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting - The consolidated financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Per capita taxes, grants, and royalties are accounted for as exchange transactions. Net assets are classified as net assets without donor restrictions and with donor restrictions. Net assets are generally reported as net assets without donor restrictions unless assets are received from donors with explicit stipulations that limit the use of the asset.

Net assets without donor restrictions - Net assets that 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 International Union's General Executive Board and Management.

Board-designated net assets - Net assets that are not subject to donor-imposed restrictions but are subject to self-imposed limits by the action of the General Executive Board of the International Union. These net assets may be used at the discretion of the International Union's General Executive Board.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the International 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 net assets are "released from restrictions" when the amounts are expended for the purpose specified.

Consolidation and Fund Accounting - The consolidated financial statements include the accounts and activities of the International Union and related entities under the International Union's control. For purposes of presentation in the consolidated financial statements and in accordance with requirements set forth in its Constitution, the International Union reports its accounts and activities in the following funds:

Program Services

General Fund - Provides for the ongoing activities of the International Union not specifically carried out by any other fund. The General Fund also includes the consolidated accounts of the Teamsters National Headquarters Building Corporation, a for-profit corporation formed to be a title holding corporation for the International Union's headquarters building. All significant intercompany account balances have been eliminated in consolidation. Also included in the General Fund are funds designated for organizing activities. Ten percent of per capita tax received by the International Union, excluding the amount received for members in Teamsters Canada, is designated for organizing activities. Per capita taxes are accounted for as exchange transactions. Funds designated for organizing activities for the Brotherhood of Locomotive Engineers and Trainmen, Brotherhood of Maintenance of Way Employees Division and the Graphic Communications/IBT Conference are governed by the applicable merger agreements.

Strike and Defense Fund - The Strike and Defense Fund was created in 2002 to support members engaged in collective action to obtain recognition, obtain and/or protect wages and benefits through the negotiation of collective bargaining agreements, enforce collective bargaining agreements, and support members who have been locked out by their employers. Fifteen percent of per capita tax received by the International Union, excluding the amounts received for members in Teamsters Canada and members employed in the public sector who do not have the legal right to strike, are transferred to the Strike and Defense Fund. Participation in the Strike and Defense Fund for the Brotherhood of Locomotive Engineers and Trainmen Division, Brotherhood of Maintenance of Way Employees Division, and the Graphic Communications Conference are governed by the applicable merger agreements. The net assets of the Strike and Defense Fund are considered board designated net assets as prescribed by the International Union constitution.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

Teamsters Scholarship Fund - The Teamsters Scholarship Fund represents the accounts and activities of the International Brotherhood of Teamsters Scholarship Fund, Inc., a related organization under the International Union's control. The Fund was incorporated in June 2022 and began operations shortly thereafter for the purpose to raise funds and award scholarships to dependents of active and retired members of the International Union in order to enable the recipients to attend accredited post-secondary educational and vocational institutions. The funding for scholarships is provided by voluntary contributions to the Fund, the net proceeds of annual fund raising events, and the sale of promotional materials. As a form of financial assistance to the Teamsters Scholarship Fund, the International Union provides facilities, management, administrative, accounting, and clerical assistance. The net assets of the Teamsters Scholarship Fund are considered donor-restricted as prescribed by the Scholarship Fund's by-laws.

Teamster Disaster Relief Fund - The Teamster Disaster Relief Fund represents the accounts and activities of the Teamster Disaster Relief Fund, a related organization under the International Union's control. The Fund was incorporated in September 1992 and began operations in 1992 for the purpose of providing monetary and non-monetary relief directly or indirectly to individuals who are victims of hurricane, flood, earthquake, fire, accident, or other disaster. Funding is provided by monetary and non-monetary contributions from individuals or organizations affiliated with the International Union and the general public. As a form of financial assistance to the Disaster Relief Fund, the International Union provides facilities, management, administrative, accounting, and clerical assistance.

Supplemental Benefits Trust - The Supplemental Benefits Trust represents the accounts and activities of the International Brotherhood of Teamsters Supplemental Benefits Trust, a financially inter-related organization under the International Union's control. The Trust was established on January 1, 2003, to serve as a vehicle for the coordination of several credit card, insurance, and other programs offered to members of the International Union and their families by third party vendors. The Trust is funded primarily through royalty payments payable in accordance with the provisions of various agreements between the International Union and third party vendors which have been assigned by the International Union to the Trust.

Support Services

General and Administrative - This supporting service category includes the functions necessary to secure the proper administrative functioning of the International Union's governing board, maintain an adequate working environment, and manage financial responsibilities of the International Union.

Cash and Cash Equivalents - Cash and cash equivalents consist of amounts held in demand deposit accounts and money market accounts.

Inventory - The International Union maintains an inventory of supplies for resale to local unions and individual members. Inventory is stated at cost which approximates the selling price of items held.

Investments and Income Recognition - Investments in common stock, mutual funds, and money market mutual funds are carried at fair value as provided by the custodial bank, which generally represents quoted market prices or the net asset value of the mutual fund as of the last business day of the year. The collective trust funds are carried at net asset value as reported by the investment manager, partnership, or trust based on the current market values of the underlying assets of the fund. Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income are recorded when received. Realized and unrealized gains (losses) on investments includes the International Union's gains and losses on investments bought and sold as well as held during the year.

Property and Equipment - Property and equipment are carried at cost. Major additions are capitalized, while replacements and repairs that do not improve or extend the lives of the respective assets are expensed. Depreciation and amortization expense are computed using the straight line method over the following estimated useful lives of the assets:

Building and improvements	39 years
Data processing equipment	5 years
Office equipment and capitalized software	3-10 years
Furniture and fixtures	10 years
Automobiles	5 years

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

Canadian Currency - The International Union maintains checking and savings accounts in Canada as well as the United States. For consolidated financial statement purposes, all assets are expressed in U.S. dollar equivalents.

Canadian currencies included in the consolidated statement of financial position are translated at the exchange rates in effect on the last day of the year. Unrealized increases and decreases due to fluctuations in exchange rates are included in the consolidated statement of activities.

Funds received and disbursed in Canada are stated in U.S. dollars based on the average exchange rates in effect during the year when reported in the revenue and expenses included in the consolidated statement of activities.

Leases - The International Union is required to recognize a right-of-use model (ROU) asset and lease liability on the consolidated statement of financial position for all leases with a term longer than 12 months. ROU assets represent the lessee's right to control the use of the leased asset during the lease. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the consolidated statement of activities. Lease liabilities represent the present value of the future lease payments over the expected lease term. The present value of the lease liability is determined using the incremental borrowing rate at the lease inception. Over the lease term, the International Union uses the effective interest rate method to account for the lease liability as lease payments are made and the ROU asset is amortized into expenses in a manner that results in a straight-line expense recognition in the consolidated statement of activities. As of December 31, 2022, the International Union has classified its existing leases as both operating and finance leases.

Use of Estimates in the Preparation of Financial Statements - The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Presentation - The International Union's consolidated financial statements present its net assets, revenues, expenses, gains, and losses, classified between net assets without donor restrictions and net assets with donor restrictions, based on the existence or absence of donor-imposed restrictions.

NOTE 3. TAX STATUS

The International Union is exempt from Federal income taxes under Section 501(c)(5) of the Internal Revenue Code, except on any income derived from activities unrelated to its exempt purpose.

Income taxes on net earnings are payable by the Teamsters National Headquarters Building Corporation pursuant to the Internal Revenue Code. All operating costs of the Corporation are fully reimbursed by the International Union resulting in no net income or loss with the exception of rental income for an office for which appropriate Federal and state income taxes are paid.

The Teamsters Scholarship Fund and Teamster Disaster Relief Fund are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and are reasonably expected to be publicly supported organizations and not private foundations. These Funds are subject to tax derived from unrelated business activities.

The Supplemental Benefits Trust is exempt from Federal income taxes under Section 501(c)(5) of the Internal Revenue Code and is, therefore, not subject to tax under present income tax laws.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the International Union and recognize a tax liability if the International Union has taken an uncertain position that, more likely than not, would not be sustained upon examination by the U.S. Federal, state, or local taxing authorities. The International Union is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Typically, tax years will remain open for three years; however, this may differ depending upon the circumstances of the International Union.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

NOTE 4. TRADE RECEIVABLES

Trade receivables consist of the following at December 31, 2022:

Per capita and initiation fees	\$ 19,438,321
Unsecured notes receivable	211,226
Affinity programs	472,963
Other	<u>128,004</u>
	<u>\$ 20,250,514</u>

NOTE 5. UNINSURED CASH BALANCES AND INVESTMENT CONCENTRATIONS

The International Union places its cash and cash equivalents with various financial institutions deemed creditworthy. Cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 in a single bank. As of December 31, 2022, the International Union's cash in excess of FDIC insurance coverage totaled \$51,244,158.

The International Union places its cash and cash equivalents with a Canadian financial institution deemed creditworthy. Canadian cash balances are insured by the Canada Deposit Insurance Corporation (CDIC) up to \$100,000 in a single bank. As of December 31, 2022, the International Union's cash in the Canadian financial institution in excess of CDIC insurance coverage totaled \$8,372,662 in Canadian dollars (approximately \$6,115,592 in U.S. dollars).

The Teamsters Scholarship Fund maintains its cash with a financial institution. As of December 31, 2022, the Teamsters Scholarship Fund's cash in excess of FDIC insurance coverage totaled \$2,955,800.

The Supplemental Benefits Trust maintains its cash with a financial institution. As of December 31, 2022, the Supplemental Benefits Trust's cash in excess of FDIC insurance coverage totaled \$788,518.

The Teamster Disaster Relief Fund maintains cash primarily with the same financial institution. As of December 31, 2022, the Teamsters Disaster Relief Fund's cash in excess of FDIC insurance coverage totaled \$530,086.

NOTE 6. GRANTS RECEIVABLE

Amounts due under grant agreements with the U.S. Government totaled \$655,258 and are due to be received within one year. Grants are accounted for as exchange transactions.

NOTE 7. INVESTMENTS

The fair value and cost of investments held by the International Union at December 31, 2022 is summarized below:

	<u>Cost</u>	<u>Fair Value</u>
Common stock	\$ 545,392	\$ 2,308,500
Mutual fund - equity	2,730,699	4,617,409
Mutual funds - fixed income	213,910,016	183,659,721
Money market mutual fund	8,297,028	8,297,028
Collective trust funds	<u>157,413,410</u>	<u>147,984,765</u>
	<u>\$ 382,896,545</u>	<u>\$ 346,867,423</u>

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

Net investment income for the year ended December 31, 2022 consisted of the following:

	General Fund	Strike and Defense Fund	Supplemental Benefits Trust	Total
Interest and dividends	\$ 1,563,567	\$ 9,781,473	\$ 862,270	\$ 12,207,310
Net realized and unrealized loss on investments	(6,559,873)	(53,134,888)	(3,860,410)	(63,555,171)
Investment expenses	(71,592)	(74,747)	(24,716)	(171,055)
	<u>\$ (5,067,898)</u>	<u>\$ (43,428,162)</u>	<u>\$ (3,022,856)</u>	<u>\$ (51,518,916)</u>

NOTE 8. FAIR VALUE MEASUREMENTS

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Basis of Fair Value Measurement:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the International Union has the ability to access.

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; 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.

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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

	Fair Value Measurements at December 31, 2022			
	Total	Level 1	Level 2	Level 3
Common stock	\$ 2,308,500	\$ 2,308,500	\$ -	\$ -
Mutual fund - equity	4,617,409	4,617,409	-	-
Mutual funds - fixed income	183,659,721	183,659,721	-	-
Money market mutual fund	8,297,028	8,297,028	-	-
Total assets in the fair value hierarchy	198,882,658	<u>\$ 198,882,658</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at NAV	<u>147,984,765</u>			
Total investments	<u>\$ 346,867,423</u>			

In accordance with ASU 2015-07 Fair Value Measurement (820), Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent), investments that are measured at fair value using the net asset value per share (or Its Equivalent) practical expedient have not been classified in the fair value

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

For the year ended December 31, 2022, there were no transfers in or out of levels 1, 2, or 3.

The unfunded commitments, redemption frequency information and redemption notice periods for the investments measured at fair value using the Net Asset Value per Share (or Its Equivalent) practical expedient are as follows:

	2022 Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Collective trust funds:				
BNYM Mellon AFL-CIO SL				
Broad Market Stock Index Fund	\$ 62,159,863	\$ -	Daily	N/A
JP Morgan Core Bond Fund	<u>85,824,902</u>	<u>-</u>	Daily	N/A
	<u>\$ 147,984,765</u>	<u>\$ -</u>		

NOTE 9. PROPERTY AND EQUIPMENT

Property and equipment held by the International Union consists of the following as of December 31, 2022:

Land - headquarters	\$ 794,117
Headquarters building	57,589,479
Leasehold improvements	9,500
Furniture and fixtures	5,451,153
Equipment	5,252,892
Data processing equipment	2,701,077
Computer software	7,142,630
Automobiles	224,829
Work in process	<u>3,021,864</u>
	82,187,541
Less accumulated depreciation	<u>(45,792,107)</u>
Net property and equipment	<u>\$ 36,395,434</u>

Depreciation expense for the year ended December 31, 2022 was \$2,767,282.

NOTE 10. THE TEAMSTER AFFILIATES PENSION PLAN

The Teamster Affiliates Pension Plan (the Plan) provides defined benefits to eligible officers and employees of the International Union's affiliates.

The General Executive Board elected to curtail the Plan effective December 31, 1994, thus freezing benefits for most participants at the then accumulated level. Effective January 1, 1995, the Plan was amended to allow the affiliates to contribute on behalf of their employees. For those participants whose employer continued to contribute, benefits were not frozen until December 31, 2001. Effective January 1, 2002, no additional retirement or other benefit will be accrued under this Plan by any participant of the Plan. Any participation agreement which may have been submitted by an affiliate to, and accepted by, the Trustees of this Plan at any time on or after January 1, 1995, was terminated effective January 1, 2002, and no contributions were accepted by the Trustees from an affiliate on behalf of a participant employed by that affiliate with respect to any period of time beginning on or after January 1, 2002.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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No individual who was initially employed by an affiliate on or after January 1, 2002, was eligible to become a participant of the Plan. No compensation that was received by a participant of the Plan with respect to any period of time beginning on or after January 1, 2002, was considered to be the earnings of that participant for purposes of the Plan. Any periods of credited service and/or vesting service earned by a participant on or after January 1, 2002, shall continue to be used to determine the eligibility of that participant to receive a retirement or other benefit under this Plan, but shall not be used to determine the amount of any retirement or other benefit which that participant may otherwise be entitled to receive under this Plan.

Prior to January 1, 2008, the International Union accounted for the Teamster Affiliates Pension Plan in accordance with "Compensation-Defined Benefit Plans." Under the provisions of the Pension Protection Act of 2006, the International Union was able to convert the Plan from a multiple employer plan to a multiemployer plan. As a result of this conversion, the International Union accounts for the Plan in accordance with "Compensation - Multiemployer Plans."

In August 2008, the Pension Benefit Guaranty Corporation (PBGC) granted the Plan multiemployer status under ERISA Section 3(37)(G)(i)(II). The PBGC's determination was, in part, based on the commitment made by the International Brotherhood of Teamsters (IBT) to maintain the Plan. The IBT has continued to make the minimum required contributions to the Plan each year as recommended by the Plan's actuary.

The International Union contributes to one multiemployer defined benefit pension plan. The risk of participating in a multiemployer defined benefit pension plan is different from a single-employer plan in the following aspects:

- a. Assets contributed to the multiemployer defined benefit pension plan by one employer may be used to provide benefits to employees of other participating employers.
- b. If a participating employer stops contributing to the multiemployer defined benefit pension plan, the unfunded obligations of the multiemployer defined benefit pension plan may be borne by the remaining participating employers.
- c. If the International Union chooses to stop participating in the multiemployer defined benefit pension plan, the International Union may be required to pay the multiemployer defined benefit pension plan an amount based on the underfunded status of the multiemployer defined benefit pension plan, referred to as a withdrawal liability.

The International Union's participation in the multiemployer defined benefit pension plan for the annual period ended December 31, 2022 is outlined in the table below. The zone status is based on information that the International Union has received from the multiemployer defined benefit pension plan and is certified by the multiemployer defined benefit pension plan's actuary.

Among other factors, pension plans in the red zone are generally less than 65 percent funded, pension plans in the yellow zone are less than 80 percent funded, and pension plans in the green zone are at least 80 percent funded.

Legal Name of Pension Plan	Pension Plan's Employer Identification Number	Pension Plan's Plan Number	Zone Status	Extended Amortization Provisions Used?	Expiration Date of Collective Bargaining Agreement?
The Teamster Affiliates Pension Plan	52-6128127	333	Green as of 12/31/22	No	N/A

Legal Name of Pension Plan	Contributions to the Pension Plan	Contributions to the Pension Plan greater than 5% of total Pension Plan Contributions (Plan year ending)	Employer Contribution Rates	Number of Active Participants being Contributed for
	12/31/2022		12/31/2022	12/31/2022
The Teamster Affiliates Pension Plan	\$ 15,000,000	Yes	N/A	338

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Legal Name of Pension Plan	Funding Improvement Plan or Rehabilitation Plan Implemented or Pending?	Surcharge paid to Pension Plan by IBT?	Minimum contributions required in future by CBA, statutory requirements, or other contractual requirements.	
			No?	If yes, description
The Teamster Affiliates Pension Plan	No	No	No	N/A

For the Plan year beginning January 1, 2013, the Plan was certified as endangered status under the Pension Protection Act of 2006. The Board of Trustees of the Plan adopted a funding improvement plan to increase the funding percentage of the Plan which meets all of the statutory and regulatory requirements for a funding improvement plan effective as of January 1, 2013.

The funding improvement plan called for the IBT to make annual contributions to the Plan beginning January 1, 2014 and ending December 31, 2023 in the amounts recommended by the actuary and approved by the IBT's General Executive Board. As of January 1, 2022, the Plan was certified Neither Endangered nor Critical. It is no longer obligated to fulfill the Funding Improvement Plan.

At the recommendation of the Plan's actuary, the General Executive Board of the IBT and Trustees of the Plan approved to make additional contributions to better fund the Plan. The Plan is expected to receive \$10,000,000 from the IBT for the year ended December 31, 2023.

NOTE 11. RETIREMENT AND FAMILY PROTECTION PLAN

The International Union is the sponsor of the Retirement and Family Protection Plan (the Plan), a defined benefit plan that covers the employees of the International Union and the Teamsters National Headquarters Building Corporation (a wholly owned subsidiary). Substantially all of the employees participate in the Plan. Benefits provided by this Plan are determined based on years of service, level of compensation, and date of employment. The International Union pays the full cost of the Plan and annually determines the amount, if any, to contribute to the Retirement and Family Protection Plan, based on the advice of consulting actuaries.

The International Union reports in accordance with Financial Accounting Standards Board "Compensation-Defined Benefit Plans" which requires that the full funding status of defined benefit pension and other postretirement plans be recognized on the statement of consolidated financial position as an asset (for overfunded plans) or as a liability (for underfunded plans).

The following are the balances as of or for the year ended December 31, 2022 as provided by the Plan's actuary:

	2022
Projected benefit obligation	\$ (150,123,704)
Fair value of plan assets	<u>144,028,603</u>
Funded status	<u>\$ (6,095,101)</u>
Accumulated benefit obligation	<u>\$ (123,402,015)</u>
Amounts recognized in the statement of financial position:	
Liabilities	<u>\$ (6,095,101)</u>
Amounts in net assets not recognized as components of net periodic benefit cost:	
Accumulated net (loss)	\$ (104,792,500)
Prior service (costs) credit	-
	<u>\$ (104,792,500)</u>

INTERNATIONAL BROTHERHOOD OF TEAMSTERS **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
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	Pension Expense	Pension Obligation
Weighted-average assumptions:		
Discount rate	2.75%	5.00%
Expected return on plan assets	6.50%	-
Rate of compensation increase	2.00%	4.25%
Employer contributions	<u>\$ 16,000,000</u>	
Benefits paid	<u>\$ 67,815,658</u>	
Service cost included as expense in the consolidated statement of activities	<u>\$ 8,453,495</u>	
Total recognized in other comprehensive income adjustment	<u>\$ 51,573,725</u>	

The International Union's expected contribution to the Plan for the year ended December 31, 2023 is \$16,000,000. Benefits expected to be paid by the Plan during the ensuing five years and thereafter are approximately as follows:

2023	\$ 18,865,464
2024	17,530,434
2025	17,051,316
2026	16,300,046
2027	15,595,810
Aggregate for five years beginning 2028	67,868,370

The Plan's expected long-term rate of return on assets assumption is 6.50%. As defined in Financial Accounting Standards Board "Compensation-Defined Benefit Plans," this assumption represents the rate of return on Plan assets reflecting the average rate of earnings expected on the funds invested or to be invested to provide for the benefits included in the benefit obligation. The assumption has been determined by reflecting expectations regarding future rates of return for the investment portfolio, with consideration given to the distribution of investments by asset class and historical rates of return for each individual asset class.

The Plan's overall investment strategy is to invest in securities that will meet or exceed an absolute return of 6.50%. In order to meet its needs, the Plan's investment strategy is to emphasize total return primarily by emphasizing long-term growth of principal while avoiding excessive risk and; secondly, by achieving returns in excess of the rate of inflation over the investment horizon in order to preserve purchasing power of Plan assets.

The Plan's goal is to maintain the following allocation ranges for investments:

Fixed income	70% - 85%
Risk parity	0% - 10%
Equity	0% - 20%
Infrastructure	0% - 10%

The major classes of plan investments at December 31, 2022 are:

	<u>Fair Value</u>
Mutual funds	\$ 67,132,243
Collective trust funds	50,443,853
Limited partnership	16,451,010
Hedge fund	3,164,592
Money market mutual fund	<u>1,189,420</u>
	<u>\$ 138,381,118</u>

INTERNATIONAL BROTHERHOOD OF TEAMSTERS **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
YEAR ENDED DECEMBER 31, 2022

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Basis of Fair Value Measurement:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; 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.

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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

	Fair Value Measurements at December 31, 2022			
	Total	Level 1	Level 2	Level 3
*Mutual funds	\$ 67,132,243	\$ 67,132,243	\$ -	\$ -
Money market mutual fund	<u>1,189,420</u>	<u>1,189,420</u>	-	-
Total assets in the fair value hierarchy	68,321,663	<u>\$ 68,321,663</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at NAV	<u>70,059,455</u>			
Total investments	<u>\$ 138,381,118</u>			

* These two mutual funds account for approximately 47% of the Plan's net assets available for benefits at December 31, 2022.

In accordance with ASU 820-10, investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in that table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net assets available for benefits.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

For the year ended December 31, 2022 there were no transfers between levels 1, 2, or 3.

The unfunded commitments, redemption frequency and redemption notice periods for the investments measured at fair value using the Net Asset Value per Share (or Its Equivalent) practical expedient are as follows at December 31, 2022:

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Collective trust funds:				
Invesco - Balanced Risk Allocation Trust	\$ 3,412,539	\$ -	Daily	N/A
BNY Mellon AFL-CIO Large Cap Index Fund	14,239,979	-	Daily	N/A
JP Morgan Core Bond Fund	32,791,335	-	Daily	N/A
Limited partnership:				
PGIM Real Estate Trust	14,013,742	-	Monthly	90 days
Blackstone Infrastructure V Feeder, LP	2,437,269	6,562,731	Quarterly	90 days
Hedge fund:				
PanAgora Risk Parity Multi-Asset Group Trust	<u>3,164,591</u>	<u>-</u>	Bi-monthly	3 business days
	<u>\$ 70,059,455</u>	<u>\$ 6,562,731</u>		

The PanAgora Risk Parity Multi-Asset Fund's objective is to balance risk exposures in a given portfolio in an optimal fashion, so as to avoid risk concentration - be it across asset classes, or within asset class. The Fund's approach may be applied in a multi-asset class portfolio that has exposure to equities, bonds, commodities and other inflation-hedging instruments, as well as within certain stand-alone asset classes such as Diversified Risk Equity and Diversified Risk Commodities. The PanAgora Risk Parity Multi-Asset Fund is a hedge fund that may invest in derivatives.

PGIM Real Estate U.S. Debt Fund, L.P. (the "Partnership") is a Delaware limited partnership organized for the purpose of investing in real estate debt and debt-like investments. The Partnership is an open-end, commingled fund, in which PGIM, Inc. ("PGIM"), an indirectly owned subsidiary of Prudential Financial Inc., ("PFI"), participates as the sole member of PGIM Real Estate U.S. Debt Fund GP, LLC, the Partnership's general partner ("General Partner"). The Partnership was formed on May 9, 2017 and commenced operations on July 18, 2017. The Partnership invests substantially all of its assets through its investments in PGIM Real Estate U.S. Debt Fund REIT, LLC (the "REIT"), a subsidiary owned by the Partnership and the preferred unit holders. The common interest of the REIT is wholly owned by the Partnership.

The Plan is a limited partner in the Blackstone Infrastructure Partners - V Feeder L.P. and has committed to contribute capital up to \$9,000,000 to the partnership. The General Partner gives notice to each Limited Partner each time a capital contribution is to be paid to the partnership. The partnership is an open-ended Fund primarily focused on a mixture of real estate investment assets which include logistics, knowledge center office buildings, and residential housing.

NOTE 12. TEAMSTERS NATIONAL 401(k) SAVINGS PLAN

In 1996, the International Union entered into a trust agreement to participate in the Teamsters National 401(k) Savings Plan (the Plan). Beginning in April 1997, employees of the International Union who have completed 30 days of service may contribute to the Plan through payroll deductions. Participants may contribute up to 89% of their pretax salaries up to the maximum prescribed by law and an additional 5% of after-tax salaries. The International Union, as a Plan sponsor, does not contribute to the Plan and assumes no liability for the Plan's administrative costs.

NOTE 13. RELATED ENTITIES

The International Union has various related entities not included in the consolidation, which include a political and education fund (a separate, segregated fund of the International Union), two defined benefit pension plans, a defined contribution pension plan, a legal defense fund, and a voluntary employee benefits trust. These entities, as well as the Strike and Defense Fund, Teamsters Scholarship Fund, Supplemental Benefits Trust, and Teamster

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

Disaster Relief Fund, which are included in the consolidated financial statements, and amounts due to the International Union at December 31, 2022, are as follows:

Strike and Defense Fund	\$ (970,458)
Scholarship Fund	74,276
Teamster Affiliates Pension Plan	2,406
Retirement and Family Protection Plan	638
Voluntary Employee Benefits Trust	266,000
Supplemental Benefits Trust	<u>158,000</u>
Total	<u>\$ (469,138)</u>

The International Union absorbs the administrative costs applicable to the operations of these related entities. All but the Teamsters Scholarship Fund, political and education fund, and Teamster Disaster Relief Fund reimburse the International Union for those administrative costs through cost sharing arrangements.

The Supplemental Benefits Trust (the Trust) shares common Trustees with the IBT Voluntary Employee Benefits Trust (VEBA). In 2015, VEBA obtained a \$7,000,000 line of credit with United Bank. The Trustees of the Trust approved to guarantee the repayment of up to fifty percent of any amount borrowed by the VEBA under this line of credit. During the year ended December 31, 2022, the Trust paid \$40,000 in expenses relating to VEBA line of credit for collateral examination and loan renewal fees, as approved by the Trustees. No outstanding principal amount was due on the line of credit at December 31, 2022.

During the year ended December 31, 2018, the Trust gave \$3,000,000 to VEBA in the form of an interest-free loan, as approved by the Board of Trustees. At December 31, 2022, VEBA repaid \$2,000,000 of the loan. At December 31, 2022, VEBA owed the Trust \$1,000,000 related to this loan.

During the year ended December 31, 2022, the Trust donated \$2,000,000 to the Teamsters Scholarship Fund in the form of a grant, as approved by the Board of Trustees, to finance the operational start-up of the Scholarship Fund.

NOTE 14. POSTRETIREMENT BENEFITS

The International Union provides life insurance benefits for retired employees meeting the requirements of a normal pension or becoming disabled and receiving a disability pension. Spouses and dependent children of these retirees are also eligible to participate. In addition, certain spouses and dependent children of deceased active employees are eligible to participate in the plan.

In accordance with applicable accounting standards, the International Union has recognized a liability of \$719,376, which represents the actuarially calculated accumulated benefit obligation. The accumulated benefit obligation represents the present value of future premiums to be paid by the International Union calculated using various assumptions for matters such as mortality and discount rate. The total recognized in service cost for the year ended December 31, 2022 totaled \$11,423 and the total recognized in other comprehensive (income) expense adjustment for the year ended December 31, 2022 totaled \$(275,923).

NOTE 15. ACCRUED LEAVE

In compliance with "Compensated Absences," the International Union has established a liability of \$3,136,460 representing accumulated future absences of its employees through the year ended December 31, 2022, which is included under "accounts payable and accrued expenses" in the consolidated statement of financial position.

NOTE 16. COMMITMENTS AND CONTINGENCIES

The International Union is involved in litigation arising in the normal course of operations. Some of the litigation involves matters common to any organization of comparable size, including personnel, employment, contract, and trademark issues.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

Other litigation relates to the International Union's status as a labor organization. Much of this latter litigation is strategic, pursued by employer's intent on pressuring the International Union with respect to its conduct as a bargaining representative, pursuing better wages, hours, and working conditions for the members of the International Brotherhood of Teamsters.

None of the litigation involves any substantial liability on the part of the International Union. Accordingly, no provision for any liability that may result upon final adjudication of any pending litigation has been made in the accompanying consolidated financial statements.

NOTE 17. AFFINITY PROGRAM

The International Union has entered into a multi-year credit card agreement with Capital One Financial (COF), formerly HSBC Finance Corporation. This agreement provides COF the right to use certain intangible property, belonging to the International Union, including the International Union's name, logo, trademarks, and membership lists, in exchange for specified royalty payments to be paid to the International Union. COF will be entitled to use this intangible property in connection with its efforts to market credit card and certain other financial products to members of the International Union. The terms of this agreement currently extend through December 31, 2025. This agreement will renew automatically for one year successive periods unless either party notifies of their intent not to renew the agreement at least twelve months prior to December 31, 2025. Under the terms of the current agreement with COF, the minimum royalty payments COF will make to IBT will be \$3.5 million per year through February 28, 2019, \$1.5 million per year from March 1, 2019 through December 31, 2022 and \$1 million per year from January 1, 2023 through December 31, 2025.

The International Union has assigned any and all rights and interest it may have related to its agreement with COF, to the Trustees of the International Brotherhood of Teamsters Supplemental Benefits Trust.

The International Union has entered into an agreement with Metropolitan Property and Casualty Insurance Company (MetLife) effective September 1, 2013. This agreement provides Met Life the exclusive right to market and sell home and auto insurance coverage to International Union members, in exchange, MetLife will pay an inquiry fee per inquiry paid in installments pursuant to the agreement. The initial term of this agreement is five years. This agreement will continue for successive annual terms until terminated by either the International Union or MetLife upon 180 days prior written notice to the other. On April 7, 2021 MetLife completed the sale of their Auto & Home business to Farmers Insurance. There is no change to existing policies based on this sale.

The International Union assigned any and all rights and interest in may have related to the insurance plan agreement with MetLife/Farmers Insurance to the Trustees of the International Brotherhood of Teamsters Supplemental Benefits Trust.

Total royalty revenue for the year ended December 31, 2022 is as follows:

Royalty revenue:	
Capital One	\$ 1,529,997
Farmers Insurance	<u>349,971</u>
Total	<u>\$ 1,879,968</u>

NOTE 18. LOAN PAYABLE

During the year ended December 31, 2017, the International Union signed a loan agreement (line of credit) and promissory note with Amalgamated Bank to borrow amounts up to \$6,000,000. Interest is due monthly on the outstanding balance of the note and the principal payment is due by March 31, 2023. As of December 31, 2022, the line of credit was not drawn upon and the outstanding principal balance was zero; however, the loan remains open for the International Union's working capital needs.

There was no interest expense for the year ended December 31, 2022.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

NOTE 19. RISKS AND UNCERTAINTIES

The International Union holds diversified investments which are exposed to various risks including economic, interest rate, market, and sector. Such risks could cause material near term fluctuations in the market value of the investments as reported in these consolidated financial statements.

NOTE 20. AVAILABILITY AND LIQUIDITY

The following represents the International Union's financial assets available within one year of the statements of financial position date for general expenditure at December 31, 2022:

Financial assets available within one year:	
Cash and cash equivalents	\$ 77,496,764
Investments	346,867,423
Receivables	<u>21,197,346</u>
Total financial assets	445,561,533
Less amounts unavailable for general expenditures:	
Net assets with donor restrictions	<u>\$ (2,780,086)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 442,781,447</u>

As part of the International's liquidity plan, excess cash is invested in short-term investments.

NOTE 21. NET ASSETS

Net assets with donor restrictions were as follows for the year ended December 31, 2022:

Specific Purpose	
Teamsters Scholarship Fund	\$ 2,000,000
Teamster Disaster Relief Fund	<u>780,086</u>
Total financial assets	<u>\$ 2,780,086</u>

Net assets without donor restrictions for the year ended December 31, 2022 are as follows:

General Fund	\$ 147,835,329
Strike and Defense Fund	286,233,454
Supplemental Benefits Trust	<u>24,435,779</u>
Total financial assets	<u>\$ 458,504,562</u>

The Supplemental Benefits Trust (the Trust) Trustees have set aside the sum of \$1,000,000 as a PDP Reserve Fund which would be made available to the IBT Voluntary Employee Benefits Trust (VEBA), in the form of a contribution, in the event that the VEBA is ever unable to repay, for any reason, out of its existing resources all or a portion of any loan extended to it by Ullico and would be forced to default upon such a loan, absent such a contribution to the VEBA.

INTERNATIONAL BROTHERHOOD OF TEAMSTERS **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
YEAR ENDED DECEMBER 31, 2022

NOTE 22. LEASES

The International Union has operating leases for office space, storage space, and vehicles and financing leases for office equipment. The International Union has elected to use a risk-free rate as the discount rate for the leases.

The components of lease expense were as follows:

	<u>2022</u>
Operating leases cost	<u>\$ 379,358</u>
Financing leases cost:	
Amortization of right of use assets	\$ 281,217
Interest on lease liabilities	9,164
Total finance leases cost	<u>\$ 290,381</u>

Supplemental consolidated cash flow information related to leases was as follows:

	<u>2022</u>
Cash paid for amount included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 379,358
Operating cash flows paid for interest portion of financing leases	8,634
Financing cash flows paid for principal portion of financing leases	281,747

Right of use assets obtained in exchange for lease obligations:

Operating leases	1,070,631
Finance leases	840,562

Supplemental consolidated statement of financial position information related to leases was as follows:

	<u>2022</u>
Operating leases	
Right of use assets - gross	\$ 1,070,631
Right of use assets - accumulated amortization	(360,719)
Right of use assets - net	<u>\$ 709,912</u>
Other current liabilities	\$ 709,912
Total operating lease liabilities	<u>\$ 709,912</u>
Finance leases	
Right of use assets - gross	\$ 840,562
Right of use assets - accumulated amortization	(281,216)
Right of use assets - net	<u>\$ 559,346</u>
Other current liabilities	\$ 559,346
Total finance lease liabilities	<u>\$ 559,346</u>
Weighted average remaining lease term	
Operating leases	1.89 years
Finance leases	2.03 years
Weighted average discount rate	
Operating leases	2.32%
Finance leases	1.31%

INTERNATIONAL BROTHERHOOD OF TEAMSTERS **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
YEAR ENDED DECEMBER 31, 2022

Maturities of lease liabilities were as follows:

<u>Year Ending December 31,</u>	<u>Operating leases</u>	<u>Finance leases</u>
2023	\$ 379,357	\$ 290,381
2024	335,037	268,312
2025	<u>11,508</u>	<u>7,981</u>
Total undiscounted cash flows	725,902	566,674
Less: present value discount	<u>(15,990)</u>	<u>(7,328)</u>
Totals	<u>\$ 709,912</u>	<u>\$ 559,346</u>

NOTE 23. FUNCTIONAL ALLOCATION OF EXPENSES

The International Union's expenses relate to various programs and other activities. The following information presents expenses by functional and natural classification. Expenses directly attributable to a specific functional area of the International Union are represented as expenses of those functional areas.

	<u>December 31, 2022</u>		
	<u>Program Services</u>	<u>Support Services</u>	<u>Total</u>
Salaries, employee benefits and taxes	\$ 58,559,693	\$ 8,827,902	\$ 67,387,595
Occupancy, telephone, postage and office supplies	17,387,818	973,317	18,361,135
Professional fees	17,208,551	382,684	17,591,235
Contributions, grants, and awards	18,171,651	-	18,171,651
Travel	10,892,312	(265,057)	10,627,255
Teamster Affiliates Pension Plan	15,000,000	-	15,000,000
Depreciation and amortization	2,648,389	118,892	2,767,281
Other expenses	<u>17,962,443</u>	<u>(1,365,335)</u>	<u>16,597,108</u>
Totals	<u>\$ 157,830,857</u>	<u>\$ 8,672,403</u>	<u>\$ 166,503,260</u>

NOTE 24. NEW ACCOUNTING PRONOUNCEMENT

In 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, Leases, codified in FASB Accounting Standards Codification (FASB ASC) 842, Leases. The standard is effective for nonpublic entities for annual reporting periods beginning after December 15, 2021 and establishes a right-of-use model (ROU) that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement. A modified retrospective transition approach is required, applying the new standard to all leases existing at the date of initial application. An entity may choose to use either (1) the beginning of the period of adoption (effective date method) or (2) the later of a) the beginning of the earliest comparative period presented in the financial statements and b) the commencement date of the lease (comparative method). The International Union has adopted the new standard using the effective date method. The International Union has adjusted the presentation of these consolidated statements accordingly. The ASU has been applied to the presentation and has a material effect on the consolidated financial statements.

NOTE 25. SUBSEQUENT EVENTS

The International Union has evaluated subsequent events through May 23, 2023, the date the consolidated financial statements were available to be issued, and they have been evaluated in accordance with relevant accounting standards.

TEAMSTERS

Safety and Health Courses

TEAMSTER TRAINING CENTERS

The Teamsters provide safety and health training at no cost to students throughout the United States. Teamster Training Centers conduct courses at their own facilities and can transport instructors and equipment to hold courses at ports, construction projects, remediation sites, company locations, union halls, and elsewhere.

FULFILLS DOT, OSHA, AND DOE REQUIREMENTS:

- 40-Hr HAZWOPER Initial Site Worker Course
- 40-Hr Chemical Emergency Response
- 8-Hr HAZWOPER Refresher Course
- 10-Hr OSHA Construction or General Industry
- 4-Hr Confined Space Entry Awareness Course
- Load Securement Courses
- 8-Hr Hazardous Materials Transportation Safety and Security Awareness Course
- Heat Injury and Illness Prevention Course
- Disaster Site Worker Courses
- Forklift Safety Courses
- First Aid/CPR



Scan the QR Code For More Information



IDO REPORT

FROM: The Independent Disciplinary Officers
Hon. Barbara S. Jones
Robert D. Luskin

The report of the Independent Disciplinary Officers (IDO) has moved online. The full report is still available and can be found at www.teamster.org/IDOREport or by scanning the QR code with your smartphone's camera (or with free software).

Activities which should be reported for investigation include, but are not limited to, association with organized crime, corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

To ensure that all calls are treated confidentially, the system which records hotline calls is located in a secure area on a dedicated line accessed only by an Investigator. Please continue to use the toll-free hotline to report improprieties by calling 1-800-CALL-472 (1-800-225-5472).

The task of the IDO is to ensure that the goals of the Final Agreement and Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities through these reports. If you have any information concerning allegations of wrongdoing or corruption you may call the toll-free hotline number or write to the Independent Investigations Officer for all investigations at the office address listed below.

The Independent Investigations Officer's address is:

Robert D. Luskin
Office of the Independent Investigations Officer
1515 N. Courthouse Rd., Suite 330
Arlington, VA 22201



Support the TEAMSTERS DISASTER RELIEF FUND

The Teamsters Disaster Relief Fund is collecting monetary donations to support those who are suffering because of recent catastrophic climate events.

NOW IS THE
TIME FOR
You
TO MAKE A
DIFFERENCE!



Donate online at
<http://ibt.io/TDRfund>
or scan the QR code.



Fighting for Teamsters and Our Families

Corporate America has promoted its pro-Big Business, anti-worker agenda at the expense of working families. Teamster members fight corporate greed through strong, grassroots action and work to ensure that elected officials hear our concerns loud and clear.

You can take a stand for working families by contributing to DRIVE, the Teamsters' political action committee. DRIVE stands for Democratic, Republican, Independent, Voter Education. Your membership in DRIVE will help elect political candidates who will advocate and lead on issues important to Teamster members and our families.

In addition to the DRIVE PAC, the Teamsters have established an additional political action committee called TEAM Fund — the Teamsters Education and Mobilization Fund. TEAM Fund allows Teamster retirees, family members, non-active members, and our allies to participate and support the political objectives of the Teamsters Union, our members, and our families.

Visit Teamster.org/teamfund to donate or to visit the online store with union-made Teamster merchandise.



DRIVE
DEMOCRATIC, REPUBLICAN,
INDEPENDENT VOTER EDUCATION