ON THE MONEY

WAGES, DUES AND THE BUDGET

ncluded in this magazine is a copy of the audited financial statements covering the years ending on December 31, 2012 and December 31, 2013. Despite a sizable reduction in our regular membership over recent years —due to downsizing efforts by the USPS, normal attrition of our Mail Handler workforce, and two retirement incentive opportunities occurring in 2009 and 2012 — the financial health of your National Union remains strong. And with the lion's share of all dues money received, combined with supplemental revenue streams provided by the National Union, our Local Unions continue to have the resources available to provide quality representation to our members.

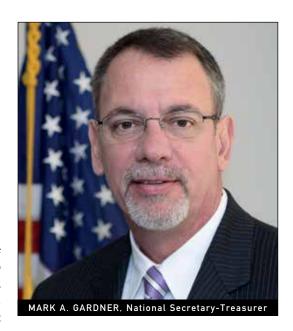
As you might imagine, after a couple decades of generating annual surpluses in its financial operations, the National Union has had to make adjustments in recent years to account for its decreasing revenue. This dramatic shortfall in revenue, combined with continued and increased funding of many important training programs (delivered at both the National and Local Union levels), costly modernization of the National Union's many important computer and software systems, payment of all per-capita taxes to our affiliated unions, continuation of scholarship and other valuable programs funded by the National Union, and additional supplemental revenue streams to the Local Unions, has resulted in a few consecutive years in which we experienced financial deficits. But we are now turning the corner, as our financial picture continues to improve moving forward.

The NPMHU has continued its strong organizing efforts at the National, Local, and Branch level, and we continue to maintain a very impressive voluntary membership percentage. Membership is important not only to demonstrate to our foes that we are a Union united in cause and strength, but also because our membership dues dollars provide the financial wherewithal to fight our collective battles, no matter the arena of those fights. Provisions in the Union's Constitution also allow for modest membership dues increases, which are tied to wage increases for our members. Those small increases help fund the important programs at every level of the Union. Twenty percent of any membership dues increase is retained by the National Union, and the November 2013 and scheduled November 2014 dues increases certainly help as we work to further improve the financial stability of the National Union.

Also included in this magazine is a copy of the updated Mail Handler wage chart, reflecting the guaranteed wage increases to be received by all Mail Handlers effective on November 15, 2014 (PP25-2014). This latest wage increase is the second of three guaranteed wage increases called for in the 2011 National Agreement. These updated wage charts also are available online at www.npmhu.org.

The printed wage charts for all career Mail Handlers are included in Table One - which reflects wages for all steps at Grades 4 and 5 for Mail Handlers with career appointments prior to February 15, 2013 - and in Table Two showing wage rates at Grades 4 and 5 for all Mail Handlers with career appointments on or after February 15, 2013.

For all career Mail Handlers, these charts reflect a total increase of 1.5%. Specifically, in accordance with Article 9.1 of the 2011 National Agreement, "[t]he basic annual salary schedule, with proportional application to hourly rate employees, for all grades and steps for those employees covered under the terms and conditions of this Agreement shall be increased as follows: Effective November 15, 2014 — the basic annual salary for each grade and step of Table One and Table Two shall be increased by an amount equal to 1.5% of the basic annual salary for the grade and step in effect on February 15, 2013."



In accordance with Article 9.7 of the 2011 National Agreement, Mail Handler Assistant (MHA) employees will receive not only the 1.5% increase outlined in Article 9.1, but also will receive an additional 1% increase, for a total hourly wage increase of 2.5% to be effective on November 15, 2014.

The 2011 National Agreement is set to expire on May 20, 2016. Prior to that expiration, career Mail Handlers will receive an additional 1.0% guaranteed wage increase (a 2.5% total increase to the MHA hourly rate) to be effective on November 14, 2015. In addition to the guaranteed wage increases, career Mail Handlers also have three additional, potential cost-of-living adjustments (COLAs) between now and the expiration of the 2011 National Agreement. Depending on inflation in the U.S. economy, Mail Handlers could possibly receive COLA increases in March of 2015, September of 2015, and March of 2016. The National Office will generate and distribute updated wage charts to reflect each and every increase to Mail Handler wage rates.

Thank you for your continued support of, and active involvement with, the National Postal Mail Handlers Union. In Unity there is Strength!

Fraternally, Mark A Cardin

Mark A. Gardner

National Secretary-Treasurer