

PRESIDENT'S REPORT

By Calvin Brookins

The Truth about the Postal Service and the Need for Congressional Action

The Problem: Why is the Postal Service Facing a Financial Crisis?

The following was provided directly from NALC Headquarters:

The Postal Service has lost \$20 billion over the past four years (2007-2010) and it is fast approaching its \$15 billion debt limit. As a result, the USPS has announced that it will not be able to meet certain end of the fiscal year payments that are due in September and October a \$ 5.5 billion payment to pre-fund its future retiree health benefits and \$1.2 billion to pay the Department of Labor for workers' compensation costs. Although mail volume is falling, the internet is not killing the Postal Service and neither is the weak economy. A huge Congressional mandate is killing the Postal Service.

The Postal Service is in trouble because of a Bush era (2006) law that requires the USPS to massively pre-fund the cost of retiree health benefits over the next 75 years in just 10 years' time. This cost covers not only current employees, but employees who have yet to be hired and it is on top of the cost for health benefits for current retirees. No other company or agency in America is required to pre-fund future retiree health benefits.

Ten annual payments of about \$5.5 billion per year to fund future retiree health benefits were mandated in the postal reform law of 2006, beginning in 2007 just when the Great Recession caused mail volume and revenue to plummet. (The same law required an additional \$2.9 billion transfer in 2007, raising the total cost to \$8.4 billion that year. This additional cost was the escrow account set up by an earlier law, the CSRS funding reform law of 2003.)

The \$20 billion in deficits over the past four years have been the direct result of the \$21 billion in pre-funding payments dictated by the Postal Accountability and Enhancement Act of 2006. In the absence of this mandate, the USPS would have been moderately profitable over this period despite the worst recession in 80 years and it would still have borrowing authority left to weather the bad economy.

Congress and the Obama administration must take urgent action to avert a financial train wreck this fall at the Postal Service. The USPS will not be able to pay the next \$5.5 billion payment to pre fund future retiree health benefits. But this payment is totally unnecessary. The Postal Service Retiree Health Benefit Fund already has more than \$42 billion in it enough to cover retiree health premiums for the next 20 years.

As a matter of fairness, the USPS should be allowed to fund retiree health benefits on a pay as you go basis just as most businesses do. But if we are to pre-fund, then we should be held to the same standard as private companies that pre-fund: The median level of funding among these firms is around 30 percent. Finally, if we are to be required to pre-fund 100% of future retiree health benefits, then it makes sense to allow the USPS to use its surplus pension funds to cover these costs.

There is a sensible solution to the postal financial crisis that won't directly cost any tax money. The Office of Personnel Management (OPM), which administers the federal and postal employee pension plans, should acknowledge the findings of two external, private sector audits that found a pension surplus of between \$50 billion and \$75 billion in the postal portion of the Civil Service Retirement System. Congress should then allow the Postal Service to use the surplus to cover the cost of pre-funding future retiree health benefits.

The above is the real reason why the Postal Service is in the situation that it is, and the sensible solution to it all.

By-Law Amendments:

In the July MailCall there were six proposed Amendments to the Branch By-Laws. Those Proposed By-Laws changes were read at the June meeting and voted on at the July meeting. However, the membership were supposed to be notified of the proposed By-Law changes at least 10 days ahead of the meeting that the voting were to take place regarding the proposed By-Law changes. The July MailCall went out late and the membership was not notified at least 10 days prior to the By-Law Amendments being voted on.

(Continued on Page 2)

"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.

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	2			
ENCINO	3	2	1	2	2	2	3	3			
CIVIC CENTER	2	2	2	2	2	2	2	1			
PANORAMA CITY	2	1	1	2	2	2	1	1			
SHERMAN OAKS	5	9	9	10	7	6	4	4			
SUN VALLEY	1	1	1	1	1	1	1	2			
TARZANA	2	2	3	2	2	1	2	2			
RETIREE'S	6	6	4	6	4	6	6	5			
TOTAL	23	25	26	28	22	21	21	20			

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

NEXT MEETING
*****6:30 PM*****

SEPTEMBER
6th
"2011"

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

Sept 6, 2011

WEB PAGE.... WWW.NALCBRANCH2462.ORG
BRANCH OFFICE.....818-786-8505
O P C PERSONNEL OFFICE.....818-374-5600
E-Mail.....NALCBRANCH2462@sbcglobal.net

Those same proposed Amendments to the Branch By-Laws will be reprinted in the September MailCall and another vote will take place on those same proposed Amendments to the By-Laws at the October 4, 2011, meeting. This will give the membership more than a 10 day notice of the Proposed By-Law Amendments prior to the membership voting on them.

If you want to have your voice heard attend your union meeting.

MDA night at Branch 2462

We were honored to present JORDAN BOLLA & JUSTIN TAYLOR with plaques naming them Branch 2462' honorary members. Branch was happy to sponsor both JORDAN & JUSTIN to MDA camp this year and we hope that they have a great time and lots of fun.

Proposed Change to By-Law # 1

Proposed to amend Article VI, Section 1, which now reads:

Section 1. Shop Stewards shall be elected by the membership of their respective stations and elections shall take place at the stations by the members, at a time and place to be determined by the Election Committee.

PROPOSED TO READ:

Section 1. Shop Stewards shall be appointed by the President of the Branch for each station. The President, by virtue of the elected office shall be the Chief Steward. There shall be representation in accordance with the National Agreement.

If proposed By-Law change is adopted and approved by the National Committee of Laws the change will become effective on July 1, 2014.

Submitted by members in good standing:

JOHN BURTON
 JANETTE DOLABSON
 CALVIN BROOKINS
 ROBERT F. JOHNSON
 LARRY DOLABSON

"RETIREE CORNER"

Our Breakfast Meeting will be held at Denny's Restaurant, (Corner of Sherman Way & DeCels). It will begin at 09:00 AM. The next 2 breakfasts will be on Sept 24th & Oct 22, 2011 (4th Saturday) So, please mark your calendar....We hope to see you there.

Thank
 You
Frank Brash

PRESIDENT'S REPORT

(Continued from Page 1)

Proposed Change to By-Law # 2

Proposed to amend Article VI, Section 2, which now reads:

Section 2. Shop Stewards may be removed from office on petition of the majority of the members, in good standing, of the station represented.

PROPOSED TO READ:

Section 2. The President of the Branch may remove Shop Stewards. Shop Stewards may also be removed from office on petition of the majority of the members, in good standing, of the station represented.

If proposed By-Law change is adopted and approved by the National Committee of Laws the change will become effective on July 1, 2014.

Submitted by members in good standing:

JOHN BURTON
JANETTE DOLABSON
CALVIN BROOKINS
ROBERT F. JOHNSON
LARRY DOLABSON

Proposed Change to By-Law # 3

Proposed to amend Article XII, Section 6 (A), which now reads:

Section 6 (A) There shall be set aside, in a Contingency Fund, Two Dollars (\$2.00) per active member per pay period.

PROPOSED TO READ:

Section 6 (A) There shall be set aside, in a Contingency Fund, One Dollar fifty cents (\$1.50) per active member per pay period.

If proposed by-law change is adopted and approved by the National Committee of Laws the change will become effective on the first of the month following approval.

Submitted by members in good standing:

JOHN BURTON
JANETTE DOLABSON
CALVIN BROOKINS
ROBERT F. JOHNSON
LARRY DOLABSON

Proposed Change to By-Law # 4

Proposed to amend Article XII, Section 8 (A), which now reads:

Section 8 (A) The MBA Representative shall receive an amount equal to the Branch dues per month.

PROPOSED TO READ:

Section 8 (A) The MBA Representative shall receive an amount equal to the dues he or she pays per month.

If proposed by-law change is adopted and approved by the National Committee of Laws the change will become effective on the first of the month following approval.

Submitted by members in good standing:

JOHN BURTON
JANETTE DOLABSON
CALVIN BROOKINS
ROBERT F. JOHNSON
LARRY DOLABSON

Proposed Change to By-Law # 5

Proposed to amend Article XII, Section 10, which now reads:

Section 10 One Hundred Dollars (\$100) will be given to the next of kin of any active and/or retired member in good standing. Retired members must have retired as Letter Carrier.

PROPOSED TO READ:

Section 10 Delete Section

If proposed by-law change is adopted and approved by the National Committee of Laws the change will become effective on the first of the month following approval.

Submitted by members in good standing:

JOHN BURTON
JANETTE DOLABSON
CALVIN BROOKINS
ROBERT F. JOHNSON
LARRY DOLABSON

Proposed Change to By-Law # 6

Proposed to Add a new Article XII, Section 11, to read:

Section 11 Each month there shall be set aside in the Regular Saving Account Seven Hundred Fifty Dollars (\$750.00) to help offset the cost of the Branch Picnic, if need.

If proposed by-law change is adopted and approved by the National Committee of Laws the change will become effective on the first of the month following approval.

Submitted by members in good standing:

JOHN BURTON
JANETTE DOLABSON
CALVIN BROOKINS
ROBERT F. JOHNSON
LARRY DOLABSON

"THE MAIL CALL"

BRANCH 2462, NALC

Steve Seyfried, Editor

**6910 Hayvenhurst Ave., # 101
Van Nuys, CA 91406**

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Branch Meeting Minutes

AUG 2 , 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 VICE PRESIDENT JANETTE DOLABSON at 6:42 p.m. The Pledge of Allegiance was led by Sgt-at-Arms ROGER ASKEW

MOMENT OF SILENCE-----In Memory of all Service members who have sacrificed their lives

ROLL CALL OF OFFICERS

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

ABSENT---BROOKINS

MINUTES ACCEPTED AS PRINTED IN MAIL CALL

CORRESPONDENCE READ

APPLICATION FOR MEMBERSHIP--NONE

BILLS READ--NONE

COMMITTEE REPORTS

HEALTH & SAFETY Be Safe

TRUSTEES Audit was held all is well

RETIREEES 5 retiree's present tonight.

14 attended breakfast 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, it would end 6 day delivery-eliminate 80,000 jobs immediately & turn the postal work force into part time status eliminating all our benefits. Call your Congressional representative NOW !!!! & ask them to vote to DEFEAT this bill

HBR--L. DOLABSON New cards are now out 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. Bingo nite at the Union Hall planned for Sept. Watch for further info. Bowl-a-thon will be 1st Sunday in November at the Matador Bowl in Northridge watch for exact times.

MBA--ENZ I am working with member to solve some problems. Contact me with any questions.

FINANCIAL/TREASURERS REPORT--JOHNSON

MOTION---Accept Financial reports as read M/S/C

VICE-PRESIDENT J. DOLABSON Executive Board members gave up their Sunday on July 31st to phone bank for COLCPE. We called members and asked them to sign up for automatic deductions from their paychecks. This first drive was a major success, with 12 members immediately signing and commitments from 10 more to sign up using their home computers. We will be following up and plan to have another drive in the near future. COLCPE is the only way, other than personal contact with your representative, that we as Letter

Carriers can lobby Congress and get our message as Letter Carriers out to those who hold our Job and our livelihood in their hands. Your job would be gone tomorrow with just the simple passage of one of bills that are being submitted in Congress. The COLCPE Drive is still proceeding. If you have not signed up to give to COLCPE you need to do so now. This money will help get our message to Congress, never have we needed to lobby more than today. Attacks are coming from all sides. Sitting around and thinking that all will be OK, or somebody else will do it will not work this time. YOUR JOB & YOUR FAMILIES WELLBEING DEPEND ON YOU !!! GETTING INVOLVED. SIGN UP TODAY!!!!!!!!!!!!!!

PRESIDENT REPORT READ Watch for my article in the MailCall. Congratulations to the newly elected Officers and Shop Stewards on their installation.

EXECUTIVE BOARD MINUTES READ

NEW BUSINESS

MOTION---Branch donate \$ 500 to the National M D A foundation. Money to be taken from the Branch MDA fund

M/S/C

MOTION---Branch purchase 400 Color Coded Letter Carrier calendar's. Cost to the Branch \$ 1500.00

M/S/C

MOTION---Branch renew the branch's liability Insurance policy with State Farm. Cost to the Branch \$ 1028.00

M/S/C

UNDERLINED INDICATES UNANIMOUS VOTE

INSTALLATION OF OFFICERS

The newly elected Officers and Shop Stewards of Branch 2462 were officially sworn in and installed at this time. Officiating at the event were Past President's ROGER ASKEW & JIM TUKESBREY. A formal ceremony and celebration will be held at the Retiree Luncheon on Sunday October 23., 2011 at the Encino Glen restaurant in Encino. All members are invited to attend. Cost of the event is \$ 5.00 and includes dinner.

OLD BUSINESS--PROPOSED BY LAW CHANGES

MOTION---All by-laws that were voted on at the July Regular Branch meeting be reprinted and re-voted on at the October regular Branch meeting, due to insufficient notice to the membership M/S/C

GOOD OF THE ASSOCIATION

MDA DRAWING

\$ 3 JEFF JACKSON--SHERMAN OAKS--DONATED
\$ 4 JOHN BURTON--CIVIC CENTER
\$ 5 FRANK BRASH--RETIREE

Meeting Adjourned 8:00 PM