

National President Paul Hogrogian



National Secretary-Treasurer Michael Hora



SAMLU REPORT

— RENO, NV —

The Semi-Annual Meeting of the Local Unions (SAMLU) was held in Reno, NV, from April 3 through April 5, 2023. In attendance were the National Executive Board Members, all NPMHU National Office Department Heads, National and Regional Contract Administration Representatives, Officers, and Representatives from the thirty-six NPMHU Local Unions.

National President Hogrogian in his welcoming remarks congratulated the thirteen recently elected and re-elected Local Presidents; Wayne Foster (Local

298), Keala Parker (Local 299), Dan St. Marie (Local 301), Tony Coleman (Local 302), William “Bip” McLemore (Local 304), June Harris (Local 306), John Gibson (Local 308), Lisa Greer (Local 310), Nick Mosezar (Local 318), Sharee Rogers (Local 324), Steve Buksch (Local 327), Todd Larsen (Local 328) and Monica Marshall (Local 333). In addition, President Hogrogian congratulated other recently elected and re-elected Local Union Officers who were in attendance.

National President Hogrogian then began a comprehensive presentation

on the activities of the National Union since the October 2022 SAMLU, starting with an update on USPS financial condition and mail volumes by category for Quarter 1 (Q1) of fiscal year (FY) 2023.

The USPS had a net loss of \$1 billion for the quarter and a net operational loss of \$187 million. This is particularly concerning because Q1 figures include the 2022 peak mailing season. The USPS posted a profit of \$880 million for the same period last year.

The USPS reported that total mail volume was down 4.8% compared to the same quarter last fiscal year. First-class



Northeast Region Director Patrick Donovan



Southern Region Director Eileen Mills



Western & Central Region Director /
Manager Don Gonzales



Vice President Southern Region
Lawrence Sapp



Vice President Central Region, Local 306
President June Harris



Vice President Eastern Region, Local 308
John Gibson

mail was down 4.5%, continuing the trend. First-class mail volume has declined each year for the last 15 years and is projected to continue to decline into the future. Marketing mail posted a decrease of 4.7 % for the quarter. Package volume has decreased by 2.4% from last fiscal year but remains higher than pre-pandemic levels. The USPS projects overall mail volume to continue to decline projecting a deficit of \$10 billion annually, and projected losses to increase to more than \$160 billion over the next 10 years. Postmaster General DeJoy maintains an optimistic

outlook predicting increased parcel volume into 2023 and beyond as reflected in his 10-year plan.

National President Hogrogian next discussed the make-up of the USPS Board of Governors. The Board of Governors consist of nine Postal Governors in addition to the Postmaster General (PMG) and Deputy Postmaster General (DPMG). The sitting Governors include Robert Duncan, Roman Martinez, John Barger, William Zollars, Lee Moak, Ron Stroman, Anton Hajjar, Amber McReynolds, Daniel Tangherlini, and Derek Kan. The term for Governors Zollars and Moak has

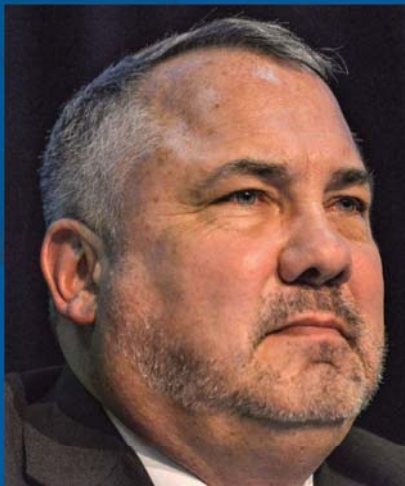
expired. They remain in their position until another governor is appointed or for a period of one year, whichever comes first. Former Congresswomen Carolyn Maloney (D-NY) and Brenda Lawrence (D-MI) both have expressed interest in serving on the Board. Both have been allies to the USPS during their terms in Congress. The NPMHU is supporting Carolyn Maloney due to her relationship with Local 300 and the National. Once President Biden nominates replacement Governors, the Senate Committee on Homeland Security and Governmental Affairs will hold confirmation hearings.

National President Hogrogian reviewed the USPS Ten-Year (Delivering for America) Plan, which sets forth a series of strategies by which USPS management hopes to improve service and ensure financial stability. The major points of the 10-year plan considered passed or accomplished include: (1) postal reform; (2) a commitment to 6/7-day delivery; (3) rate flexibility; (4) planning for package growth; (5) establishing 46 package support annexes; (6) service standard modifications that include new 4 & 5-day delivery standards; (7) increased utilization of ground transportation versus air transportation; (8) consolidating and standardizing mail processing operations in select installations (9) conversion of NDCs to package only facilities; and (10) stabilizing the non-career workforce while retaining employee benefits.

National President Hogrogian addressed closings and consolidations, noting that our reliance on past assurances that these actions are on hold is tenuous in view of the bleak postal finances, continued declines in mail volume, and network redesign references in the PMG's 10-Year Plan. The Postmaster General projects a deficit reduction of \$150B-\$160B over the next 10 years by capturing \$40-\$50 billion savings from Medicare integration, increased revenue by \$60-\$70 billion through rate flexibility and improved parcel volume, with reductions in transportation, infrastructure, and labor costs.

National President Hogrogian spoke about the USPS network redesign, noting that these proposed changes are fluid and ever changing and are driven by facility proximity, volume, standardization, and transportation opportunities. Most notably, all phase II Area Mail Processing (AMP) studies have been cancelled and replaced with a network redesign.

The USPS is proposing consolidations in sixty-four metropolitan



Vice President Western Region, Local 316
Don Sneesby



Vice President Northeast Region,
Local 309 President David Wilkin



Local 334 President Sheldon Adams



Local 333 President Monica Marshall



Local 332 President Edvina Tesch



Local 331 President Dave Wisneski



Local 330 President Bob Griffith



Local 329 President JR Macon



Local 328 President Todd Larson



Local 327 President Steve Buksch



Local 325 President Dwayne Williams



Local 324 President Sharee Rogers

markets that will lead to the creation of Regional Processing and Distribution Centers (RPDCs) and Local Distribution Centers (LDCs). The Postal Service identified the first round of sites to be impacted including: Sandston VA, Atlanta GA, Chicago- (Forest Park) IL, North Houston TX, Santa Clarita CA, Bethpage NY, Charlotte NC, Greensboro NC, Indianapolis IN, Portland OR, Boise ID and Jersey City NJ. The most comprehensive changes are currently occurring in the Atlanta area. We believe that the Atlanta changes will serve as the model for future consolidations.

In addition, National President Hogrogian also addressed proposed modifications to Sorting and Delivery Centers (S&DCs) and function four delivery and parcel sorting operations in Athens GA, Brooklyn NY, Bryan TX, Utica NY, Gainesville FL, Panama City FL, Woburn MA, Golden CO, Bartlett/Hanover, IL, Owensboro, KY, Kokomo, IN, Williamsport, PA, Topeka KS, Annapolis, MD and Pasco, WA.

Lastly, with respect to proposed consolidations, President Hogrogian addressed the forthcoming consolidation of 928 S&DCs that will largely impact Letter Carriers. The USPS is proposing to consolidate 34% of all carrier routes, targeting 30 S&DCs by the end of 2023 with three hundred to occur annually each year thereafter, until complete. President Hogrogian assured the body that the NPMHU will continue to oppose unnecessary consolidations and take steps to minimize the negative impact to mail handlers.

Despite previous assurances from the USPS, the Postal Service continues to subcontract Surface Transfer Center (STC) operations in Kansas City, Chicago, Seminole/ Orlando, Atlanta, Cap Metro, Springfield, New Jersey, Northern California, and Southern California. National level disputes are filed. The USPS has increased some operations in subcontracted STCs despite informal conversations

indicating otherwise. It appears that the USPS had designs to subcontract out all the STC operations when they first announced their plans to redesign the STC network in February 2020. An arbitration hearing was held concerning the Kansas City STC, although the hearing included extensive evidence concerning the wholesale subcontracting of the entire STC network. The NPMHU was victorious in arbitration and remedy discussions with the Postal Service regarding the implementation of this award are underway. The NPMHU is in discussions with the USPS to bring some STC work into RPDcs.

The NPMHU has also made an agreement to bring the Terminal Handling Services (THS) work back in-house. These operations send mail to and receive mail from the airlines and FedEx. The Phoenix and Anchorage

THS operations have already been returned to the mail handler craft. The next sites being considered are Richmond, Norfolk, Spokane, and Salt Lake City with more to follow.

The next topic that National President Hogrogian addressed was Mail Handler craft complement and the Mail Handler Assistants' (MHAs) path to a career. We have negotiated a series of Memoranda of Understanding which has created thousands of new positions and resulted in the conversion of an additional 16,906 MHAs to full-time career status over a period of twenty months. The total MHA conversions to career fulltime regular recently exceeded 40,000 with more than 36,000 occurring since signing the Residual Vacancy Memorandum.

National President Hogrogian then highlighted the successes of the Election Task Force noting that the

USPS processed 135 million ballots in the 2020 election and 54.4 million ballots in the 2022 mid-term election. Postal Mail Handlers help preserve the integrity of the election process by helping to ensure that 97.9% of ballots were delivered within 3 days and 99.7% within 5 days. The 2022 figures were even more impressive with 98.96% being delivered within 3 days and 99.82% of all mailed ballots being delivered within 5 days.

National President Hogrogian provided an update on the Local Union election cycle noting that twelve of the thirty-six locals have conducted elections in 2023 and another thirteen are scheduled to hold elections between now and the end of the year.

In concluding his report, National President Hogrogian provided a review of the National Bargaining process necessary to negotiate a successor to the



Local 323 President Jeff Larsen



Local 322 President Kelly Dickey



Local 320 President Bernie Gonzalez



Local 318 President Nick Mosezar



2019 contract that expired on September 20, 2022. Solicitations to the field seeking contract proposals resulted in more than eight hundred proposals which were analyzed and debated by the Field Negotiating Committee during meetings in Washington DC occurring February 7-11, 2022. The NPMHU bargaining priorities included:(1) Acquire a fair and just general wage increase; (2) A continuation of Cost-of-Living Adjustments (COLAs); (3) Retain the No Lay Off clause;(4) Improve the wages, rights, and benefits for our MHAs; (5) Increased MHA conversions to career status; (6) Return subcontracted work to the Mail Handler Craft and stop future subcontracting; (7) Minimize the dislocation and inconvenience to Mail Handlers subject to involuntary reassignments; (8) Address the issue of MHAs serving as 204Bs; and (9) Fix the badly broken wage scale which hinders

the recruitment and retention of new Mail Handler employees.

National bargaining formally kicked-off on June 10, 2022. The NPMHU and USPS did not reach an agreement by the September 20, 2022, deadline, but there was sufficient progress to warrant an extension of bargaining and continued discussions. A tentative agreement was reached, and a ratification vote ensued. On March 13, 2023, the ratification vote count was certified with 84.25% voting in favor of the new 2022 National Agreement. Throughout the bargaining process the National Office published and widely disseminated bargaining updates to the membership.

National President Hogrogian noted that all objectives were achieved and praised the bargaining team's efforts. National President Hogrogian concluded with a review of contractual changes, provisions,

and implementation schedule of the recently ratified 2022 National Agreement. The USPS has provided the following tentative schedule of economic related provisions:

- **Stop-Gap for contractual pay actions** — PP09-2023 (04/08/2023).
- **Date of new Step B for MHAs** — PP14-2023 (06/17/2023).
- **Date of Elimination of Step BB** — PP14-2023 (06/17/2023).
- **Date that step waiting period will be changed to 48 weeks** — PP14-2023 (06/17/2023).
- **MHA Automatic Conversions/ Step Changes/Employee Classification** PP14-2023 (06/17/2023).
- **Date of Advanced Annual leave for eligible MHAs and PTFs** — PP14-2023 (06/17/2023).



Local 300 Vice President Yvette Johnson, Local 310 President Lisa Greer, Local 311 Treasurer Roxie Olds Pride, Local 332 President Edvina Tesch, CAD Manager Teresa Harmon, Local 305 President Felandria Jackson, Local 322 President Kelly Dickey and Women's Committee Chairperson, Central Region Vice President, Local 306 President June Harris.



Local 321 President Tony Wilson



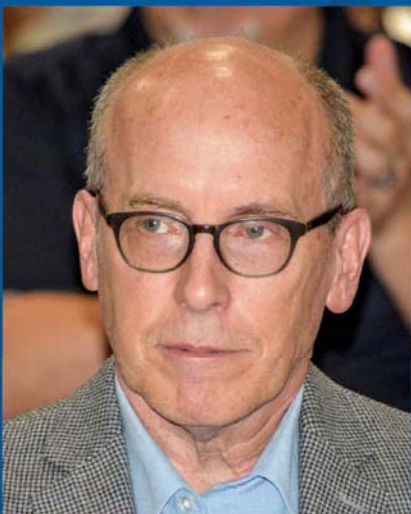
Local 317 President James Morris



Local 315 President Joe Harms



Local 314 President Latonia Johnson



Local 297 President Chris Bentley



Local 312 President Troy Davis

- **Retro Pay** — PP19-2023 (08/26/2023) which is pay date 9/15/2023.

The NPMHU Women’s Committee Report was presented by Committee Chair and Vice President Central Region/Local 306 President June Harris.

CAD Representative Tom Ruther led discussions on the RI399 Update memorandum and provided a comprehensive report on the activities of the Article 12 Task Force.

Contract Administration Department Manager Teresa Harmon then provided a full report and entertained questions and comments from various attendees on the activities of the Contract Administration Department since the last meeting of the Local Unions. The remainder of Sister Harmon’s presentation was based on the written report that was distributed electronically before the meeting (and is posted at the MAI LS tab on the national website) and included the following topics:

- **2022 National Agreement**
- **Bidding Memorandum**
- **National Arbitration**
 - MHA Reappointments
 - Article 32 and Subcontracting of the Kansas City STC
- **Employee Assistance Program (EAP)**
- **Mech-Tech Issues including:**
 - Small Delivery Unit Sorter (SDUS)
 - Small Induction Unit Sorter (SIPS)
 - Enhanced Package Processing Systems (EPPS)
 - NDC Redevelopment
 - Automated Flats Casing
 - High Output Package Sorter (HOPS)
 - Matrix Regional Sorter (MaRS)
 - Regional Packaging Sorter System (RPSS)

- Mobile Delivery Device-In Office & Technical Refresh (MDD-IO & MDD-TR)
- Manual Stacker/Un-stacker
- Forklifts

• **Step 4 Update**

The assembly next heard a report from National President Hogrogian on behalf of the NPMHU General Counsel addressing litigation and other pending legal matters involving the NPMHU National Union. Brother Hogrogian addressed the recent transition of legal counsel noting that Bruce Lerner of Bredhoff & Kaiser PLLC would transition to a Senior Counsel role and Matt Clash-Drexler of the same firm would assume duties of NPMHU General Counsel.

NPMHU Legislative and Political Director, Katie Maddocks, next provided a report on the outcome of the 2022 midterm elections and what the Union hopes to accomplish in the 118th Congress. Katie also gave an overview of the upcoming Legislative Conference and what participants can expect. She also reviewed contributions and trends to the NPMHU Political Action Committee (PAC) before announcing the winners of the 2022 PACkie Awards that include Locals 300, 301, 316, and 332. PACkie awards are accolades of recognition highlighting a Local's commitment to the success of the NPMHU Political Action Committee. The winners exemplify excellence amongst our NPMHU locals.

On Tuesday, April 4, 2023, the meeting began with a comprehensive report regarding various matters related to the Mail Handlers Benefit Plan (MHBP) from Brad Corban, Aetna Director of National Accounts and Executive Director Nina Gallaresi. Updates included a review of MHBP membership, which has seen its Open Season membership additions returning to pre-pandemic levels thanks to Local Unions' participation in Open Season



Local 298 President Wayne Foster



Local 299 President Keala Parker



CAD Representative Tom Ruther



Local 303 President Eddie Cowan



Local 310 President Llsa Grier



Local 307 President James Haggarty



Local 313 President Maurice Torres



CAD Manager Teresa Harmon with her report



CAD Representative Eugene Horton



Local 300 President Kevin Tabarus



Local 301 President Dan St. Marie



Local 302 President Anthony Coleman

Health Fairs. MHBP educational materials continue to be available to Local Unions and prospective members via hard copy brochures and through informative videos and interactive chats on the MHBP website. Finally, MHBP presented an overview of the Postal Service Health Benefit Program which will provide health insurance benefits to USPS employees and annuitants beginning January 1, 2025.

National Secretary-Treasurer Hora next provided a detailed report on a host of topics. The NPMHU financial report (pre-audit) financial statements for the quarter ending December 31, 2022; deficit control measures; quarterly and annual expense and revenue analysis.

Mail Handler complement, regular and associate membership trends and per capita analysis; revenue projections and allocation among our Union's affiliated organizations; 2022 NPMHU Regular dues increase and per capita changes; 2023 NPMHU Associate Dues increase and billing process; Cost of Living Allowance (COLA) review; NPMHU Revenue Sharing Program and the NPMHU Partial Reimbursement Program.

As part of the ongoing membership recruitment program, National Secretary-Treasurer Hora discussed membership trends and reviewed the recruitment tools available to Local Unions. These tools include a

recruitment video available at npmhu.org (on the "Hot Topics" tab), which should be played at Mail Handlers orientation. The Form 1187 electronic submission process to HRSSC was discussed in detail.

National Secretary-Treasurer Hora provided an update on the preparations for the 2024 NPMHU Quadrennial Convention to be held at Caesars Palace in Las Vegas, NV, from August 19 through August 23, 2024.

National Secretary-Treasurer Hora informed the attendees that the NPMHU and the USPS are finalizing the review of the PDF version of the 2022 National Agreement. Upon conclusion of the review, it will take 4-6



CAD Representative Tom Ruther with his report



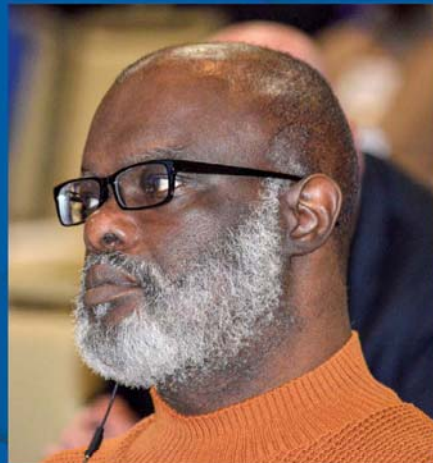
Eastern Region Director Andy Badilishamwalimu



Local 305 President Felandria Jackson



Local 304 Vice President Greg Hill



Local 311 President Charles Charleston



Western Region Director Nick Lehto

weeks to distribute the 2022 National Agreement in bulk to the Local Unions.

National Secretary-Treasurer Hora concluded his presentation with an update on NPMHU mobile app usage, the ongoing need for Local Unions to review and update their cybersecurity, the LiteBlue and PostalEase cyber fraud, and the NPMHU Arthur S. Vallone scholarship program. The upcoming NPMHU National meetings schedule was provided to attendees.

After concluding his traditional report to SAMLU attendees, National Secretary-Treasurer Hora announced his impending retirement. Brother Hora reflected on the variety of positions and assignments held at the local and

national level for nearly thirty years. After holding a plethora of positions throughout his career, in February 2019, Brother Hora was inducted as NPMHU National Secretary-Treasurer, a position he will hold until his retirement on June 9, 2023.

As with each of these Semi-Annual Meetings of the Local Unions, a solicitation for agenda items was distributed to all Local Union Presidents in advance of this meeting. Agenda items that were sent to the National Office were distributed to all Local Presidents prior to the meeting and, to the extent possible, the submitted agenda items were addressed in the appropriate reports and through other discussion before

the assembly. Several other topics were raised and discussed during the round-robin segment of the meeting.

After the business session, and without any further business before the body, the Semi-Annual Meeting of the Local Unions was adjourned.

On Wednesday, April 5, 2023 attendees received Local Memorandum of Understanding Training (LMOU). The training was conducted by Eastern Region Vice President/ Local 308 President John Gibson, Southern Region Vice President Lawrence Sapp, Central Region Vice President / Local 306 Local President June Harris, and Western Region Vice President / Local 316 President Don Sneesby.