

PRESIDENT'S REPORT

By Calvin Brookins

FERS

Recently management gave a stand-up regarding the USPS cash conservation plan, the stand-up should have gone something like this:

The Postal Service is facing its gravest financial crisis in history. We've made great strides to cut costs and generate revenue, but unless we see some legislative reform from Congress, we face the very real possibility of running out of cash by October and facing a national mail shutdown as a result. To reduce the chance of this happening, the Board of Governors announced today (June 22, 2011) that it's implementing an emergency cash conservation measure and will suspend the Postal Service's contributions to the Federal Employees' Retirement System (FERS), effective June 24, 2011.

What I just read came directly from a mandatory stand up that was sent out to the field by USPS Headquarters. If management gave the stand up according to that document they had something else to say.

I won't go into that right now, what I want the membership to know and understand is the NALC and OPM response to that announcement.

NALC Response

The Postal Service announced that it is suspending its bi-weekly contributions to the Office of Personnel Management (OPM) for Federal Employees Retirement System (FERS) benefits (11.7% of basic pay), because its FERS account within the government-wide pension plan has a large surplus, and because it would like to preserve its cash reserves in the face of worsening economic conditions. The Postal Service has informed the NALC that employee contributions to FERS (0.8 percent of pay) will continue. However, it also told the union that the USPS and OPM disagree about whether the Postal Service can satisfy its bi-weekly FERS obligations with the surplus pension funds. The two agencies have agreed to ask the Department of Justice to decide the matter, and to continue to award service credit under FERS.

President Rolando stated, "This action by the Postal Service to use the postal surplus in FERS to meet its payroll

obligations to FERS does not directly affect our members, because OPM has agreed to continue to award service credit under FERS until the Department of Justice resolves the issue." But he added, "The Postal Service action drives home the need for Congress to resolve the problems caused by its 2006 mandate that the USPS pre-fund future retiree health benefits." President Rolando further stated, "This decision by the USPS reinforces the absolute necessity for Congress to do what we've been asking it to do for years, which is to address the Postal Service's pension surpluses in CSRS and FERS and thereby resolve the postal financial crisis by giving the Postal Service access to its own money".

OPM Response

The US Postal Service is facing serious challenges. OPM is sympathetic to the situation in which the Postal Service finds itself, and we stand ready to help the Postal Service in whatever way we can, consistent with our legal obligations and role as the fiduciary for the Retirement and Disability Trust Fund (the Fund). There is currently a surplus in the portion of the Fund covering Postal Service employees. The Postal Service's position is that, in light of this surplus, it should be permitted to suspend making Federal Employees' Retirement System (FERS) annuity contributions. We understand that, based on this position, the Postal Service intends to cease making further FERS annuity contributions effective June 24, 2011.

Both the Postal Service and OPM have agreed to seek a resolution of the important legal issues surrounding the Postal Services' decisions by submitting a request for a legal opinion to the Office of Legal Counsel (OLC) at the Department of Justice. Our aim is to protect the Postal Service employees to the greatest extent possible under the law. We have thus determined that while these issues are pending with OLC, we will be able to continue to give employees who retire credit for service rendered after the Postal Service ceases making FERS annuity contributions on June 24.

This determination is supported by the Postal Service's assurance it will make the FERS annuity contributions it is now ceasing if OLC disagrees with its position. This means that there will be no negative impact on future postal employees' retirement.

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"The MailCall" is published monthly by "Heart of the Valley Branch 2462, NALC, 6910 Hayvenhurst Ave., Suite 101, Van Nuys, CA 91406 in the interest of and for the Letter Carriers of the Van Nuys Post Office and its Stations. ARTICLES FOR PUBLICATION MUST BE IN THE HANDS OF THE EDITOR ON NIGHT OF THE REGULAR BRANCH MEETING. ALL ARTICLES MUST BE TYPED OR ON COMPUTER DISK WITH SINGLE LINE SPACING, The Editor reserves the right to delete any article he deems necessary, improper, or unfit. All opinions expressed are those of the writer and are not necessarily those of the Editor or Branch 2462, NALC. The views expressed in this document are those of the author and do not necessarily represent the official views of the U.S. Postal Service. In the hopes that any material contained herein may be of benefit to your Branch and to the goals of the NALC, permission is granted to copy and/or use any material in this publication with our best wishes.

Vice President's Report

By

Janette Dolabson

ATTENDANCE CHART BRANCH MEETINGS

MONTH	J	F	M	A	M	J	J	A	S	O	N
MAIN OFFICE	2	2	5	3	2	1	2				
ENCINO	3	2	1	2	2	2	3				
CIVIC CENTER	2	2	2	2	2	2	2				
PANORAMA CITY	2	1	1	2	2	2	1				
SHERMAN OAKS	5	9	9	10	7	6	4				
SUN VALLEY	1	1	1	1	1	1	1				
TARZANA	2	2	3	2	2	1	2				
RETIREE'S	6	6	4	6	4	6	6				
TOTAL	23	25	26	28	22	21	21				

**MEETING PLACE OF BRANCH 2462, NALC
6910 HAYVENHURST AVE., SUITE 101
VAN NUYS, CALIFORNIA**

**NEXT MEETING
6:30 PM**

**AUGUST
2nd
"2011"**

**DEADLINE DATE FOR THE NEXT
ISSUE OF "THE MAIL CALL" IS**

Aug 2, 2011

**BRANCH OFFICE.....818-786-8505
O P C PERSONNEL OFFICE.....818-374-5600
E-Mail.....NALCBRANCH2462@sbcglobal.net**

"RETIREE CORNER"

Our Breakfast Meeting will be held at Denny's Restaurant, (Corner of Sherman Way & DeCelis). It will begin at 09:00 AM. The next 2 breakfasts will be on Aug 27th & Sept 24, 2011 (4th Saturday) So, please mark your calendar.....We hope to see you there.

Thank
You
Frank Brash

We are Deep into JARAP 2011 and it doesn't look as if there will be any of our non FSS offices will be adjusted in COR. Maybe one in Van Nuys if any. Out of our FSS offices Tarzana, Encino and Sherman Oaks should be going through their review period now, at least one zone in each station are nearing or past the 60 days. Management has added 91401 and 91411 out of Van Nuys to the FSS machines and they should both be on FSS as this report gets to you. District manager Kerry Wolny has agreed to let the JARAP teams do the reviews and adjustments to the FSS zones. We will be working with the LOC to fix the routes out of adjustment in those offices.

Keep in mind that any time you are over standards in the office will not be part of the route time so make sure you are doing street functions on street time and not on office time. For example, do not handle coverages in the office unless you are collating them on park and loop routes. You should not be writing up accountables in the office on office time unless you have a firm or the time for doing so is already built into your fixed office time. Parcels should be done on street time. Please do not set up parcels in the office. Take them to your vehicle and separate them there. DPS mail should be picked up on your way to your vehicles after you clock out to the street. No one, without permission, should be handling DPS mail. If you are allowed to regularly handle DPS mail on office time then that should be communicated with the review teams to make sure you are credited time in the office spent doing so.

Make sure that any time spent off your route casing others or carrying swings off your assignment are properly recorded. Check daily on your volume counts and make sure they match up with your supervisor is recording. If there is a discrepancy please note that daily. It is important the data integrity issues are addressed. If they are not fixed then we need to know that.

Congratulations to our elected officers and shop stewards. We are looking forward to working with you over the next few years. We will be holding steward training classes to help train and refresh important information needed to put a grievance together from fact findings to filling out a grievance form, correct issue statements, gathering information, and writing facts and contentions to make your arguments and knowing what is a proper remedy.

These are difficult and challenging times for the Postal Service and our union. Stewards are on the front line of our defense against an employer looking to reduce the workforce and any reason to eliminate personnel. I am confident you are all up to the challenge. We are here to help you do that so please call Calvin or myself if you have questions regarding issues you may be having.

Thanks for your time and commitment.

PRESIDENT'S REPORT

(Continued from Page 1)

Current postal retirees will not be impacted at all. It is our most fervent hope that the issue is resolved as quickly as the law allows.

The bottom line

Congress has to do something about the pre-funding provisions of the law now, and waving the payments will not help. Congress has to allow the Postal Service to use its own surplus pension funds to cover them. H.R. 1351 the bill introduced by Representative Stephen Lynch (D-MA) and co-sponsored by 159 other members of Congress from both parties will give the USPS the relief it need.

If Congress do not take action between now and September 30, not only will there be a cash crisis in September, when the next \$5.5 billion pre-funding payment is due, but the Postal Service and its employees will be exposed to ideologically driven attacks like those we've seen against public employees and their unions in Wisconsin, Ohio, New Jersey and other states.

If you doubt what our leaders at NALC Headquarters is telling us, look no further than the [radical postal reform bill just introduced by Republican Reps. Darrel Issa \(CA\) and Dennis Ross \(FL\)](#), H.R. 2309. It seeks to solve the financial problem facing USPS by attacking our pay, benefits and collective-bargaining rights while unleashing unelected overseers to recklessly downsize the Postal Service and micro-manage its operations—including its labor relations. Worse, H.R. 2309 ignores the main cause of the crisis (the unfair pre-funding burden) and the best solution to it (using our own pension surpluses to relieve that burden).

NALC will fight H.R. 2309 with all its might. We need you to call or write your member of Congress right now to deliver two messages:

Express your opposition to the Issa/Ross postal reform bill. It fails to address the principal cause of the postal crisis the pre-funding mandate and it would destroy the Postal Service.

Urge your member to support the bipartisan reform offered by H.R. 1351. [Go to the NALC website](#) to find out whether your representative is one of the 159 members of Congress who have co-sponsored H.R. 1351. Urge those who have not co-sponsored it [to do so as soon as possible](#); thank those who have, and encourage them to promote the bill with their colleagues.

The future of the Postal Service, your job security and your standard of living depend on what happens in Congress in the weeks and months ahead. **Please do your part to help convince Congress to act.**

The Old 701 rule

Management recently had stand ups telling carriers that they were gone to allow the 701 rule which is basically allowing carriers to work seven (7) hours and one minute and then clocking out and leaving and getting paid for eight (8). The Union does not advise any carrier to participate in this or go alone with this. This may not be good for you, because if they decide at some point to use this particular time period to adjust your route the 701 rule will make your route look shorter than it really is. Those of you who have gone through FSS, management have to do a review after 60 days of FSS and what happens if the review period is right around the time that you are using the 701 rule. Guess what you would have just made FSS look real good because your route will be added to.

Think about it the real world for a minute, I know it sounds real good to a lot of carriers out there to have a chance to work for just over seven (7) hours and get paid for eight (8). What a great idea right! 'not'. Now think about this; All we have heard for the last past 2 years is how the Postal Service is losing money how we may not be able to make payroll and the latest is that the Postal Service will be suspending its bi-weekly contributions to the Office of Personnel Management (OPM) for Federal Employees Retirement System (FERS) benefits. So how is it that, the Postal Service in this district or any other district for that matter can afford to pay employees almost an hour per day for not working. This sound a lot like free money or you would ask yourself what do they want in return.

Less add up some numbers, top step letter carriers make \$26.70 per hour, we have carriers who make less than that. So let's just say on average, (a word that management loves to use), letter carriers make \$25.00 per hour. With the 701 rule every carrier that takes advantage of this will be paid at least \$24.50 free money for that hour that they did not work. Branch 2462 represent six (6) different carrier stations, with over 300 letter carrier in them combined. Now let's say 150 of those carriers on Monday used the 701 rule at \$24.50 per person, management will spend that one day \$3,675.00. Multiply that by 3 day it will be \$11,025.00; now let's say this goes on for six weeks management will at that point have given out \$66,150.00 of free money over a six weeks period.

Remember I only used six carrier stations; multiply these numbers by every six stations in the district. If you take just 48 carrier stations in this district and used \$3,675.00 per day, for the 701 rule, this would cost the Postal Service **\$176,400.00** for just one day. Can the Postal Service afford this, keep this in mind for the next financial stand-up.

May I am missing something here, but just how does this save the Postal Service money, when they are about to give out all of this free money to employees for not working. It just doesn't add up! Financial crisis, pay for not working. Remember there is no such thing as something for nothing, again the Union advises against using the 701 rule it could come back to hurt you in the future. **Beware!**

COLA

Ninth contract COLA: \$1,019
2012 Retiree COLA: 3.4%
2012 FECA COLA: 3.5%

"THE MAIL CALL" BRANCH 2462, NALC

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Van Nuys, CA 91406

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Branch Meeting Minutes

July 5, 2011

By

Steve Seyfried, Secretary

The Meeting was held at the Branch 2462 Union Hall 6910 Hayvenhurst Ave, Van Nuys California. It was called to order by PRESIDENT BROOKINS at 6:45 p.m. The Pledge of Allegiance was led by Sgt-at-Arms ROGER ASKEW

MOMENT OF SILENCE—In Memory of the **JOE ADAMS**
RETIRED MEMBER FROM CIVIC CENTER, ENCINO STATION

ROLL CALL OF OFFICERS

PRESENT--- BROOKINS, J. DOLABSON, SEYFRIED, JOHNSON, MULLINAX, JACKSON, WILSON, ASKEW, ENZ, L. DOLABSON

ABSENT—NONE

MINUTES ACCEPTED AS PRINTED IN MAIL CALL

MOTION—Suspend meeting and introduce Guests

After the motion was passed President Brookins introduced our new MDA Representative Sarah. He presented her with a check to send the 2 Branch MDA Children JORDAN BOLLA & JUSTIN TAYLOR to MDA Summer Camp this summer. Also we were happy to have Jordan's mother JULIE & Justin's Grandmother ROXIE in attendance also.

CORRESPONDENCE READ

APPLICATION FOR MEMBERSHIP—NONE

BILLS READ—NONE

COMMITTEE REPORTS

HEALTH & SAFETY Had meeting last week, discussed accidents that had occurred.

TRUSTEES There will be an audit of the books on July 21st. at 6 pm at the Union office

RETIREES 6 retiree's present tonight. Breakfast was well attended last month. Retiree Luncheon will be on Sunday Oct. 23rd. at Encino Glen Restaurant.

MDA FUND-ASKEW Currently \$1038.00 in fund

LEGISLATION UPDATE-ASKEW HR 2309 has been introduced in the house. This bill is one of the most dangerous attacks on Postal and Union members in the last 30 years. Contact your Representative and ask that they stand with us in opposition to this incredibly destructive assault on our jobs and benefits. If this passes it will be the end of your job !!!!!!!!!!!!!

HBR—L. DOLABSON New cards are now out and should be used when you go to your Doctor. If you did not receive a new card contact Larry.

MDA--ANGER .LA Sparks tickets for Sat, Sept 10th are on sale for \$ 16. Fill the Satchel Day is October 2nd. We expect to raise a lot more money through this program this year. ART BOCEK & KEVIN DONOHUE donated \$ 20 each and ROGER ASKEW & CALVIN BROOKINS each donated a ticket to the basketball game.

MBA—ENZ Latest membership update shows we have 78 members with MBA plans.

FINANCIAL/TREASURERS REPORT—JOHNSON

MOTION—Accept Financial reports as read M/S/C
ELECTION COMMITTEE Final results for Shop Steward elections were announced. Winners at Encino were TRACY MULLINAX & RAY MOLA. Winners at Sherman Oaks were JEFF JACKSON & JOSE JIMENEZ. Cost of the election was \$ 2840.08, \$ 159.92 under budget.

VICE-PRESIDENT J. DOLABSON JRAP 2011 proceeding currently no non-FSS offices are being submitted for review. 2 FFS zones in Van Nuys are coming up for review & looked at.
PRESIDENT BROOKINS Gave his report on latest important items which he will cover in his article in the MailCall.

EXECUTIVE BOARD MINUTES READ

NEW BUSINESS

MOTION—Branch increase the mileage rate from 51cents to 55 ½ cents per mile as of July 1st. M/S/C

MOTION—Branch establish a web page with JOHN WILSON as Webmaster for a 1 year trial
Cost to the Branch \$ 420.00

M/S/C

UNDERLINED INDICATES UNANIMOUS VOTE

OLD BUSINESS—PROPOSED BY LAW CHANGES

MOTION—Accept the recommendation of the By Law Committee on ByLaw change # 1, which was one of approval

M/S/F

DIVISION CALLED-----YES----6, NO---10 , MOTION FAILS

PROPOSED BYLAW CHANGE # 2 IS MOOT DUE TO DEFEAT OF PROPOSED BYLAW CHANGE # 1

MOTION—Accept the recommendation of the By Law Committee on ByLaw change # 3, which was one of approval

M/S/F

DIVISION CALLED-----YES----6, NO---10 , MOTION FAILS

MOTION—Accept the recommendation of the By Law Committee on ByLaw change # 4, which was one of approval

M/S/F

DIVISION CALLED-----YES----6, NO---11 , MOTION FAILS

MOTION—Accept the recommendation of the By Law Committee on ByLaw change # 5, which was one of approval

M/S/C

MOTION—Accept the recommendation of the By Law Committee on ByLaw change # 6, which was one of disapproval

M/S/C

GOOD OF THE ASSOCIATION

MDA DRAWING

\$ 3 JULIUS RIBAS--ENCINO
\$ 3 FRANK BRASH--RETIREE
\$ 7 KEVIN DONOHUE--RETIREE--\$ 3 DONATED

Meeting Adjourned 9:28 PM