

Consolidated Hearing Docket - H1

Trusteeship Hearing

Agenda: Trusteeship should continue or be dissolved

Local 2118

April 27, 2024, 11.00-17.00 Pacific Time

Written Statement from Captain James (Jim) Cole 18027 based in PVU.

X, email: X

April 23, 2024

From Captain James (Jim) Cole, Trustee candidate on the Transparency 2024 Slate and member in good standing of Local 2118.

To the Trusteeship Panel,

For your consideration to continue the Trusteeship of Local 2118. Please read into the hearing transcript my comments for consideration. Most of the members of this Local do not want and/or trust the previously elected Executive Board to be put back in charge. Thank you for your assistance.

My points for the hearing to continue the Trusteeship:

1. Minutes recorded:
 - a. There were no minutes taken or very few minutes taken, which is a requirement of the Bylaws and Constitution and a violation. This is a complete failure of the Executive Board leadership and running of the Local. This failure falls directly on the Recording Secretary and the President, which is the Principal Officer of the Local.
2. Voting and Motions:
 - a. Improper votes taken by the Executive Board where there were no or limited motions, minutes recorded and discussions regarding contracts, agreements, consultants, agents, obligations created, flight pay loss, etc. that obligated the Local to long-term and short-term contacts and expenses.
3. Policy and Procedures Manual:
 - a. There was no Policy and Procedures Manual created until after the audit in 2024. This was a requirement of the Bylaws and Constitution to be created coming out of our original Trusteeship to become an independent Local in 2022. This was a failure of Executive Board leadership and understanding to create checks and balances on how to handle business, financial management and communications with the members they serve.
4. Financial Management:
 - a. There was extremely poor financial management of the Local members' monies. The Executive Board and specifically the President and Trustees did not create the proper checks and balances to account for the uses of the members' monies.
 - b. The Trustees failed to properly review the financial reports given to them to review and approve on a monthly basis.

- c. The President was very loose with the spending of the members' monies.
 - d. The President's excessive flight pay loss being taken without proper Executive Board approval. Where Andrew Robles changed his flight pay loss from approximately 80-90 pay credit hours a month to 120 pay credit hours a month effective the very first month the Local 2118 came out of trusteeship and became its own independent Local. This was an increase in Andrew Robles pay in excess of \$80,000-110,000 a year.
 - e. The Executive Board failed to invest the collected monies the Local had on hand. The Local could earn a minimum of \$200,000 - \$400,000 a year in interest through many safe financial solutions.
5. Elected Executive Board:
- a. The Board was not working in the best interest of the members as required per the Bylaws and Constitution, as an example of; limited minutes recorded, improper votes, no Policy and Procedure Manual, failure of financial management and review, lack of communication, and more.
 - b. The majority of the members believed the Board was not looking out for their best interest.
 - c. When members asked for copies of the financial reports or minutes, those requests were met with resistance and resentment. And to date, no one has ever received any of the documents requested for review.
6. Election:
- a. The Executive Board failed to recognize in a timely manner there was a required election to be completed by the end of 2024. This should have been realized in August or at the latest September of the year the election was required, if the Board had done their due diligence.
 - b. This caused a significant challenge to have a last-minute election in December 2024 during the holiday season. Per the Bylaws the elections are normally held in October or the latest November.
 - c. We believe several of the Executive Board Officers violated the Bylaws, election rules, and DOL rules during the election in December 2024.
 - d. We believe the recently elected Executive Board would do anything to stay in power to continue their dominance over the members, even if that means what we believe to be unethical things such as; 1) using a confidential email to discredit one of the members they represent who was on the opposing Slate; 2) attempting to get one of the members fired from Allegiant Air for openly supporting the opposing Slate; 3) using union property (databases, email server, union computers and cell phones) for the benefit of the Robles Slate to contact and persuade members to vote for them; 4) and passing along misinformation that isn't true to discredit the opposing Slate. These are just a few of the examples of many issues.
7. Communication:
- a. The elected Executive Board lacked frequent or accurate communication with their members, even after repeated requests by the members. Unfortunately, this kept the members in the dark with what was going on in the union.

Thank you for reading into the hearing transcript my thoughts and opinions of why we should continue the Trusteeship for the Local with the intention of hopefully moving back to our independent Local in the future with a newly elected Executive Board that will lead the Local in the proper direction. To the Trusteeship Panel and President O'Brien thank you for your time and consideration. Feel free to reach out to me if you have any further questions or concerns.

Sincerely,

Captain James (Jim) Cole

My statement is simple: Emergency Trusteeship is necessary and must continue.

I must bring your attention to the attendance of the former Executive Board members, or lack thereof. Their lack of attendance is both telling and unsurprising. They aren't there to defend themselves because there simply isn't anything to defend.

Hundreds of thousands of unauthorized expenses, terrible cash management, no transparency, missing receipts, unauthorized personal credit card use, home video equipment, no meeting minutes, voter disenfranchisement, no policy and procedures, censorship, lies, and the list goes on.

Nothing that we have heard today is deserving of anything less than the harshest punishment that the constitution and federal law will allow.

While I can only speak for the Army, I am certain that every branch of the military has the same basic litmus test for leadership. It's only three words.

Leaders. Eat. Last.

Besides the most obvious meaning that a leader should never eat before his soldiers, it has a broader implication regarding ethical leadership.

It means that leaders should take every opportunity to make sure that their subordinates and constituents are cared for first before ever thinking of serving themselves. Andrew never did that. He paid himself first. He protected his way of life first. He always took care of himself with little regard for those he was elected to represent.

Beyond being unbecoming of an elected leader, this behavior is shameful and undignified. Instead of asking to extend Emergency Trusteeship, we should be thanking the IBT for saving us from the era of terror of which the evidence suggests that Captain Andrew Robles was clearly the ringleader.

I want to be crystal clear. 6 individuals appeared to work in unison to destroy our union. Captains Andrew Robles, Ryan Fogglesanger, Joshua Rockwood, Kurt Hanson, Kenneth Seiden, and Michael Cawley willfully and routinely abused our trust and confidence, mismanaged the affairs of our local union, and failed in their basic fiduciary responsibilities to our members. They have failed, they are failures, and our pilots simply deserve better. Any and all violations must be prosecuted to the fullest extent of the IBT constitution and federal law.

Emergency Trusteeship must continue. Greg must be our trustee.

Thank you.

Date: 27 April 2024

Subject: Emergency Trusteeship Hearing of IBT Local 2118

Attention: Board Members and Fellow Pilots

To All Concerned,

I am grateful for this opportunity to discuss our most critical need outside of contract negotiations: the need to continue Emergency Trusteeship to correct the years of financial mismanagement, professional incompetence, and personal misconduct by our former elected leadership. Captains Andrew Robles, Ryan Fogglesanger, Joshua Rockwood, Kurt Hanson, Kenneth Seiden, and Michael Cawley routinely abused our trust and confidence, mismanaged the affairs of our local union, and failed in their basic fiduciary responsibilities.

Emergency Trusteeship is necessary to restore the function of our local union. Furthermore, the aforementioned individuals should have no future involvement with our future affairs and all violations and/or crimes should be prosecuted to the fullest extent of the IBT National Constitution and federal law.

Mismanagement of Union Funds

Our financial management under our previous leadership displayed a level of incompetence that is hard to put into words. Beyond incompetent, it was selfish and reckless. Our former President, Captain Andrew Robles, appeared on multiple occasions to willfully exploit our trust for his own personal gain. Seemingly with no legal authority, our former union President self-approved a drastic increase of his annual salary. His stated intent was to earn over \$400,000 per year while simultaneously circumventing the required approvals and checks and balances for any such pay increase.

Unsurprisingly, our former President appeared to make great attempts to be among the highest-paid union leaders in the country while the pilots he represented remained the lowest

paid Airbus pilots in the nation. Moreover, the mechanism through which the former President attempted to pay himself, Flight Pay Loss (FPL), is a function of our collective bargaining agreement reserved for qualified pilots who fly the line - the former President was neither. The former President is neither current nor qualified to fly a commercial aircraft, and has not operated within the craft and class of Commercial Pilot for nearly 2 years.

Beyond his personal pay, our local's financial health was jeopardized by negligence. We kept over \$8 million sitting idly in cash accounts. Thanks to the financial ineptitude of our former Executive Board, we earned virtually nothing in risk-free interest or low-risk dividends while managing to lose almost \$250,000 per year in real buying power. For reference, in 2022, we earned a meager \$831 in interest, which was somehow worse than the \$1,200 we made a year before.

Conservatively, our members have missed out on \$750,000 in interest, nearly three-quarters of a million dollars, over the last several years alone. Despite the former President's failure to wisely invest our funds in interest-bearing vehicles, he appeared to cleverly configure his union credit card accounts seemingly for personal gain to both enhance his credit score and accumulate points on purchases—none of this with any official use in mind.

Professional Incompetence

Although the frequent instances of professional incompetence are too numerous for this forum, a few are worthy of mentioning. While the company attempted to outsource a portion of our future international flying to a foreign air carrier, the President assured us all that he was doing all that he could to fight for and protect our jobs. The evidence tells a different story. The extent of said “fighting” appears to be an undated and embarrassingly worded letter, sent directly to the Secretary of the Department of Transportation, “imploing him” to “consider our position”. Beyond that, according to our union's bank statements, our former President's lobbying efforts in Washington largely revolved around expansive hotel suites and dining at

some of DC's most expensive and exclusive restaurants—with union funds—all of this with no record of the meetings, if there even were any, and virtually no receipts for these transactions.

This reckless financial behavior was consistent—the former president routinely used union funds for luxurious dining and stays in large, presidential hotel suites—even during contract negotiations. The former Executive Board was so emboldened that they willfully ignored the instructions of a federally appointed mediator with regard to negotiation preparations and the length of meetings. Despite not making time for contract negotiations, our President and his negotiating team still made time for steak dinners and professional baseball games - on the union's time and dime.

Curiously, although the President and his team claimed that contract negotiations were their top priority, and despite their propensity for lavish spending, they spent zero dollars (\$0) on aviation experienced professional negotiators and/or attorneys to negotiate our new collective bargaining agreement. Without a new collective bargaining agreement (CBA), the average Captain and First Officer has missed out on \$178,000 and \$110,000 per year in salary and retirement contributions respectively. Even still, our former President chose to forgo hiring professional assistance for contract negotiations and appointed himself as the “Lead Negotiator” despite having absolutely no relevant education or professional experience. This remarkable degree of hubris and professional incompetence has led to real financial consequences for our pilots and their families.

Misconduct and Ethical Breaches

Beyond our former President, several of the other elected officers failed at even the most basic of their duties. Our former recording secretary, Captain Joshua Rockwood, failed to record and maintain proper meeting minutes. Perhaps he believed that our dues-paying pilots had no right to know what Executive Board decisions, particularly financial ones, were being made. Our former trustees, Captain Kurt Hanson, Captain Micheal Cawley, and Captain Kenneth Seiden

are also complicit. They each failed in their basic constitutional duties to keep tabs on our finances and turned a blind eye to over \$300,000 in unapproved expenditures. We are forced to conclude that the rights of our dues-paying members must mean little to our Trustees and Recording Secretary as they could not be bothered to fulfill even the most basic of their constitutional duties.

Questionable and unethical behavior was a hallmark of our former leadership. While we could provide countless examples of the lies, misinformation, and half-truths promulgated by our former elected officials, we only need one—the audit. Our former leaders repeatedly reported to our membership that the audit was “routine,” “normal,” and “insignificant.” It was none of those things. The Recording Secretary gleefully reported that the auditors were “impressed with how healthy this union is,” yet, somehow, here we all are. In reality, the auditors found alarming instances of financial abuses and poor governance. While the membership was being assured that the audit’s findings were minor and inconsequential, the General President’s notice painted a different picture. Over a quarter of a million dollars in unapproved expenditures and no policies or procedures for the proper governance of union affairs.

During the most recent elections, the questionable character and organizational dysfunction of our former leadership was on full public display. The former administration harassed and intimidated individuals who supported the opposing slate and misused personal communications in an apparent attempt to discredit the opposing slate and manipulate the electoral process. Despite a direct order from both the IBT Director of the Airline Division and the IBT General President, our former elected leaders delayed the start of our most recent election to well outside of legal and constitutional limits. We conclude that this delay was planned and intentional. We believe it was an attempt to reduce competition and member participation. It worked. Over 22% of the ballots mailed during the 2023 election were uncounted. For reference, our uncounted ballots were forty-times (40x times) higher than the highest historical figure for uncounted ballots during mail-in elections.

Conclusion

With only one exception, the members of our former elected leadership repeatedly undermined the interests of our pilot group and disparaged the reputation of the IBT nationally. Trust is the cornerstone of unity; the strength and effectiveness of our union depend on it. The imposition of trusteeship was an unwanted yet necessary step to restore this trust, ensure financial stability, and rebuild our union's integrity. Given our present circumstances, a temporary Emergency Trusteeship is simply the only viable option. We need this opportunity to “reset” and to rebuild our union in a manner that better suits our needs, with transparency, accountability, and a leadership that truly represents its members. I ask the board and our General President to continue Emergency Trusteeship while we rebuild a union that is strong, democratic, and corruption-free.

In Unity,

Captain Alwyn Lynch Jr. (“J.R.”)