# HURDELICATION OF THE NATIONAL POSTAL MAIL HANDLERS UNION

UNION'S MESSAG

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20 Introduction to the NPMHU Women's Committee

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ON THE COVER:

The NPMHU proudly introduces our newly designed magazine. We hope members enjoy the modern refreshed format.

THE QUARTERLY PUBLICATION OF THE NATIONAL POSTAL MAIL HANDLERS UNION

### PRESIDENT'S REPORT

### **REVERSIONS, ABOLISHMENTS, AND EXCESSING MAY CONTINUE**

Paul V. Hogrogian, National President



ail Handlers across the country are being adversely affected as the Postal Service continues to implement wholesale and unwarranted bid reversions, job abolishments, and excessing. Management has been indiscriminately changing the schedules, start times, and rest days of thousands of duty assignments without regard to how this affects the lives of Mail Handlers and without concern on how these changes affect the service that we provide to the American public.

USPS management has also been issuing "impact statements" detailing its plans to involuntarily reassign Full-Time Regular Career Mail Handlers out of their current installations. The Postal Service has targeted 63 installations in which over 1,100 Mail Handlers would be affected. The 3% during FY 2018. The decline in marketing mail is most concerning because it is occurring during a time of supposed economic recovery. The projections are for the Postal Service to show a controllable deficit of \$800 million for Fiscal Year 2017, which ended on September 30, 2017.

Postal management claims that it must reduce its work hours and transportation costs. USPS Headquarters therefore has directed all Postal Areas to assess their current workforce complements and make the necessary adjustments (cuts) to reflect the decline in mail volume. Given the current state of USPS finances, the continued decline in mail volumes, and the uncertainty of postal reform, senior management has informed the NPMHU and the other postal unions that closings and consolidations of mail processing facilities, which

**The NPMHU remains committed to achieving meaningful postal reform legislation.** We continue to meet with the coalition ... to advocate for postal reform that is good for postal employees, good for the Postal Service, and good for the American people.

APWU has received similar notices regarding clerk craft employees. These numbers certainly can get worse, as they are based on 2016 statistics. The Postal Service is now redoing the numbers using 2017 data, which in all likelihood will increase the number of impacted employees because the results will reflect this year's substantial decrease in mail volume (from 8 to 10%).

During discussions with the NPMHU, postal management continues to argue that these changes are necessary because of the continuing decline in mail volumes, especially in First Class Mail, and the resulting drop in revenue. The most recent figures released by the Postal Service present a bleak outlook to say the least. The figures reflect a further decrease in first class mail of 4% and a 2.3% decrease in marketing mail. First class mail is expected to decline another had been on hold, are now "back on the table." The decision to implement the closings and consolidations is an extremely bad idea because it would adversely affect service, which in turn would lead to a further reduction in mail volume and could result in a classic death spiral.

The original list of those installations to be closed or consolidated contained 84 facilities. However, because many of the installations on that list have been "repurposed," the number of closings and consolidations is more realistically around 65 installations.

Please keep in mind that, just because closings and consolidations are "back on the table," this does not necessarily mean that they are going to occur. In all probability, USPS management would not implement its closings and consolidations plans until the spring or summer of 2018. During the intervening period, representatives of the NPMHU and USPS will meet to discuss the closings and consolidations as well as all related staffing issues. NPMHU representatives at the National level will have the opportunity during these discussions to demonstrate to postal management just how counterproductive their plans actually are. Cutting service is simply not the answer to the financial problems of the USPS.

The NPMHU at the Regional, Local, and Branch levels will also be meeting with their counterparts from the Postal Service to discuss the impacts at each individual installation. All of the appropriate and necessary grievances will be filed on the Postal Service's unwarranted attacks on its own employees.

This battle cannot be limited to the grievance procedure, however. We must coordinate our response with our brothers and sisters from the APWU who are also being affected. We have to provide a united front to show all concerned that all postal employees are united on this issue. We have to form alliances with other unions and community organizations to convince members of Congress and the American people that the closings and consolidations of mail processing facilities will adversely affect the service that postal employees continuously provide and will adversely affect the Postal Service itself.

The NPMHU remains committed to achieving meaningful postal reform legislation. We continue to meet with the coalition consisting of postal unions, the Postmaster General and her senior staff, and representatives of the mailing industry to advocate for postal reform that is good for postal employees, good for the Postal Service, and good for the American people. We are hopeful that if postal reform is enacted, the closings and consolidations will again be placed on hold. I must reiterate that we are certainly not giving up on this issue; nor are we giving in. This is just the start of what may be a long battle to protect the rights of our members, to protect the mailing public, and to protect the Postal Service from itself.

**I AM HAPPY TO ANNOUNCE** that the NPMHU Contract Administration Department and representatives of USPS Labor Relations have reached agreement on a new, Version 4 of the Contract Interpretation Manual (CIM). The new CIM includes changes from the 2011 and 2016 National Agreements, as well as National Arbitrations and Step 4 agreements that have been decided since the last CIM update. I want to thank the entire CAD staff and especially CAD Manager Teresa Harmon for all the hard work that they put into this project. The new CIM can be accessed on our web site at NPMHU.org.

I also remain confident that, through the work of our Contract Administration Department and our legal representatives, and through the hard work of our Regional, Local, and Branch representatives, we can successfully meet any and all challenges that lie before us and anything that USPS management may throw at us. But we must remain united in the face of the Postal Service's attacks on our jobs.

In these and other endeavors, the continuing support of all Mail Handlers is very much appreciated.

Fraternally,

**Paul V. Hogrogian** National President

### PRESIDENT PAUL HOGROGIAN ADDRESSES DELEGATES OF THE NRLCA CONVENTION

(I-r) Congressman Brian Fitzpatrick (PA-8th), NALC President Fred Rolando, NPMHU President Paul Hogrogian and NRLCA President Jeanette Dwyer

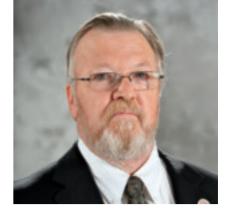




### SECRETARY-TREASURER'S REPORT

### JOIN THE UNION, YOU FREE-RIDING CHEAPSKATE REDUX ...

Timothy M. Dwyer, National Secretary-Treasurer



e received a great number of positive responses after my previous article encouraging our membership to step up and engage with our non-members to reconsider their decision to be a scab. But we also received some pointed comments from non-members who ardently defend their right to be scabs. Because of these responses, I believe a second article is called for.

The National Postal Mail Handlers Union is a democracy, and the people (read: The Membership of our organization) have spoken. They believe that standing up for our Union is warranted to find a way to convince these misguided that to your 'fellow citizens' at Walmart; Tell that to your 'fellow citizens' at Home Depot or Lowes; Tell that to your 'fellow citizens' in any "right to work" state, where their government has sold them and their rights down the river. Tell it to every laid off worker in the public and private sector that didn't have a UNION to get them a no lay-off clause. Tell it to every poor man and woman in this country who was booted out the door, or arrived at work to find the doors boarded up, and didn't have the protections provided by a Union. The purpose of collective bargaining and particularly our very fortunate brand of collective bargaining rights, including



### "... through application and enforcement of our contract, we will continue to be able to provide for our families, educate our children, and pay our bills."

folks that the decision to be a part of—rather than apart from—the organization that has provided them with uninterrupted employment, no lay-off clauses, a prevailing wage above and beyond the wages of people doing similar work in the private sector, as well as superior holiday, leave, and work rules. So, let's discuss some of the objections raised by the folks who just don't agree:

One non-member writes, "In the USA we already have a system in place that allows citizens to seek redress against government abuses... I don't need a union to defend me from my fellow citizens—that's what political representatives are for." Here's the response from this sector of the Union: Tell binding arbitration to settle disputes, is to protect workers and to improve their lives.

It's just great to sit back and say, "I have a U.S. Constitution to protect me." But the U.S. Constitution does not protect our jobs. It does not protect our work hours. It says nothing of seniority, leave, holidays, or pay. WE BARGAIN FOR THOSE RIGHTS AND BENEFITS, and many other important rights that come through the collective bargaining process and not the Constitution. "Life, Liberty and the Pursuit of Happiness" is a wonderful thought, but it's nearly impossible to attain without a respectable job or a winning lottery ticket.

Another misguided soul called to leave me a message, complaining that I, "don't understand" ... her anger with the President of her Local, who made a decision with which she didn't agree. So, she quit the Union. She did NOT quit accepting pay raises. She didn't say, 'I'll take a casual wage please, because I'm pissed at the Union.' She didn't say, 'I don't want sick leave, annual leave, or holiday pay.' She just quit paying dues. Well my X-Sister, I don't agree with you and neither do the overwhelming majority of the people who must put up with you. JOIN THE UNION!!! If you want to change something, change it. Get active. Go to a Union meeting. Run for a position. But don't turn your back on all of the great things, the fantastic things that your Union has done for you because of a personal beef with one of your officers. Want to make a statement? Go make it at a Union meeting. Do something for someone other than yourself. Become a Union Representative. Stand up, don't run away.

Other negative comments

included some scabs taking offense to the notion that anyone should encourage them to join the Union or conversely shun them for deciding not to be a member. I can only say to those offended by such a notion that I encourage you to join the Union and believe that disdain from the Membership towards a person who would suck the benefits, the pay, the rights, the life-blood afforded them by a strong Union but refuses to pay dues is well deserved. If you have some overwhelming philosophical objection to the concept of Unions, and desperately desire to stand up for those objections, go ahead and make a demonstration to support your beliefs. Refuse the pay that the Union has bargained. Refuse the leave and the holidays. Refuse the insurance. Become a casual. And stand up for your beliefs. Otherwise most folks will conclude that you are simply a cheapskate freeloading scab.

But let's accentuate the positive. Many Members contacted our office in Washington, DC to express support for the idea that we should be encouraging scabs to move past their per-

By unanimous vote, the NPMHU National Executive Board voted to make a ten thousand dollar donation to the **Postal Employees' Relief Fund (PERF)**, and made an additional commitment ... [of] ten thousand dollars (.25 cents per member per year) for the next three years as well.

sonal grudges with their present or former steward, branch president, state executive board member or Local Officer (or perhaps someone in the National Office) and join our Union.

There are plenty of tough times ahead for our Membership, including the threat of facility consolidation and/or closure, potential excessing, the "F-1 Scheduler," etc., but the common theme here is that we shall do better together than we will apart. And through application and enforcement of our contract, we will continue to be able to provide for our families, educate our children. and pay our bills.

So, join the Union. It's the right thing to do.

I want to mention another function of our Union that should get some attention. By unanimous vote, the NPMHU National Executive Board voted to make a ten thousand (\$10,000.00) dollar donation to the Postal Employees' Relief Fund (PERF), and made an additional commitment to assist in the funding of PERF

by committing and additional \$10,000.00 per year (.25 cents per member per year) for the next three years as well. This is just another example of what our Union does. We try to be good citizens and support worthy causes. PERF needs our support and PERF needs your support. The recent devastation in the Southeastern United States and its Caribbean territories is horrific, and many of our Brothers and Sisters need your help. PERF does magnificent work on behalf of all Postal Employees and is best positioned to help those affected by this wave of disasters get back on their feet.

In Solidarity,

**Timothy M. Dwyer** National Secretary-Treasurer

### FOCUSING ON **PRESSING ISSUES** THAT THREATEN **THE STRENGTH AND EFFECTIVENESS** OF THE NPMHU



**COTF members include:** National President- Paul V. Hogrogian, Secretary-Treasurer- Timothy M. Dwyer; NEB Vice Presidents: Central Region-June Harris, Southern Region- Lawrence B. Sapp, Western Region- Don Sneesby, Eastern Region- John A. Gibson and Northeastern Region-David E. Wilkin; Local Presidents: Pervous (Andy B) Badilishamwalimu- Local 310, Nick Mosezar- Local 318, Jeff Larsen- Local 323, J.R. Macon-Local 329, and Woody Hendrickson- Local 332; Bob Losi, Political and Legislative Director; Teresa Harmon, CAD Manager; and Michael Hora, Assistant to the NST and Executive Director MHBP

#### **JULY 2017**

or more than twenty years, NPMHU's Committee on the Future has engaged in strategic planning over long-term issues that are likely to confront the Union over the coming months and years. The membership of the Committee is comprised of all members of the National Executive Board and various Local Union Presidents, currently including Pervous (Andy B) Badilishamwalimu of Local 310, Nick Mosezar of Local 318, Jeff Larsen of Local 323, J.R. Macon of Local 329, and Woody Hendrickson of Local 332. Also in attendance were Bob Losi, Political and Legislative Director; Teresa Harmon, CAD Manager; Michael Hora, Executive Director MHBP; and Bruce Lerner, General Counsel. The Committee focuses on five key issues facing the NPMHU: privatization of the Postal Service; the NPMHU's

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legislative relations program; USPS automation and other technological changes; financial planning, especially at the Local level; and membership recruitment.

The most recent meeting of the Committee took place during July 2017. As always, in addition to the general agenda that always frames the Committee's deliberations, what the Committee also emphasizes is determined by current events. Moreover, because the Committee's meetings have been reduced to one per year, the members of the Committee made special efforts to focus their efforts on the most pressing issues that threaten the strength and effectiveness of the Union over the next few years.

The Committee started its discussions with a detailed, **financial report** from National Secretary-Treasurer Dwyer.

For the past five years, including two years (2012, 2016) with a Convention, the National Union has been operating at a substantial deficit, which has seriously depleted the Union's financial reserves. Brother Dwyer also described a series of expense reductions to be implemented by the National Office over the next few months and years, and how those reduced costs will help to reduce the annual deficits. But given the expected costs of the National and Regional Offices, including wages and benefits for the National Union's employees and rental and other vendor payments that increase each year for the National Headquarters, even large reductions in costs are not likely to offset completely the large deficits that are likely to continue, even if smaller.

One way out of this financial situation is through increasing membership. As noted at prior meetings, the Union's membership rate for Mail Handler Assistants is meaningfully lower than is the membership rate for career employees. Given that almost one-third of mail handlers in the NPMHU bargaining unit are either current MHAs or have recently been converted from MHA to career, these lower membership percentages are creeping into the overall membership totals. The Committee discussed these issues extensively, and agreed upon a multi-pronged approach to increasing membership totals, including the following:

- Ensuring that Union is notified about orientation programs, for new MHAs and new career conversions or transfers
- Updated training for running successful orientation programs, and rewarding representatives who excel
- Routinely disseminating lists of scabs/ nonmembers to Local Unions and Branches
- National mailings to encourage membership of recently hired MHAs and recently converted career employees, long-term scabs, and transfers from other crafts
- Adoption of another bounty program to encourage members to recruit new members
- Using the MHBP health plan options as an affirmative reason to join the NPMHU
- Enrolling additional MHBP participants, especially at the TSA and the Veterans Administration, as rates continue to decrease while benefits improve
- Consideration of targeted organizing programs concentrating on Branches with extremely low membership percentages, to be coordinated by five Regional Vice Presidents

Some of these options were presented at the semi-annual meeting in August 2017, and others will be implemented in the coming weeks and months.

The Committee also engaged in detailed discussions about ongoing **automation** changes, including the following:

- Small Parcel Sorting System (SPSS), with 42 by October 2017, many with installed keying stations
- High Throughput Package Sorter (HTPS), essentially a double-SPSS system, with prototypes in Denver and Flushing, NY
- Automated Delivery Unit Sorter (ADUS), being tested at 5 sites
- In-Feed Systems for Automated Parcel Bundle Sorter (APBS), being tested for possible expansion to 20 sites
- Advance Letter Processing Systems (ALPS), to replace aging Delivery Bar Code Sorters
- Flats Postal Automated Redirection System (FPARS), a recent expansion of the PARS at 18-19 sites, allowing for consolidation of Computing Forwarding Services (CFS) for flat mail

Day three of the Committee's meetings focused on two remaining issues, the first of which was the **NPMHU** Legislative Program.

With regard to legislation, from the NPMHU's perspective there are two key components to the 115th Congress that runs through 2017 and 2018. The first is to finally obtain approval for postal reform legislation, in the form of H.R. 756 and H.R. 760, which are bi-partisan bills already approved on a nearly-unanimous voice vote of the House Committee on Oversight and Government Reform. The second is to prevent passage of any anti-worker, anti-union legislation, much of which is being pushed by the Republican leadership and President Trump. The just introduced H.R. 3257, the Promote Accountability and Government Efficiency (PAGE) Act, is the latest draconian bill aimed at the destruction of federal unions and the rights of federal employees.

The Committee also adopted, as is traditional, the NPMHU Legislative Agenda for the 115th Congress. A copy of this agenda is attached to this Report.

Lastly, the Committee spent several hours updating and revising the NPMHU's **Shop Steward Training Manual**. Eastern Region Vice President John Gibson took the lead in editing the manual for future use around the country.

The next meeting of the Committee on the Future is scheduled for some time in 2018.

### LOCAL PRESIDENTS GATHER FOR SEMI-ANNUAL MEETING

n Thursday, August 24, 2017, officers and representatives from nearly every NPMHU Local Union gathered in Washington, D.C. to participate in the latest Semi-Annual Meeting of the Local Unions (SAMLU). Also in attendance at this event were members of the National Executive Board, all NPMHU National Office department heads, and personnel from the National and Regional Contract Administration Department. The attendees were also honored to have retired National Secretary-Treasurer Mark Gardner in attendance.

During his welcoming remarks, National President Hogrogian introduced one newly installed Local President and four re-elected Local Presidents, resulting from elections or appointments occurring since the last SAMLU in April 2017. The new Local President is Tony Wilson (Local 321), and the re-elected Local Presidents include Charles Charleston (Local 311), Bryan Easley (Local 315), Kevin Tabarus (Local 300), and Jeff Larson (Local 323).

After welcoming remarks from Local 305 President Felandria Jackson, Hogrogian launched into his semi-annual report to the attendees, providing a comprehensive account of the activities of the National Union since the previous meeting of the Local Presidents.

President Hogrogian addressed a wide array of topics beginning with implementation of the new 2016 National Agreement by the Contract Administration Department. The National CAD has been focused on implementing the terms of the new agreement since ratification in February of this year. The new agreement provides for wage increases retroactively effective on November 26, 2016. Paul noted that all retroactive pay adjustments should have been finalized with one exception, describing the outstanding issue concerning MHA's holiday pay. The Postal Service maintains that holiday pay for MHAs was not effective until Memorial Day of 2017. The NPMHU takes the position that MHAs are entitled to retroactive pay for all holidays since the May 21, 2016 effective date set by Article 39 of the 2016 National Agreement. The NPMHU has filed a national dispute on this unresolved issue. Additional details will be shared when known.

Hogrogian further noted that the National Association of Letter Carriers recently ratified its National Agreement by a margin of support similar to that shown by the Mail Handlers on February 10, 2017. The financial terms of the NALC's agreement are similar to those negotiated by the NPMHU, the National Rural Letter Carriers Association, and the American Postal Workers Union. The NALC has indicated that they too will file a national dispute over retroactive holiday pay entitlement for their non-career category (CCA) craft employees.

During his report, Hogrogian went on to discuss the USPS financial situation, mail volume, and the Postal Regulatory Commission's (PRC) ongoing proceedings to review the postal ratemaking system. The President reviewed the latest unaudited financial information from the Postal Service. Although during the first 3 months of this fiscal year (October 2016 through December 2016), the Postal Service had an operational surplus of almost \$600 million. this is \$1.2 billion less revenue than same period last year. During the second quarter of fiscal year 2017, the Postal Service showed another operating surplus of \$12 million, but this too is down from the same period last year. President Hogrogian noted that the figures for the third quarter of FY2017 are especially distressing and show an operating deficit of \$587 million. The Postal Service projects a \$700 million controllable loss for FY2017 and another \$700 million controllable loss for next year. Hogrogian reported that if the Postal Service makes its required pension contributions and nothing else changes with regard to postal reform and the PRC rate review case, the Postal Service projects that it will be insolvent by October 2018.

Shifting focus to mail volume, the parcel business continues to grow; this past holiday season booked a 15% increase. However, the more



Members of the Washington, D.C. Postal Police were on hand to perform Honor Guard duties at the SAMLU



National President Paul Hogrogian opened the meeting with the Presidents Report



National Secretary-Treasurer Tim Dwyer with the Treasurers Report



Local 305 President Felandria Jackson welcomed meeting attendees to Washington, D.C.



Central Region Vice President and Local 306 President June Harris leading a panel discussion on Organizing



Northeastern Vice President and Local 309 President David Wilkin discusses organizing with the group



Eastern Region Vice President and Local 308 President John Gibson with a comment for the panel discussion



Western Region Vice President and Local 316 President Don Sneesby



Southern Region Vice President and SEBM (FL) Lawrence Sapp



Local 334 President Sheldon Adams with a question for the panel discussion



Local 318 President Nick Mosezar participated in the panel discussion



General Council Bruce Lerner gives a brief Litigation Report



Legislative and Political Director Bob Losi with an update on the NPMHU political scene



National President Paul Hogrogian joins in on the Article 12 discussion



Michael Hora, Asst. to NST & Executive Director MHBP with an update on health plan membership recruitment



CAD Manager Teresa Harmon



National CAD Representative Kevin Fletcher with an Article 12 update



Brad Corban (center) Manager National Accounts provides an update on the status of the MHBP supported by Asst. Director Nina Gallauresi and Executive Director Michael Hora

profitable first-class mail continues to decline year-after-year, minimizing gains achieved through increased parcel revenue. This year, first-class mail is down 7.5% from last year, an unexpectedly large drop. The annualized reduction in first-class letters amounts to 8 billion pieces. The Postal Service projects the trend will continue, forecasting another 3.1% decline in first class mail next year. The report on catalog mail is no better, down 2 billion pieces from the same period last year. This reduction is significant because catalogs are the gateway to subsequent purchases and historically generate additional mail volume when the American economy is growing. It therefore is alarming that this decline in advertising mail is occurring during a time of supposed economic recovery.

To make matters even worse, the 4.3% exigent rate increase (which raised \$1.8 Billion per year) was eliminated through a series of orders from the Postal Regulatory Commission (PRC) and the federal courts. President Hogrogian reported that in view of the dire financial outlook, the Postmaster General is under pressure to reduce work hours and transportation costs.

Further complicating this subject, a new postal rate system is currently being contemplated by the PRC. The Commission is tasked with conducting a 10-year review of the current rate system adopted in 2006. The PRC will evaluate the impact of rate caps and exigent rate opportunities, and conduct a study of the entire rate-setting process. The NPMHU has intervened in support of the USPS proposal to eliminate pricing caps and acquire more pricing latitude. The major mailers are obviously opposing the Postal Service, as are many charities and nonprofits who fear larger rate increases; some are using these proceedings to once again complain about the wages and benefits of postal employees.

The NPMHU has filed written comments with the Commission. President Hogrogian noted that our position is that the rate cap should be eliminated, or at least softened, so that the Postal Service can raise rates in a manner that exceeds the rate of inflation if the situation warrants. Here is an excerpt



from the NPMHU comments filed with the PRC:

Notwithstanding the operational surpluses achieved by the Postal Service in the past few years, if the current ratemaking system is not changed, the Postal Service will continue to face massive financial liabilities, long-term debts, and the prospect of routine annual deficits, which together will inevitably lead to unsustainable financial difficulties for the Postal Service and the entire American postal industry. In these circumstances, the NPMHU submits that the Commission is compelled to conclude that the existing ratemaking system fails to meet several key objectives set forth in 39 U.S.C. §3622(b), including most notably the need "[t]o assure adequate revenues, including retained earnings, to maintain [the] financial stability" of the Postal Service over the coming years.

Based on the inescapable conclusion that the current ratemaking system needs to be modified, the NPMHU urges the Commission to propose and eventually adopt regulatory changes that will accomplish the following:

- a. Eliminate or substantially revise the current price cap so that the Postal Service is able to increase rates on marketdominant products in the amount necessary to pay its annual expenses, to pay off its \$15 billion debt. to invest in needed capital expenditures, and to reduce its long-term liabilities over an actuarially sound period of time. To accompany this change in the price cap, the Commission should adopt an annual system to monitor and evaluate the Postal Service's periodic rate changes: and
- b. Either eliminate or revise the system for allowing expedited rate increases for extraordinary or exceptional circumstances to provide greater flexibility to the Postal Service when it needs to react to extraordinary or exceptional circumstances that adversely affect the Postal Service's financial stability.

This rate case will not be completed until later this year, and Hogrogian assured the SAMLU attendees that the Union will be actively engaged in the proceedings, and will keep all Locals and the membership informed about developments.

President Hogrogian next turned his focus to the Service's implementation of massive job changes, including reversions, abolishments, excessing, and withholding. In an extreme overreaction to the decline in mail volumes, USPS headquarters has directed all postal areas to assess their current employee complements and make the necessary adjustments to reflect the decline in mail volume. "Not surprisingly, area postal managers are now overreacting to postal headquarters' initial overreaction," the President said.

The "staffing tool" that is being used to determine complement in each postal installation is called the Function 1 Scheduler, However, as most mail handler representatives already know, this Function 1 Scheduler is far from perfect. Like any other computer program, if you put garbage in, you can expect to get garbage out. When NPMHU officials met with USPS managers to discuss the reversions and abolishments, the managers readily admitted that the Function 1 Scheduler is far from exact regarding the staffing of allied duties, mail transportation, and platform operations. Since allied duties, mail transportation, and platform operations constitute a significant portion of mail handler staffing in mail processing centers, one can only assume that the Function 1 Scheduler with regard to mail handler staffing is far from exact.

The USPS has begun to issue "impact statements" detailing its intentions of involuntarily reassigning full-time regular career mail handlers out of their current installations. Presently, the National Office is aware of 63 installations that may be impacted, with 1,163 full-time regular mail handlers being involuntarily reassigned out of their installation. As a result, nearly every mail handler residual vacancy is being withheld as a potential landing spot for the excessed employees. The Postal Service has yet to supply the Union with a list of the landing spots associated with the excessing events that are being planned. Many of these impact statements show the Postal Service's intention to maintain a significant non-career workforce while at the same time excessing career employees, which itself is strong evidence of a violation of the National Agreement.



Local 310 President Andy Badilishamwalimu with a question

The Postal Service had initially proposed to complete these involuntary reassignments by September 2017 and began issuing "60-day" notices to employees "possibly" subject to involuntary reassignment. In response, reported President Hogrogian, the NPMHU requested copies of all of the Function 1 Schedulers being used by the Postal Service and the Union was told that they would be provided. But no reports or Function 1 Scheduler document have been provided. "The NPMHU will file charges with the NLRB regarding this failure to provide the requested information," said Hogrogian.

In response to these unwarranted attacks on postal employees, APWU President Mark Dimondstein and NPMHU President Hogrogian sent a joint letter to Postmaster General Megan Brennan protesting the Postal Service's proposed actions. Members may review a copy of this joint letter on the National website; it also was published in the July Update. The NPMHU and the APWU vowed to work together to combat the Postal Service's ill-conceived plans.

Joining forces helped to put additional pressure on the Postal Service. As President Hogrogian announced, "We have been recently informed by postal headquarters that the September 2017 'move date' will be pushed back and that no mail handler will be involuntarily reassigned out of his/her installation until, in all likelihood, February 2018. However, an agreement was made that if the Local parties wanted to proceed at an earlier date, they would be permitted to do so." The Postal Service has agreed to use this extended time period to discuss with the Unions ways to minimize and even eliminate the involuntary reassignments out of the installations.

The Postal Service has begun the process of rescinding the 60-day letters. However, the "impact statements" remain active and therefore the withholding of residual vacancies also remains in place. Despite the delay, management remains steadfast in its intention to realign the workforce and align employees' schedules/rest days/start times with the projected mail arrival profiles. This is resulting in wholesale bid reversions and abolishment of duty assignments. Union officials at the Regional, Local and Branch levels are challenging each of the unwarranted start time changes, reversions, and abolishments, and are filing the appropriate grievances. In June 2017, the National Office sent a comprehensive packet to all Local Presidents that included recommendations and guidance to challenge these job reversions and bid abolishments. In addition, the National Office conducted a comprehensive Article 12 training on the third day of the SAMLU which focused on precisely these issues.

President Hogrogian also briefed attendees on the status of postal reform, noting that the four major postal Unions, postal management, and many of the major mailers (including Amazon and Hallmark) have agreed on a stakeholders' consensus bill on postal reform, H.R. 756, which has now found its way into actual legislation that has been passed, on a bipartisan vote, out of the



SAMLU attendees greatly appreciated the hospitality shown by Local 305 President Felandria Jackson and attending representatives

House Committee on Oversight and Government Reform.

During the course of the three-day meeting, President Hogrogian and Legislative and Political Director Bob Losi spent significant time discussing H.R. 756 and other important legislative matters. In describing H.R. 756 they noted that there are four key pillars to the legislation: (1) Medicare Integration; (2) the use of Postal-only assumptions for FERS and CSRS retirement calculations; (3) restoration of half of the exigent rate increase; and (4) the authorization of non-postal services under agreements with state, local, and tribal governments.

Attendees also were briefed on the bipartisan companion bill, H.R. 760, which would allow for the investment of the monies in the Retirement Health Benefit Fund into a TSP-like fund, increasing earnings for the USPS and its beneficiaries.

H.R. 756 has been scored by the Congressional Budget Office (CBO), in a report issued on June 1, 2017. CBO estimates that enacting H.R. 756 would reduce direct spending by about \$6 billion over the ten-year period from 2017-2027; therefore, pay-as-you-go procedures would apply. Enacting H.R. 756 would not affect revenues. In addition, CBO estimates that implementing H.R. 756 would lead to discretionary savings of \$0.3 billion over the next 10 years. subject to appropriation actions consistent with that estimate. The bill is now with the Wavs and Means Committee. The NPMHU will continue to work with all parties to achieve sensible consensus reform.

Brothers Hogrogian and Losi also discussed other key legislative items that could have an impact on postal and federal employees, including collective bargaining rights, pensions, health benefits, and entitlement to union time or official time. (A separate report with more details on the legislative environment appears elsewhere in this magazine.) "We must stand united with our brothers and sisters from the other postal and federal Unions to oppose these attacks on the rights and benefits of postal and federal workers," said Hogrogian. On another important subject, Hogrogian announced that Version 4 of the Contract Interpretation Manual (CIM) is now final and available to all mail handlers. It has been posted on the NPMHU website under Member Resources and also will be circulated. The accompanying resource manual will be made available once all referenced sources (more than 2,500 pages) are linked, tabbed, and bookmarked.

The President extended his deep gratitude to the Contract Administration Department, including its Manager Teresa Harmon and the National staff, for their work on this exhaustive project.

Brother Hogrogian also announced the creation of the NPMHU Women's Committee that will be chaired by Central Region Vice President June Harris. Empowering women is one key to economic, political, and collective empowerment. The NPMHU will benefit from this collective vision of women labor leaders to champion a movement for transformative change on women's issues. Additional information about the Women's Committee can be found in this magazine in Sister Harris's first report about the Committee.

Finally, Brother Hogrogian provided an update on subcontracting and our efforts to insource mail handler work from the surface transfer centers and from some of the consolidationdeconsolidation facilities. The first consolidation facility has been established in St. Louis, as part of the Network Distribution Center.

Following the President's report, National Secretary-Treasurer Timothy Dwyer provided a detailed presentation and entertained questions and comments on a variety of topics, including the NPMHU Unaudited O2 2017 Financial Statements; an updated presentation and analysis related to Mail Handler complement, with particular emphasis placed on the importance of organizing our new MHAs; membership trends and revenue allocation among our Union's affiliated organizations; and analysis and review of the Associate Dues, Service Charge, and Revenue Sharing programs. As 2017 draws to a close, Brother Dwyer will be providing the Local leadership and the membership with more details about financial trends and the steps necessary for ensuring the financial foundation of the NPMHU.



(Standing I-r) Local 310 President, Pervous (Andy B.) Badilishamwalimu, Local 316 President and Western Region Vice President Don Sneesby, Local 318 Vice President Ira Edelstein, Local 308 President and Eastern Region President John Gibson and FL SEBM and Southern Region Vice President Lawrence Sapp

(Seated I-r) CAD Manager Teresa Harmon and Local 306 President and Central Region Vice President June Harris













Saturdays Article 12 Twelve Training left not a seat in the room. Mail Handlers interacted during the training and showed how, by working collectively, problems can be solved in the workplace.

Following Dwyer's detailed analysis of NPMHU membership and his review of the financial burden that non-members put on the organization as a whole, the SAMLU attendees participated in a comprehensive panel discussion on organizing non-members, chaired by Eastern Region Vice President John Gibson. In addition, Northeast Region Vice President David Wilkin, Central Region Vice President June Harris, Western Region Vice President Don Sneesby, and Local 318 President Nick Mosezar also made presentations from the panel. The group shared collective stories about the successful recruitment practices, highlighting the importance of reaching out to every single mail handler, especially new employees in our bargaining unit.

Aetna's Director of National Accounts Brad Corban gave a comprehensive report on the status of the Mail Handlers Benefit Plan (MHBP). This was followed

Local 307 SEBM Rita Tripp



by Michael Hora, MHBP Executive Director, who gave a detailed presentation on matters related to MHBP member recruitment, Open Season, and related finance matters.

Contract Administration Department Manager Teresa Harmon then provided a full report on the activities of that department since the last meeting of the Local Unions. Sister Harmon discussed implementation of the new National Agreement, Local Memoranda of Understanding Impasse Procedures under Article 30. and the Union's position on Promotion Pay stemming from changes made to ELM 422.323. Harmon also discussed mail handler jurisdictional disputes the relative to the Small Parcel Sorting System, the High Throughput Package Sorter, the Flats Postal Automated Redirection System, the Advance Letter Processing System, and the expansion of Automated Delivery Unit Sorter (ADUS) testing. Finally, Sister Harmon briefed attendees on proposed revisions to ASM Section 363 addressing the use of social media. National CAD Representative Kevin Fletcher then provided the body with an update of the Article 12 Task Force. The final presenter was Union Plus® CEO Mitch Stevens.



Local 297 OWCP Advisor and Retired NEB Officer Houston Floyd attended the SAMLU with members from Local 297

Mitch briefed attendees on the benefits provided to NPMHU and MHBP associate members by Union Plus.

On the third day of meetings, the National Office hosted a comprehensive training session on the application of Article 12. The training team was comprised of Regional Vice Presidents John Gibson, June Harris and Lawrence Sapp, with CAD Manager Harmon. The participants discussed major elements of Article 12 including seniority issues, salary rate protection, the principles of reassignments, and bargaining employee relocation benefits, to highlight just a few. The program was designed to assist Union representatives in their defense against the erosion of legitimate career assignments through reversion or abolishment. The training session was lively and highly interactive.

### NPMHU HONORS MARK GARDNER

During the August 2017 SAMLU meeting, attendees gathered to recognize retired National Secretary-Treasurer Mark Gardner's long and distinguished career of twenty-five plus years of dedicated service to fellow Union members. The NPMHU National Executive Board did confer upon Mark A. Gardner the title of National Secretary-Treasurer Emeritus. Mark was also presented with the union's Lifetime Gold Membership Card, which read in part, ... through your leadership and guidance, the Union transformed itself from a position of dire financial despair into one of strength, security, and stability. As a direct result of your work, the NPMHU is a strong and healthy organization prepared to champion its fight for the next generation of mail handlers. The NPMHU offers you our sincere gratitude and appreciation for your many years of work. Mark was joined by family and friends on this special night of recognition.



National Secretary-Treasurer Emeritus- Mark Gardner



Gardner family members gathers in support of Mark



(I-r) Mark Gardner, John Hegarty, Paul Hogrogian, Terry O'Sullivan and Tim Dwyer



The National Executive Board presents Emeritus Resolution to Mark Gardner

### CONTRACT ADMINISTRATION DEPARTMENT REPORT

### **EXCESSING FROM THE SECTION**

Teresa Harmon, Manager, CAD



s everyone is aware, the Postal Service has been implementing mass bid abolishment and bid reversions in almost every mail processing facility in the country based on the F1 Scheduler. The Postal Service claims that it must realign its staffing due to the declining mail volume and the alleged overstaffing that is shown from results of the F1 Scheduler. The F1 Scheduler is management's latest tool that is being used to determine "optimal staffing" in mail processing facilities. The Postal Service is attempting to accomplish this realignment of its staffing through the reversion, the abolishment, and the changing of hours and scheduled days off of current bids. When these changes are occurring, many times it results in mail handlers being excessed from their sections.

When management makes the determination that mail handlers must be reassigned within an installation due to an excess of employees within a section, the provisions of Article 12. 6C4 of the National Agreement will apply in most cases. Under Article 12.6C4a, the identification of assignments that comprise a section is determined locally through local negotiations. Those local negotiations, which are covered in Article 30, are normally conducted shortly after each new National Agreement is implemented. The identification of what is considered a section is usually shown in Item P or Item S of the installation's Local Memorandum of Understanding. Article 12.4 allows a section to be defined as: a pay location, by floor, tour, job within an area, type of work, by branches or stations, the entire installation, incoming, or outgoing. If no sections are established by local negotiation, under Article 12.6C4a the entire installation shall comprise the section for reassignment within an installation of employees excess to the needs of a section. When the entire installation is the section, the provisions of Article 12.6C4 will not apply. In that instance, other provisions of Article 12 covering abolishment, reposting, and bidding of assignments will govern.

Under Article 12.6C4b and 12.6C4d, management must first identify the full-time duty assignments that are to be abolished and the junior full-time mail handlers that will be reassigned. The employees to be reassigned from the section will be the junior full-time employees in the section who are the same salary level (either Level 4 or Level 5) of the assignments that will be abolished. These mail handlers may or may not be the actual employees holding the bid positions of the assignments that are being abolished. The junior employees who are excessed will become unassigned regulars, shall retain their seniority and salary level, and may bid on any existing vacancies for which they are eligible to bid. They also will be assigned a fixed schedule until they either successfully bid or are placed in a residual vacancy.

These reassigned employees are also entitled to retreat rights back to the section upon the first residual vacancy in their salary level. Failure of the reassigned employee to accept the first residual vacancy will end their retreat rights. The right to retreat to a lower salary level in the section, such as in the case of a Level 5 to a Level 4 vacancy, is optional and does not end the retreat right entitlement.

It is important to note that, under Article 17.3C, an employee serving as a steward or chief steward may not be involuntarily reassigned to another tour, station or branch of the installation unless there is no job for which the employee is qualified. This language does not apply to alternate stewards.

The provisions in Article 12.6C4d4 apply to the employees who remain in the section. Management must implement an expedited selection process for the duty assignments that remain. This process allows the senior employee whose job was abolished to now be offered his/her choice of duty assignments in their same level that are remaining in the section, starting with the duty assignment that was held by the employee that was junior to him/her. That process continues in seniority order until all of the duty assignments are filled. Any employee who declines to make a selection will be assigned to the duty assignment remaining after the expedited selection process is over. The results of this expedited selection process become effective at the beginning of the next pay period.

It is important to remember that all newly created duty assignments, duty assignments where the scheduled hours are being changed more than four hours, and duty assignments where the scheduled days off are being changed must be posted for bid for the entire installation. These assignments are not offered as part of the expedited selection process.

If you have any questions about this process, please see your steward.

### WASHINGTON, DC · 2017 NATIONAL POSTAL MAIL SEMI-ANNUAL MEETING

# HANDLERS UNION OF THE LOCAL UNIONS

### NPMHU WOMEN'S COMMITTEE

### INTRODUCTION TO THE NPMHU WOMEN'S COMMITTEE

June Harris, Central Region Vice President, Local 306 President, Women's Committee Chairperson



t is my immense pleasure to introduce the NPMHU Women's Committee. This new committee in the mail handler familv was formally introduced at our SAMLU Meeting held in August 2017 in Washington, DC. The committee consists of the following eight mail handlers: Committee Chairperson June Harris - Central VP/Local 306 President; Teresa Harmon – CAD Manager; Felandria Jackson – Local 305 President: Kelly Dickey – Local 322 President; Juanita Contreras – Local 302 Vice President: Yvette Johnson – Local 300 Vice President; Joyce Weber -Local 318 Treasurer; and Roxie Olds-Pride – Local 311 Treasurer. Each member has diverse skills and knowledge that will help in the advancement of the NPMHU.

The mission of the NPMHU Women's Committee is to encourage, recruit, and engage women of all backgrounds to join and be active in the National Postal Mail



(I-r/ back row) Yvette Johnson — Local 300 Vice President, Felandria Jackson — Local 305 President, Joyce Weber — Local 318 Treasurer and Teresa Harmon — CAD Manager
 (I-r/ front row) Committee Chairperson June Harris — Central VP/Local 306 President, Juanita Contreras — Local 302 Vice President, Kelly Dickey — Local 322 President and Roxie Olds-Pride — Local 311 Treasurer

Handlers Union and the entire labor movement. We want to strengthen our sisters and help them achieve a better standard of living for themselves and their families.

It is our goal to address unique barriers and identify issues and challenges faced by women of all backgrounds within the workplace and the NPMHU. We hope to serve as an advocate on these women's issues and also as a liaison on these issues to USPS management through the NPMHU's Contract Administration Department.

We also want women to understand their importance in the legislative and political arenas. We want women to garner full knowledge of how proposing or changing laws and regulations can affect their future. And we want women in the NPMHU to take a leading role in the Union's legislative activities.

This is an exciting and new adventure for the women of our great Union. The NPMHU Women's Committee will hold its first official meeting at the SAMLU Meeting in Las Vegas, Nevada in April 2018. If you have any issues or agenda items you want addressed, please submit them to any committee member at any point prior to that meeting. The more information and evidence you can submit with the issues you identify, the easier it will be for the Women's Committee and its members to review and address these important matters.

We are looking forward in great expectation to a lively exchange of ideas and suggestions.

### HEALTH PLAN REPORT

### GIVE YOURSELF A RAISE THIS OPEN SEASON

Michael J. Hora, Executive Director, MHBP

his year's Open Season for the Federal Employee Health Benefits Program begins on November 13, 2017 and ends on December 11, 2017 at 11:59 p.m. (eastern standard time). Open Season provides an opportunity for mail handlers to make any necessary changes to their health insurance coverage for the 2018 benefits year. During this open season, employees may make any one, or a combination of, the following changes to their health insurance: enroll if not enrolled; cancel enrollment; change from one plan to another or from one option to another; and change among the three types of coverage, meaning Self, Self Plus One, or Self and Family.

With that in mind, I am encouraging you to take a good look at the Mail Handlers Benefit Plan (MHBP), the health insurance plan sponsored by YOUR UNION. The MHBP gives you a large network of doctors and hospitals to choose from, and you'll get the great MHBP service for which our Plan has been known.

Postal employees recently received a postcard from the USPS encouraging you to shop and compare health plans during the upcoming open season, noting that by switching to a plan that better meets your needs, you could save \$1,000 or more in premiums annually. I will take this one step further— you could save \$2,400 or more per year. Just compare MHBP Standard Option to other FEHB plans.

Rates for the MHBP continue to be very competitive. And you don't have to compromise on valuable benefits. When you use health care providers that are part of our network you'll get:

- Low, predictable copays for the most commonly used services;
- 90% reimbursement for most other services; and
- A low annual deductible.

The MHBP will also offer a 24-hour nurse line available seven days per week, with American Well telehealth services covered at 100%. In addition, MHBP Standard Option and Value Plan members can earn up to \$150 in Wellness Fund account rewards for completing a Health Risk Assessment and a Biometric Screening. The rewards can be earned once per calendar year by each covered family member age 18 and older, and may be used to help pay for qualified medical expenses.

As noted, rates for the MHBP are down for the fourth consecutive year.

Check it out for yourself; give yourself a raise this open season. The USPS has subscribed to Checkbook's Guide to Health Plans for Federal Employees. That publication summarizes thousands of facts about the plans to simplify your choice, and using it is free to all postal employees. Take a few minutes to look at Checkbook's Guide to Health Plans; see how the MHBP stacks up. You will be glad you took the time to shop and compare.

To access Checkbook's Guide to Health Plans for Federal Employees, log into the USPS liteblue employee portal, and go to: *https://liteblue.usps.gov/planselection/*. Click on the Checkbook link at benefits/elections. This online tool takes you through a few simple steps to find the best health plan for you and your family. Find every plan available to you ranked by estimated out-of-pocket costs and more.

- See plans ranked by your specific coverage needs
- · Compare limits on out-of-pocket costs, and
- See data on plan quality and enrollee satisfaction with each plan's service

You can also review information about all three MHBP plan options for 2018 by visiting MHBP.com. Or, for help with any questions you may have, call MHBP at 1-800-410-7778, working 24/7 except major holidays.

Open season changes may be made using PostalEASE, which may be accessed online at www.liteblue.usps.gov or by calling HRSSC at 1-877-487-3273, option 1. Please do not ignore this open season opportunity. Each year I am saddened by the number of employees that call with regrets about missing the open season deadline. Take the time to review your health plan, shop and compare benefits and rates to the MHBP. The results will speak for themselves.





### Setting a new standard for federal health plans

This Plan is **Your** Plan



### Support your Union-sponsored health plan

MHBP offers three worldwide health plans designed to fit every need and budget. Regardless of your stage in life, location or health status, there's an MHBP plan for you. You can count on:

Nationwide network of doctors and hospitals backed by Aetna No specialist referrals or PCP selection required — you direct your care Wellness tools and rewards to help keep you healthy 24/7 customer service (except major holidays)

### Call us at **800-410-7778** or visit **MHBP.com** for more information about our plans.



This is a summary of the Mail Handlers Benefit Plan (MHBP). Before making the final decision, please read the 2018 official Plan Brochures (RI 71-007 or RI 71-016). All benefits are subject to the definitions,

### **MHBP Standard Option**

#### Comprehensive coverage at a surprisingly low cost

MHBP Standard Option is the new standard for federal health benefits. You'll get comprehensive benefits and predictable out-of-pocket expenses for a much lower cost than you'd expect.

**Compare** MHBP Standard Option to other standard and even high-option plans. See how much you can save.

### **MHBP Value Plan**

### Preventive care and catastrophic coverage at an affordable cost

Our Value Plan safeguards you against the high cost of an unforeseen illness or event. Plus, you pay nothing for preventive care, such as your annual physical exam, routine screenings, immunizations, women's preventive care and well-child care.

### **MHBP** Consumer Option

#### A high-deductible plan with an HSA

Like being in control of your health care? Our Consumer Option is a great choice for you. The Plan will deposit up to \$1,800 per year into an HSA for you to spend on your care or save. And preventive care is paid at 100 percent!

### Compare and see how much you can save.

**Postal Category 1** 

Biweekly Premium (NPMHU)

Standard Option	
Self	\$61.16
Self+1	\$140.77
Family	\$142.12
Value Option	
Self	\$52.19
Self+1	\$123.66
Family	\$126.13
Consumer Option	
Self	\$59.61
Self+1	\$131.92
Family	\$138.51

It's time to make the change to your Union-sponsored health plan this Open Season.



limitations and exclusions set forth in the 2018 official Plan Brochures. @2017 Aetna Inc. All rights reserved. All other names and (registered) trademarks are the property of their respective owners.



### THE NPMHU LEGISLATIVE AGENDA FOR THE 115th CONGRESS

very two years, the Committee on the Future of the National Postal Mail Handlers Union adopts a comprehensive legislative agenda for the new Congress. This year is the first session of the current 115th Congress, which will be in session during 2017 and 2018, and once again a legislative agenda has been developed. Included on this agenda are specific legislative goals, as well as various political matters on which the NPMHU National Office will be working during the next two years.

After the 2016 national elections, the political landscape in Washington, DC changed dramatically. President Trump has taken over the White House, and both Houses of Congress have strong Republican majorities. The political atmosphere is more polarized than ever, even more than almost anyone could have expected. The two years covered by the 115th Congress, therefore, are likely to be dominated by anti-worker, anti-union, and anti-USPS rhetoric and proposals that pose serious risks for the NPMHU and all mail handlers.

As always, the NPMHU will continue its fight to protect the legislative interests of all mail handlers and promote deeper involvement of its members in the legislative and political arenas.

#### PRESERVING AND PROTECTING THE FUTURE OF THE POSTAL SERVICE

This is the primary objective of the NPMHU in the current legislative session, and was the focus of this year's Legislative Conference.

**JULY 2017** 

Preservation and protection of the Postal Service means:

- Enacting comprehensive postal reform legislation, represented by H.R. 756 and H.R. 760, which already were passed on March 16, 2017 by voice votes of the House Committee on Oversight and Government Reform.
- Halting subcontracting or other privatization schemes, and retaining six-day, if not sevenday, delivery, as these positions also will protect the Postal Service brand and its ability to develop new and better products during the coming years.
- Restoring the Postal Service's financial stability by eliminating or delaying payments to the Retiree Health Benefits
   Fund and correcting pension errors in both the CSRS and FERS Retirement Systems.
- Reversing the January 2015 changes to USPS service standards and/or adopting a moratorium on additional closings or consolidations of mail processing facilities.

### WORKING TO PREVENT HARMFUL LEGISLATION

The NPMHU will work, together with similarly interested parties, to prevent legislation harmful to mail handlers and other postal employees, including the following:

- H.R. 3257. the Promote Accountability and Government Efficiency (PAGE) Act, which would make the following changes for federal employees: providing at-will employment status for new federal employees: allowing for the immediate suspension of employees for misconduct or poor performance: limiting certain appeal rights: restricting pay raises; forcing the forfeiture of CSRS or FERS annuity for any employee convicted of a felony: and limiting official time and use of government resources in carrying out union activities.
- Other legislation that would limit official time for federal employees.
- Potential changes to the workers' compensation system that is now part of the Federal Employees Compensation Act and its governing regulations.
- Efforts in Congress to allow the Postal Service to reduce guaranteed six-day delivery to all residential addresses.

- Proposals to eliminate or curtail prevailing wage laws, particularly under the Service Contract Act.
- Proposals to raise health insurance premiums for federal employees or to weaken the Federal Employee Health Benefit Program.
- Proposals to reduce retirement security for current and future retirees, including potential cuts in Social Security or in the CSRS and FERS programs or potential increases in employee contributions.
- Efforts in various state legislatures to enact "do not mail" or anti-"junk mail" bills that allow individuals to remove their names and addresses from mailing lists used for commercial mail purposes.
- Proposals to single out federal and postal employees by prohibiting their employment if monies are owed to the IRS for failure to pay taxes.

### WORKING TO ENACT NEW LEGISLATION

Although the political atmosphere on Capitol Hill and in the White House is not conducive to positive change, the NPMHU will continue to urge Congress to adopt legislation to improve the lives and working conditions of mail handlers and other postal and federal employees. These efforts will focus on the following pieces of legislation:

- Legislation to eliminate or curtail the Government Pension Offset.
- Legislation to eliminate or curtail the Windfall Elimination Provision.
- Legislation to provide pre-tax health care premiums for postal and federal retirees (premium conversion).

- Legislation, at the federal level, to increase the minimum wage, and legislation, at the state and local level, to provide a guaranteed living wage, in excess of the federal minimum wage, to workers and their families.
- Legislation, primarily at the state and local level, to encourage democratic participation through "vote by mail" initiatives.
- Legislation to provide for unionsecurity clauses or the agency shop in the Postal Service.
- Legislation or other congressional action to eliminate or discourage the subcontracting or outsourcing of postal jobs to private contractors.
- Legislation to reform U.S. labor laws – through the enactment of the Employee Free Choice Act or similar proposals – to eliminate delays, provide for effective remedies for violation of the law, and to return to the original purposes of the National Labor Relations Act.
- Legislation to ensure the future viability of Social Security.

### PREPARING FOR UPCOMING STATE ELECTIONS AND THE 2018 FEDERAL ELECTIONS

Campaigns no longer occur between Labor Day and Election Day, with most candidates seeking office running longer and more expensive campaigns. Beginning now, and continuing into next year, the NPMHU will join with others in the American labor movement to prepare for the 2018 Congressional elections and state and local elections (a few of which will be held in 2017).

The NPMHU will take all reasonable steps to ensure that mail handlers and their families are actively involved in these upcoming elections, through voter registration, education, and efforts to increase turn-out. It is critical that all mail handlers and their families not only are registered to vote, but that they go to the polls to have their voices heard. We must continue to work to ensure that pro-union, pro-worker candidates are elected to represent our interests.



### LEGISLATIVE AND POLITICAL REPORT

### **THE OUTLOOK IN WASHINGTON D.C.** FORECAST IS CLOUDY, WITH SEVERE STORMS EXPECTED

Robert Losi, Legislative and Political Director

#### **TRUMP BUDGET PROPOSALS**

President Trump's first budget proposal, for Fiscal Year 2018, contains many landmines and potential heartache for millions of postal and federal employees, if it ever is enacted as written. In recent years, the postal and federal workforces already have sacrificed, as there have been losses of some benefits, reductions of benefits for future employees, and even losses of pay, especially for federal employees. Indeed, by some calculations, the postal and federal workforces have sacrificed as much as \$182 billion dollars in the past few years, with no offsetting increases to our retirement or other benefits over the last seven years.

Listed below are some of the actual proposals included in President Trump's FY2018 budget:

- Amend calculation of the annuity from a high-3 to a high-5 formula for all FERS/CSRS employees, effectively reducing all retirement benefits for all federal and postal employees
- End all cost-of-living adjustments for FERS employees and retirees, and reduce cost of living adjustments for CSRS retirees by 0.5 percent.
- Eliminate the Social Security supplement that bridges FERS employees who retire prior to the age of 62 (gap insurance), at which age they become eligible to collect their earned social security benefit
- Increase the employee's share to 50% of the FERS contribution rate, phased in over a six-year period but with no additional benefits for to the employees; currently FERS employees contribute between 0.8% and 4.4%, depending on when they were hired, but this budget proposal would increase employee contributions by 1% for each year going forward until the employee and employer rates are essentially even
- · Increase each employee's share of life insurance costs

Together, these proposed cuts in postal and federal benefits are projected to save the federal government more than \$150 billion over the next ten years. In addition, the Trump FY 2018 Budget would reduce spending on many important federal programs. For the Postal Service, the proposed budget would cut \$46 billion in revenue for the USPS by changing door-to-door delivery, reducing delivery frequency, and increasing rates to cover future healthcare costs.

Other proposals in the Trump FY2018 Budget would adversely affect other federal agencies and the services they provide to the American people: for example, \$9.2 billion in cuts to the Education Department, a \$1 billion decrease in student loans, and \$4 billion in Medicare cuts.

The Trump FY2018 Budget would increase military spending by \$54 billion, and includes \$2.6 billion to build the muchdiscussed border wall separating the United States and Mexico.

On a positive note, many of the leaders on both sides of the aisle in Congress believe that, as written, the Trump FY2018 Budget is dead on arrival. But that does not mean that cuts are not still on the table. Indeed, the Republican majority on the House Budget Committee released its blueprint for FY2018 spending in July 2017, and that document stated that the Committee is seeking "reforms to civil service pensions to put them on a better fiscal path," by requiring employees "to make greater contributions to their own defined benefit retirement plans." This proposal also would eliminate the FERS supplement for retirees who are not 62 years of age.

President Hogrogian has noted that the NPMHU will take nothing for granted, and will fight to make sure that the Union's voice is heard in the halls of Congress so that these draconian proposals will be met with strong and forceful resistance.

#### **LEGISLATIVE UPDATE**

As mentioned in prior reports, the NPMHU is still working with a large postal coalition to move H.R.756, the Postal Reform Act of 2017, toward final passage. H.R. 756 was introduced on January 31, 2017, and then passed by a bipartisan voice vote by the Oversight and Government Reform Committee on March 16, 2017. The coalition is still encouraging two other committees to take action — the Ways and Means Committee and the Energy and Commerce Committee — as they also have jurisdiction over H.R.756. Only after adoption







by these two Committees will the bill be able to move to the full House of Representatives for a floor vote.

A companion bill, H.R. 760, the Postal Service Financial Improvement Act of 2017, also was introduced on January 31, 2017 and also was approved by a voice vote on March 16, 2017 by the Oversight and Government Reform Committee. It now awaits floor action from entire House of Representatives.

#### RESOLUTIONS

**The NPMHU** has been advocating for three resolutions introduced in the House of Representatives which, if addressed, could assist the Postal Service in attaining financial solvency.

**H. Res. 28**, Expressing the sense of the House of Representatives that the United States Postal Service should take all appropriate measures to ensure the continuation of door delivery for all business and residential customers. Currently this resolution has 240 co-sponsors.

**H. Res. 15**, Expressing the sense of the House of Representatives that the United States Postal Service should take all appropriate measures to ensure the continuation of its 6-day mail delivery service. This resolution currently has 232 cosponsors.

**H. Res 31**, Expressing the sense of the House of Representatives that the United States Postal Service should

take all appropriate measures to restore service standards in effect as of July 1, 2012. Currently this resolution has 198 cosponsors.

#### WHAT CAN YOU DO?

All mail handlers and their family members and friends need you to be as active as possible, so please sign onto our NPMHU Action Alert List, join in when asked, and help support those Members of Congress who support our issues through the NPMHU Political Action Committee. Attend any district meetings held by your Members of Congress district meetings. Register to vote. Make sure that all family members and friends are registered to vote. And then vote, on all election days, no matter what.

#### **POLITICAL SCENE**

On November 7, 2017, two gubernatorial elections will be held, one in the State of New Jersey and the other in the Commonwealth of Virginia. Also, both states will hold legislative elections as well on that day. The last day to register to vote in the general election in New Jersey is October 17, 2017 and in Virginia that day is October 16. For further information please contact the Secretary of State in each jurisdiction.

# 2017 PAC INCENTIVE AWARDS











### **2017 PAC INCENTIVE AWARDS**

LEVEL	DO
Member	\$26
Sponsor	\$52
Activist	\$100
Leader	\$250
Ambassador	\$500

DONATION
\$26 (\$1 per pay period)
\$52 (\$2 per pay period)
\$100
\$250
\$500

AWARD

PAC Pin PAC Apron PAC Polo Shirt PAC Jacket PAC Desktop Clock

### YOU TOO CAN BECOME AN NPMHU POLITICAL ACTIVIST

There is a quick way for Mail Handlers to contribute to the NPMHU PAC. Simply call in to the PostalEASE system, or visit the PostalEASE option on the web at *www.liteblue.usps.gov*. Follow the instructions printed on page 30 of this magazine. Your PAC contribution will be made directly from your bi-weekly postal payroll. You also have the option of sending in a personal check or authorizing a credit card contribution. Your contributions will also be entered in to the incentive award program that entitles you to an award based on your contribution level. There are five distinct PAC membership levels and awards. Awards are distributed based on membership level and will be mailed after the end of the year; awards will vary year to year.



### **NOTICE CONCERNING CONTRIBUTIONS:**

Contributions to the Mail Handlers PAC are not deductible as charitable contributions for purposes of federal income taxes. In addition, federal law requires that the Mail Handlers PAC report to the Federal Election Commission the name, mailing address, occupation, and name of employer for each individual whose contributions in any calendar year total in excess of \$200. Please also note that the Mail Handlers PAC has political purposes, and that all members have the right to refuse to contribute, and the right to revoke their authorization for any continuing contributions, without any reprisal.

### PAC CONTRIBUTION BY PERSONAL CHECK, MONEY ORDER, OR CREDIT CARD:

You can contribute directly to the Mail Handlers PAC by filling out the following information and mailing it to:

Mail Handler PAC P.O. Box 65171 Washington DC 20035

Please enclose your check or money order, or provide authorization to charge your credit card.

(Cut here and return to NPMHU PAC)

# NATIONAL POSTAL MAIL HANDLERS UNION POLITICAL ACTION COMMITTEE

### YOUR CONTRIBUTION HELPS PRESERVE POSTAL JOBS

This is to certify that I, \_\_\_\_\_\_\_, have voluntarily contributed the amount listed below, to the NPMHU PAC. I understand that this voluntary contribution is not a condition of membership in the union; I have the right to refuse to contribute without any reprisal; if specific contribution amounts are mentioned they are merely suggestions and I am free to contribute more or less; the Union will not favor or disadvantage me because of the amount of my contribution or my decision not to contribute; NPMHU PAC will use the money it receives to make Political expenditures and contributions in connection with federal elections; and only U.S. Citizens and lawful permanent U.S. residents are eligible to contribute.

Address			Local				
Employer (if other	than USPS)	Jc	b Title				
Contribution Amou	unt: (Please check one):						
🗌 \$26 (Member)	🗌 \$52 (Sponsor)	🗌 \$100 (Activist)	🗌 \$250 (Leader)	🔲 \$500 (Ambassador)			
🗌 Other							
	check or money order		arge your credit card.				
VISA	MASTERCARD	Ac	ct.#				
Signature		Ex	piration Date				

Contributions to the NPMHU PAC are not deductible as charitable contributions for federal income purposes.

### You also can make your PAC contribution by bi-weekly salary allotment through PostalEASE (access by phone or on the web):

### PostalEASE by TELEPHONE:

- 1. Dial **1-877-4PS-EASE**—(877-477-3273) and follow the prompt for the Employee Services Main Menu.
- 2. When prompted, press <u>**#1**</u> for PostalEASE
- 3. When prompted, enter your eight-digit USPS employee identification number.
- When prompted again, enter your USPS PIN number. (This is the same as the PIN number you use for telephone bidding and/or other payroll allotments.)

.....

- 5. When prompted, choose option <u>#2</u> (to select payroll allotments)
- 6. Then choose option <u>#1</u> (to select allotments)
- 7. When prompted, press **#2** to continue
- 8. When prompted, press #3 to add the allotment
- 9. When prompted for the routing number, enter 054001220
- When prompted for the account number, enter the following:
  11260001 \_\_\_\_\_ (the last nine digits of your account number is your social security number—this information will allow us to identify you as the PAC contributor).
- 11. Press <u>#1</u> if correct
- 12. When prompted, press <u>#1</u> for "checking"

13. When prompted, input the bi-weekly dollar amount of your PAC allotment.

- 14. Press <u>#1</u> if correct
- 15. When prompted, press <u>#1</u> to process
- 16. You will be provided a confirmation number as well as the start date for the salary allotment.
- 17. For your records:
  - · Record the confirmation number
  - $\cdot$  Record the start date of the salary allotment
- 18. Press <u>#1</u> to repeat, or press <u>#9</u> to end call

### PostalEASE on the WEB:

To initiate your bi-weekly PAC contribution on the web, simply go to <u>www.liteblue.usps.gov</u>

- Enter your eight-digit USPS Employee ID Number and your USPS PIN
- 2. Follow the link to PostalEASE you will again be asked to enter your Employee ID Number and USPS PIN
- Follow the link for PAYROLL – Allotments/NTB
- 4. Continue to the ALLOTMENTS section
- 5. Your ROUTING TRANSIT NUMBER is: **054001220**
- Your ACCOUNT # will be: 11260001 \_\_\_\_\_ (the last nine digits of your account number is your social security number—this information will allow us to identify you as the PAC contributor).
- 7. For ACCOUNT TYPE please select "CHECKING"
- 8. When prompted, please input the AMOUNT that you would like to contribute to the PAC each pay period.
- To process your PAC allotment, you will need to select the VALIDATE button, and to finalize the transaction, please select SUBMIT. Be sure to print out a copy of the confirmation page for your records.



# HELP FOR THOSE IMPACTED BY THE WILDFIRES IN CALIFORNIA

If you are a union member who participates in certain Union Plus programs and have been affected by the California wildfires, you may be eligible for financial assistance through the Union Plus Disaster Relief Grant program.<sup>1</sup>

Union Plus Disaster Relief Grants of \$500 are available to eligible participants of one of the following programs:

- Union Plus Credit Card Program
- Union Plus Life Insurance
- Accidental Death Insurance
- Union Plus Auto Insurance or
- Union Plus Mortgage Program

To qualify for a Union Plus Disaster Relief Grant:

- Your residence must be in a county qualifying for individual assistance money from FEMA (to check if your county has been designated as an area eligible for individual assistance money, visit (FEMA's disaster declarations page).
- 2. You must have experienced a significant loss of income or property within the past six months due to the disaster.
- 3. You must have had a Union Plus Credit Card for at least three months, Union Plus Mortgage, Union Plus Life or Accidental Death Insurance or Union Plus Auto Insurance for at least 12 months with that account or policy in good standing (be up-to-date on payments).

If you participate in any of the following programs and want to apply for a disaster relief grant, call:

- Union Plus Credit Card: 1-800-622-2580
- Union Plus Mortgage: 1-800-472-2005
- Union Plus Insurance: 1-800-472-2005
- Union Plus Auto Insurance: 1-800-472-2005

In addition, **AT&T**, the provider of **Union Plus wireless discounts**, will issue free AT&T PREPAID phones for landline customers without wireless service, while supplies last.

The Union Plus Disaster Relief Fund has provided nearly \$1 million in assistance to union members facing hardships following Hurricanes Sandy and Katrina, floods, wildfires and other natural disasters. Head to the Union Plus Disaster Relief Fund page accessible at *https://www.unionplus.org/* to learn more about the benefits and eligibility requirements.

<sup>&</sup>lt;sup>1</sup> Certain restrictions, limitations and qualifications apply to these grants. Additional information and eligibility criteria can be obtained at *UnionPlus.org/Assistance*.

<sup>&</sup>lt;sup>2</sup> The Union Plus Credit Cards are issued by Capital One, N.A. pursuant to a license from Mastercard International Incorporated. Mastercard is a registered trademark of Mastercard International Incorporated.

### **CAREER MAIL HANDLERS TO RECEIVE COST OF LIVING ADJUSTMENT**

ffective on September 2, 2017, career Mail Handler craft employees are scheduled to receive the third of seven possible cost-of-living (COLA) adjustments as outlined in Article 9.3 of the 2016 National Agreement. This COLA increase is based on the upward change in the relevant Consumer Price Index (CPI) following release of the July 2017 Index, and provides an annual increase of \$270 for all Steps in Table 1 and for Step P of Table 2. The remaining Steps in Table 2 will receive the proportional COLA increase percentages as outlined in Article 9.3 of the National Agreement.

			GRAD	E 4			GRADE 5						
WEEKS IN STEP	STEP	ANNUAL	BI-WEEKLY	FTR & PTR HOURLY	OVERTIME	PTF HOURLY	WEEKS IN STEP	STEP	ANNUAL	BI-WEEKLY	FTR & PTR HOURLY	OVERTIME	PTF HOURLY
88	AA	\$36,551	\$1,406	\$17.57	\$26.36	\$18.28	88	AA	\$38,169	\$1,468	\$18.35	\$27.53	\$19.08
88	A	\$41,130	\$1,582	\$19.77	\$29.66	\$20.57	88	A	\$42,753	\$1,644	\$20.55	\$30.83	\$21.38
88	В	\$46,890	\$1,803	\$22.54	\$33.81	\$23.45	88	В	\$48,907	\$1,881	\$23.51	\$35.27	\$24.45
44	С	\$49,614	\$1,908	\$23.85	\$35.78	\$24.81	44	С	\$51,703	\$1,989	\$24.86	\$37.29	\$25.85
44	D	\$53,621	\$2,062	\$25.78	\$38.67	\$26.81	44	D	\$54,408	\$2,093	\$26.16	\$39.24	\$27.20
44	E	\$53,942	\$2,075	\$25.93	\$38.90	\$26.97	44	E	\$54,759	\$2,106	\$26.33	\$39.49	\$27.38
44	F	\$54,272	\$2,087	\$26.09	\$39.14	\$27.14	44	F	\$55,113	\$2,120	\$26.50	\$39.74	\$27.56
44	G	\$54,591	\$2,100	\$26.25	\$39.37	\$27.30	44	G	\$55,453	\$2,133	\$26.66	\$39.99	\$27.73
44	Н	\$54,920	\$2,112	\$26.40	\$39.61	\$27.46	44	Н	\$55,807	\$2,146	\$26.83	\$40.25	\$27.90
44	1	\$55,242	\$2,125	\$26.56	\$39.84	\$27.62	44	I	\$56,161	\$2,160	\$27.00	\$40.50	\$28.08
34	J	\$55,574	\$2,137	\$26.72	\$40.08	\$27.79	34	J	\$56,508	\$2,173	\$27.17	\$40.75	\$28.25
34	K	\$55,893	\$2,150	\$26.87	\$40.31	\$27.95	34	K	\$56,856	\$2,187	\$27.33	\$41.00	\$28.43
26	L	\$56,222	\$2,162	\$27.03	\$40.54	\$28.11	26	L	\$57,202	\$2,200	\$27.50	\$41.25	\$28.60
26	М	\$56,546	\$2,175	\$27.19	\$40.78	\$28.27	26	М	\$57,556	\$2,214	\$27.67	\$41.51	\$28.78
24	N	\$56,871	\$2,187	\$27.34	\$41.01	\$28.44	24	N	\$57,908	\$2,227	\$27.84	\$41.76	\$28.95
24	0	\$57,193	\$2,200	\$27.50	\$41.24	\$28.60	24	0	\$58,252	\$2,240	\$28.01	\$42.01	\$29.13
	Р	\$57,521	\$2,212	\$27.65	\$41.48	\$28.76		Р	\$58,601	\$2,254	\$28.17	\$42.26	\$29.30

### Mail Handler Wage Rates — Effective September 2, 2017 (PP 19-2017) Table 1 — Applicable to Career Appointments Prior to February 15, 2013

### Mail Handler Wage Rates — Effective September 2, 2017 (PP 19-2017) Table 2 — Applicable to Career Appointments on or after February 15, 2013

GRADE 4						GRADE 5							
WEEKS IN STEP	STEP	ANNUAL	BI-WEEKLY	FTR & PTR HOURLY	OVERTIME	PTF HOURLY	WEEKS IN STEP	STEP	ANNUAL	BI-WEEKLY	FTR & PTR HOURLY	OVERTIME	PTF HOURLY
52	BB	\$33,035	\$1,271	\$15.88	\$23.82	\$16.52	52	BB	\$34,528	\$1,328	\$16.60	\$24.90	\$17.26
52	AA	\$34,477	\$1,326	\$16.58	\$24.86	\$17.24	52	AA	\$35,945	\$1,383	\$17.28	\$25.92	\$17.97
52	A	\$35,916	\$1,381	\$17.27	\$25.90	\$17.96	52	Α	\$37,360	\$1,437	\$17.96	\$26.94	\$18.68
52	В	\$37,357	\$1,437	\$17.96	\$26.94	\$18.68	52	В	\$38,778	\$1,491	\$18.64	\$27.96	\$19.39
52	С	\$38,796	\$1,492	\$18.65	\$27.98	\$19.40	52	С	\$40,193	\$1,546	\$19.32	\$28.99	\$20.10
52	D	\$40,238	\$1,548	\$19.35	\$29.02	\$20.12	52	D	\$41,609	\$1,600	\$20.00	\$30.01	\$20.80
52	E	\$41,678	\$1,603	\$20.04	\$30.06	\$20.84	52	E	\$43,025	\$1,655	\$20.69	\$31.03	\$21.51
52	F	\$43,119	\$1,658	\$20.73	\$31.10	\$21.56	52	F	\$44,442	\$1,709	\$21.37	\$32.05	\$22.22
52	G	\$44,559	\$1,714	\$21.42	\$32.13	\$22.28	52	G	\$45,856	\$1,764	\$22.05	\$33.07	\$22.93
52	Н	\$46,000	\$1,769	\$22.12	\$33.17	\$23.00	52	Н	\$47,274	\$1,818	\$22.73	\$34.09	\$23.64
52	I	\$47,438	\$1,825	\$22.81	\$34.21	\$23.72	52	I	\$48,688	\$1,873	\$23.41	\$35.11	\$24.34
52	J	\$48,878	\$1,880	\$23.50	\$35.25	\$24.44	52	J	\$50,106	\$1,927	\$24.09	\$36.13	\$25.05
52	K	\$50,319	\$1,935	\$24.19	\$36.29	\$25.16	52	K	\$51,521	\$1,982	\$24.77	\$37.15	\$25.76
52	L	\$51,759	\$1,991	\$24.88	\$37.33	\$25.88	52	L	\$52,937	\$2,036	\$25.45	\$38.18	\$26.47
52	М	\$53,199	\$2,046	\$25.58	\$38.36	\$26.60	52	М	\$54,354	\$2,091	\$26.13	\$39.20	\$27.18
52	N	\$54,640	\$2,102	\$26.27	\$39.40	\$27.32	52	N	\$55,770	\$2,145	\$26.81	\$40.22	\$27.88
52	0	\$56,080	\$2,157	\$26.96	\$40.44	\$28.04	52	0	\$57,185	\$2,199	\$27.49	\$41.24	\$28.59
	Р	\$57,521	\$2,212	\$27.65	\$41.48	\$28.76		Р	\$58,601	\$2,254	\$28.17	\$42.26	\$29.30

### Mail Handler Assistant (MHA) Hourly Wage Rates (unchanged) Effective November 26, 2016 (PP25-2016)

MHA Grade 4 — \$15.12

MHA Grade 5 — \$15.94

### NATIONAL POSTAL MAIL HANDLERS UNION

A DIVISION OF LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, AFL-CIO DECEMBER 31, 2016 AND 2015

#### ASSETS

	2016	2015
CURRENT ASSETS		
Cash and cash equivalents	\$800,313	\$555,919
Accounts receivable — local unions	32,078	33,575
Accounts receivable — other	1,887,069	1,749,543
Tax refunds receivable	1,351,449	1,335,100
Interest receivable	61,740	55,062
Loans to local unions	25,000	92,921
Prepaid expenses	216,609	206,521
	4,374,258	4,028,641
LONG-TERM RECEIVABLES		
Loans to local unions	140,110	134,217
INVESTMENTS		
Marketable securities — at fair value	21,288,026	25,285,836
FIXED ASSETS		
Furniture, fixtures and equipment	1,958,613	1,844,699
Automobiles	49,822	49,822
Leasehold improvements	291,600	291,600
	2,300,035	2,186,121
Accumulated depreciation	<i>(</i> = 0 0 = 10)	(1.10=0.10)
and amortization	(1,500,718)	(1,405,248)
	799,317	780,873
OTHER ASSETS		
Inventory of promotional items	23,448	58,672
Deposits	209,447	165,688
	232,895	224,360
TOTAL ASSETS	\$26,834,606	\$30,453,927

LIABILITIES AND NET ASSETS		
	2016	2015
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$3,218,402	\$2,521,941
Dues collected for local unions	561,746	118,592
Deferred dues revenue	216,227	46,924
Deferred rent abatement	113,621	13,621
	4,109,996	2,801,078
LONG-TERM LIABILITIES		
Deferred rent abatement	181,142	294,764
Security deposit — sublease	9,377	9,377
Net unfunded pension liability	1,517,452	1,160,721
	1,707,971	1,464,940
TOTAL LIABILITIES	5,817,967	4,265,940
UNRESTRICTED NET ASSETS	21,016,639	26,187,987
TOTAL LIABILITIES AND NET ASSETS	\$26,834,606	\$30,453,927

#### STATEMENTS OF ACTIVITIES

STATEMENTS OF ACTIVITIES		
	2016	2015
REVENUE		
Per capita assessments		
Member per capita	\$6,743,898	\$5,805,169
Associate per capita	1,053,132	1,115,199
	7,797,030	6,920,368
MHBP service fee	5,614,332	5,554,644
Investment income	325,494	213,129
National Billing Program	154,162	159,719
Royalties	602,678	611,718
Rental income	138,296	131,573
Sale of promotional items	17,554	26,675
Miscellaneous	24,161	261,484
	14,673,707	13,879,310
EXPENSES		
Per capita taxes	2,549,818	2,467,828
Salaries and wages	3,696,855	3,629,651
Payroll taxes and employee benefits	2,308,133	2,195,212
Revenue Sharing Program	2,074,312	2,052,030
Income and property taxes	1,630,724	1,504,217
Automobile and housing	138,498	123,229
Bank charges	52,157	57,721
Charitable contributions	106,843	147,158
Computer services	64,434	60,960
Conferences	39,127	1,999
Convention	2,286,956	4,297
Depreciation and amortization	95,470	110,187
Election	116,043	_
Insurance and bonding	43,674	46,751
Leased equipment	35,251	35,498
Meetings and conferences	452,203	792,387
Miscellaneous	111,138	51,403
Office supplies and postage	209,882	258,558
Printing and publications	583,117	581,708
Professional fees	1,094,565	962,222
Promotional items	28,027	43,063
Rent	795,508	779,701
Repairs and maintenance	42,633	37,249
Scholarships	48,000	55,500
Telephone	101,136	105,180
Travel and lodging	509,952	682,364
	19,214,456	16,786,073
DEFICIENCY OF REVENUE OVER EXPENSES	(4,540,749)	(2,906,763)
Pension-related changes other	(070 500)	
than net periodic pension cost	(630,599)	(413,146)
DECREASE IN NET ASSETS	(5,171,348)	(3,319,909)
UNRESTRICTED NET ASSETS AT BEGINNING OF YEAR	26,187,987	29,507,896
UNRESTRICTED NET ASSETS AT END OF YEAR	\$21,016,639	\$26,187,987

### MAIL HANDLERS ACROSS THE COUNTRY



LOCAL 320 INSTALLATION OF OFFICERS Members of the National Executive board were on hand to swear in the officers of Local 320.



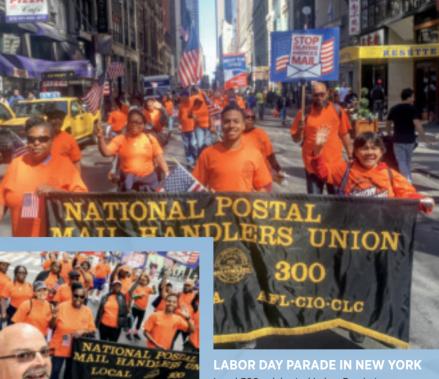
LOCAL 323 INSTALLATION OF OFFICERS National President Paul Hogrogian was on hand to swear in the officers of Local 323 at their installation ceremony.



LOCAL 307 LOCAL UNION PICNIC Members of Local 307 along with Central Region Vice President June Harris celebrate a day of unity at their summer picnic.



POLITICAL OUTREACH IN WASHINGTON D.C. President Paul Hogrogian and Congresswomen Nancy Pelosi meet in Washington D.C.



Local 300 celebrated Labor Day in true Mail Handler fashion by marching in the annual New York Labor Day Parade.



#### LOCAL 316 PICNIC

National President Paul Hogrogian and National Secretary-Treasurer Tim Dwyer joined Local 316 President & Western Region Vice President Don Sneesby and members of Local 316 for their annual gathering and picnic.



LOCAL 309 COUNCIL MEETING Members of Local 309 gather to discuss business at their Council Meeting.



LOCAL 300 INSTALLATION OF OFFICERS National President Paul Hogrogian was on hand to swear in the officers of Local 300 at their installation ceremony.



LOCAL 319 HOSTS TRAINING SESSION

Members of Locals 319 and 327 including Local Presidents Derby (319) and Burk (327) participated in steward training in Cheyenne, WY.

#### **LOCAL 308 HAPPENINGS**





Local 308 Summer Picnic National President Paul Hogrogian and Eastern Region VP & Local President John Gibson with the proud members of Local 308.



Local 308 Shop Stewards Training Local President and Eastern Region Vice President John Gibson leads a shop stewards training.

2017 Labor Day in Philadelphia Members of Local 308 along with members from the NALC and APWU join in solidarity on Labor Day in Philadelphia.





### SUPPORT THE POSTAL EMPLOYEES' RELIEF FUND

### Please consider making an **immediate donation**

To donate with credit card or via PayPal, visit: http://www.postalrelief.com

> NEW! CFC #10268

PERF is available by phone at **202-408-1869**. You can also contact PERF by mail at P.O. Box 7630, Woodbridge, VA 22195.

> Designate CFC #10268 – Postal Employees' Relief Fund during the upcoming Combined Federal Campaign – October 2, 2017 through January 12, 2018

### Mail Checks or Money Orders to:

Postal Employees' Relief Fund P.O. Box 7630

Woodbridge, VA 22195

We have all witnessed the unprecedented devastation caused by Hurricanes Harvey, Irma and Maria. Winds in excess of 130 mph with torrential rains dumping more than 30 inches in some areas caused massive flooding and widespread power outages. Tens of thousands of postal employees and their families reside in these areas of vast devastation; many need our assistance.

The Postal Employees' Relief Fund (PERF) – operated jointly by Postal Unions, Management Associations, and the Postal Service – helps ease the suffering by administering small relief grants to assist qualifying victims in reestablishing their residence and to help replenish basic necessities in the aftermath of a devastating loss.