

DELTA DISABLED PILOTS AND SURVIVORS ASSOCIATION

P.O. Box 5955, Vacaville, CA 95696 www.ddpsa.org December 27, 2021 YEAR END REPORT FROM THE BOARD OF DIRECTORS

The DDPSA Board of Directors sends our Holiday Greetings and best wishes for a Happy and Healthy New Year. Hopefully, 2022 will be a year of recovery from the pandemic that has posed major threats to our health and life style over the past two years.

In 2021, DDPSA continued its mission with volunteer efforts and carefully managed expenses. Board meetings have been conducted via telephone conference calls. We managed our own website to control costs. Administrative and legal expenses have been held to the minimum while we have grown our membership.

DDPSA continued to address problems with communications from the Delta Employee Service Center. Many problems seem to be the result of confusing the Pilot D&S Plan with the non-pilot D&S Plan. In one case, an eligible survivor was told that she was not entitled to the monthly income survivor benefit. In other cases, survivors of pilots incorrectly were told that benefits they receive from the PBGC will reduce their D&S Plan monthly income survivor benefits. We have been able to correct these errors by working either directly with Delta or through ALPA.

DDPSA has major concerns over the deteriorating funding level of the D&S Plan. While Delta repeatedly has stated its intention to maintain the D&S Plan indefinitely, an adequately funded D&S Plan is the best means of ensuring future benefit payments. Delta has prioritized contributions to the frozen pension plans of the non-pilot employee group and of former Northwest employees for two apparent reasons. First, the PBGC charges significantly higher premiums when pension plans are underfunded. Secondly, pension plans have government mandatory funding requirements. Welfare Benefits Plans (such as the D&S Plan) do not have government statutory funding requirements; however, funding requirements may be specified in Plan documents. The Delta Pilots D&S Plan includes provisions that we believe imply a requirement for adequate funding. We will continue to address this issue in 2022 with the assistance of our very capable ERISA attorney.

Many DP3 members recently joined DDPSA because they recognize that the D&S Plan monthly income survivor benefit remains as a significant Delta benefit and that DDPSA is focused on protecting the D&S Plan. DDPSA welcomes its new members and encourages them to explore the information available on our website (<u>www.ddpsa.org</u>).

Thank you for your continuing support.

The DDPSA Board of Directors:

Ev Gost, Jim Haigh, Jim George, Bob Whitehouse, Joan Greene