



# Mail Handlers Local Union No. 323

1602 Selby Ave., Suite 5 St. Paul, MN 55104  
(651) 646-2827 Fax (651) 646-0991 [www.local323.org](http://www.local323.org)

## Minutes of the Local Executive Board

ST. PAUL, MN  
March 31, 2022

Jeff Larsen

*Local President*

Dean Abatte

*Vice President*

Brian Newhouse

*Recording Secretary*

John Frey

*Treasurer*

State Executive

Board Members

Shane Ryden

*Minnesota*

Brock Engstrom

*North Dakota*

Branch Presidents

Dean Abatte

*Minneapolis*

Edward Yun

*St. Paul*

Mike Straiton

*NDC*

Brock Engstrom

*Fargo*

Local President, Jeff Larsen called the meeting of the Local Executive Board to order at 10:28 A.M.

### IN ATTENDANCE:

**Local President:** Jeff Larsen

**Vice President:** Dean Abatte

**Recording Secretary:** Brian Newhouse

**Treasurer:** John Frey

**MN State Executive Board Member:** Shane Ryden

**ND State Executive Board Member:** Brock Engstrom

### Review of the Previous Minutes:

The Board reviewed the minutes from the last meeting on December 6, 2021. ND SEBM Engstrom motioned to accept the minutes. That motion was seconded by VP Abatte. The motion carried.

### Local Presidents Report: (See attached copy for full report).

- Local 323 Complement
- Local Activities
  - Fiscal year change
  - Organizing drive
  - 2022 National Agreement
  - Postal Reform
  - Additional Career Conversion
- Dental Program
- Branch Activities
- Upcoming Events

### President's Expense Report

Local President Jeff Larsen submitted for review his Expense Report. ND SEBM Engstrom made a motion to authorize the Local President's expenses for the

timeframe of the report. This motion was seconded by Vice President Abatte. The motion carried.

### **Proposal**

President Larsen proposed that Local 323 provide a gift card to Step 3 representative David Ross in recognition of his service upon his retirement. Treasurer Frey motioned to accept the proposal. VP Abatte seconded the proposal. The proposal was accepted.

### **Treasurer's Report:**

Local Treasure John Frey provided the Local Executive Board with a report of the Local Union's income and expenses including a Profit and Loss statement. MN SEBM Ryden motioned to authorize the expenses of the Local Union for the time frame of the report. VP Abatte seconded the motion. The motion carried.

### **Officers Reports:**

**MN SEBM Shane Ryden** - Reports for Mankato (100% membership), St. Cloud, Duluth, and the Postal Support Annex.

### **Submitted Agenda Items:**

- Mail Handler PAC
- Local 323 Picnic

There being no additional items before the Board, ND SEBM Engstrom made a motion to adjourn the meeting. Treasurer Frey seconded that motion, and the motion carried. The meeting was adjourned at 12:33 P.M.

Respectfully Submitted,

Brian Newhouse  
Recording Secretary Local 323  
National Postal Mail Handlers Union

cc: Local Union Council  
Branch Leaders  
File



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## Local President's Report Local Executive Board

### Local 323 Complement:

The Local 323 career complement as of Pay Period 05-22 is 736 (654 MN & 82 ND) and the MHA complement is 100 (84 MN & 16 ND). Combined Membership as of Pay Period 06-22 is 766.

### Local Activities:

- **Fiscal Year Change**

January 1<sup>st</sup> represents a new fiscal year for the Local Union and the Members of the Local Executive Board are aware that many tasks are associated with this change. Among the tasks which must be completed are the:

- Issuance of W-2's to employees (all Representatives)
- Filing of W-2's with both States
- Filing of W-2's along with W-3 with the Social Security Administration
- Issuance of 1099's to vendors
- Filing of 1099's along with 1096 to IRS

These activities set us on the road towards our annual audit. The audit of our 2021 activities was conducted on March 7<sup>th</sup> and 8<sup>th</sup>. Local Treasurer John Frey and I completed the uploading of our LM-2 to the Department of Labor on March 30<sup>th</sup>. A copy of the LM-2 was provided to the Members of the Local Executive Board via email prior to its submission. The filing of our forms 990 and 990-T with the IRS as well as our filings with the States, are not due until May 15<sup>th</sup>.

Legacy Professionals will be scheduled to discuss the results of the audit at the next meeting of the Local Executive Board.

- **Organizing Drive**

Local 323 conducted an organizing drive during the last three months of 2021. The purpose was to enroll non-members into the Union. This began with a personal letter to each non-member inviting them to join with us in Union solidarity. The letter included a completed PS Form 1187 for their signature as well as a postage paid envelope for returning this 1187 to the Local Office. Several new Members were recruited during this initial phase of the drive. The second phase of the drive involved enlisting the help of the Membership in signing up any non-member who didn't respond to our mailing.

Each Member in the targeted Branches received a letter which announced the organizing drive and informed them of the additional enrollment reward of \$50.00; and, the opportunity to win an Apple iPad Air 4 with AirPods Pro (a.k.a., the grand prize). In sum, close to 600 letters were sent out to the Membership. Attached to each letter was a list of the non-members in their Branch.

Due to delays in the processing of some 1187 forms, the drawing for the grand prize did not occur until February. The big winner was Steward Jarred Hoover of the Minneapolis Branch who won the grand prize. Congratulations to Jarred and all the Members who participate in this drive. To be sure, I would be remiss if I didn't express my gratitude to everyone who participated in the 2021 organizing drive. Together, the Members, Representative, and Officers, of Local 323 increased Union solidarity throughout the Local Union.

- **2022 National Agreement – Contract Proposals**

The 2019 National Agreement will expire on September 20, 2022. Proposals for changes to the contract were due January 28, 2022. On January 13<sup>th</sup> the Local Union Council met and discussed the bargaining proposals that would be submitted by Local 323. Following this discussion, an extensive proposal was submitted that revolved primarily around economic issues. From February 7<sup>th</sup> through the 11<sup>th</sup>, I served as a Member of the Field Negotiating Committee which reviewed and made recommendations on the contract proposals that had been submitted from across the country. Negotiations over the terms of the 2022 National Agreement are scheduled to begin on June 10<sup>th</sup>.

- **Postal Reform**

For numerous years the Local 323 legislative team has been writing our Congressional Representatives and attending Legislative Conferences to advocate for changes to the statutes which govern the Postal Service. Primary among our legislative objectives was the repeal of the requirement that the Postal Service prefund retiree healthcare decades into the future.

The Postal Service Reform Act of 2022 (H.R. 3076) passed in February by a vote of 342-92 in the House of Representatives. The measure gained the support of all 222 Democrats

and 120 Republicans. Following House approval of this bill, Senator Rick Scott (R-FL) objected, blocking the bill because of a technicality. The Senate approved its version (S. 1720) by a vote of 79-19 on March 8<sup>th</sup>. In the Senate, 48 Democrats were joined by the two Independents and 29 Republicans in voting for the measure.

A key element of the Postal Service Reform Act is that it eliminates the prefunding mandate and integrates retiree healthcare with Medicare. The Act also formalizes the obligation to deliver mail and packages six days per-week, and provides for additional accountability, transparency, and delivery performance reporting.

The Postal Service Reform Act is expected to save the Postal Service \$22.6 billion over 10 years by requiring future Postal retirees to enroll in Medicare as their primary insurance. Another \$27 billion would be saved by the repeal of a pre-funding requirement for retiree healthcare under the 2006 Postal Enhance and Accountability Act.

Current Postal employees would be placed in a Postal-only risk pool within the Federal Employees Health Benefit Program (FEHBP) known as the Postal Service Health Benefits Program (PSHBP). These Postal-only plans will be ran and regulated in a way identical to current FEHBP plans. The major plans now available will continued to be offered in the PSHBP. While the benefits would remain equivalent, the premiums would be significantly reduced. This is because of Postal participants being placed in a separate risk pool with new rules related to Medicare enrollment.

Active employees under the age of 64 as of January 1, 2025, when both retired and at least age 65, are required to enroll in Medicare, with a few exceptions (those enrolled in TRICARE, Indian Health Services, or those living abroad). Currently, around 80% of Postal annuitants enroll in Medicare and Postal employees have contributed over \$34 billion to Medicare since 1983.

Current Postal annuitants, and those who retire before January 1, 2025, would not be required to enroll in Medicare. In addition, active Postal employees over the age of 65 may elect to stay in the Postal-only FEHBP. Annuitants who have not opted to enroll in Medicare when eligible, but have subsequently changed their mind, may enroll without a late enrollment fee.

The Postal Service Reform Act of 2022 was sent the to the White House this last Monday and President Biden has 10 days to sign the bill.

- **Additional Career Conversions**

Earlier this week the National Union announced a Memorandum of Understanding that will result in the career conversion of 1202 MHAs nationwide. This Memorandum of Understanding provides for the conversion of 27 MHAs in the NDC Branch. Similar to previous agreements, conversions will not be counted against the 1 in 4 transfer ratio and

a corresponding number of duty assignments will be created and posted for bid in the facility.

- **Dental Program**

Local 323 continues offering our dental plan for 2022. This plan is available to Regular Members as well as Postal or Federal employees who become Associate Members. The 2022 plan was offered without any changes to rates or benefits. The billing of dues to associate Members has been completed and I continue to serve as the plan administrator.

**Branch Activities:**

Since the last meeting of the Local Executive Board, I have participated in several Labor – Management meetings in the St. Paul and NDC Branches; and I continue working with Branch Representatives and Members as needed.

**Upcoming Events:**

Mankato Branch Meeting – April 9<sup>th</sup>

St. Paul Branch Meeting – April 23<sup>rd</sup>

FEFA Retirement Seminar – April 24<sup>th</sup>

Semi-annual Meeting of the Local Unions – April 25<sup>th</sup> through the 27<sup>th</sup>

Fargo Branch Meeting – April 30<sup>th</sup>

Fraternally,

Jeff Larsen  
Local President

cc: All Branches  
File