



National Association of Letter Carriers - Branch 82

5265 N.E. 42nd Avenue
Portland, Oregon 97218
(503) 493-5903



Good morning,

My name is Kevin Card and I am a Portland resident, a 25-year letter carrier and President of the Oregon State Association of Letter Carriers.

This weekend we will be celebrating the 235th birthday of this Great Nation.

The Postal Service is an organization, which predates the United States itself.

In 1775 the Second Continental Congress appointed Benjamin Franklin the first postmaster general.

Seven years later, George Washington said this of the fledgling postal service:

“Let us bind these people together to us with a chain that can never be broken.”

The spark of our revolution was delivered by the letter carrier.

Paul Revere was a post rider.

Today the postal service delivers to nearly 151 million homes, businesses and Post Office Boxes in every neighborhood in this country.

We have a larger retail network than McDonald's, Starbucks and Wal-Mart combined.

Remarkably, most of our customers do not know that the Postal Service is a self-supporting company. Since 1982, The US Postal Service has received NO Tax Dollars, it is funded entirely by revenues from postage.

Since the great recession took it's toll on the US economy, the Postal Service, like many other businesses, has seen a steep drop in revenues.

To adjust to that, the Postal Service responded with aggressive cost reductions, producing \$9 billion savings in the last two years alone.

However, these savings were insufficient to counter declines in mail volume, and the unique obligation to pay 5.5 billion dollars per year to prefund future, retiree, health benefits.

No other organization in the nation, public or private, is required by law to prefund for future retiree health benefits.

To further adjust to the financial crisis imposed by this law, the Postal Service has proposed eliminating a day of delivery and closing neighborhood offices, including downtown Portland's University Station.

Yet all is not lost:

The Postal Service's own Office of Inspector general has found that the service has put too much money into the federal government's Civil Service Retirement System fund over the last several decades.

According to two independent federal studies, this overpayment was estimated to be between \$50-75 billion.

If this overpayment were to be returned to Postal Service, there would be no need for the prefunding obligations.

Remember, the Postal Service does not receive taxpayer funding,

this is ratepayer money, not taxpayer money.

Essentially, fixing these two issues would restore Postal Service finances.

We are NOT asking for a bailout, we are asking the Portland City Council to join Portland Neighborhood Associations in passing a resolution to encourage Congress and the Administration to enact legislation to fix this problem

Thanks you for your time, and have a great Independence Day weekend.

The Washington Post

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The real financial health of the Postal Service

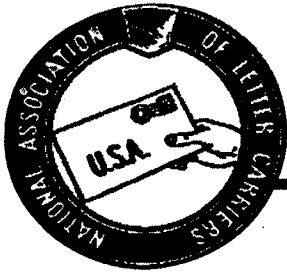
A few facts would have bolstered the April 16 editorial "[Trouble in the mail](#)." Yes, U.S. Postal Service revenue has declined, but the Postal Service remains one of the largest businesses in the world. Last year it generated \$67 billion in revenue. It is the central pole of a trillion-dollar industry that employs almost 9 million people at a time when job creation is critical to our economy.

Taxpayers are not at risk for postal pension and health-care liabilities — the Postal Service does not need or want tax dollars. The Postal Service has set aside more than \$300 billion for this purpose, funding obligations at more than 80 percent. This is not counting \$82 billion of overcharges my office has documented, which if returned, would fund the obligations at more than 100 percent — an uncommon feat anywhere. If the Postal Service went out of business tomorrow, its real estate holdings, worth tens of billions of dollars, would more than cover remaining liabilities.

The government has grown addicted to overcharging the Postal Service to rescue itself. It demands \$11 billion more every year. A good question is whether the Postal Service is losing money or whether these overpayments represent an unauthorized tax on the American people, endangering a historically successful enterprise.

David C. Williams, Arlington

The writer is inspector general for the U.S. Postal Service.



NALC FACT SHEET

Department of Legislative and Political Affairs — National Association of Letter Carriers, AFL-CIO

100 Indiana Ave. NW — Washington, DC 20001-2144 — 202-393-4695 — www.nalc.org • NALC

April 7, 2011

Support H.R. 1262: Reform the Postal Service for the 21st Century Act

The NALC supports legislation that would correct an unfair overcharge to the Postal Service's Civil Service Retirement System (CSRS) and Federal Employees Retirement System (FERS) pension funds by the Office of Personnel Management (OPM). It is our number one priority to address these overcharges and see these surplus funds applied to the Postal Service Retiree Health Benefit Fund (PSRHBF). Legislation that takes the first steps towards tackling these issues has been introduced and NALC fully supports the legislation, H.R. 1351. For more information on this please see the NALC Fact Sheet, "Support H.R. 1351: United States Postal Service's Pension Obligation and Recalculation and Restoration Act of 2011."

There will still be a lot of work to do once H.R. 1351 is passed to set the Postal Service up for a profitable future. Congressman Gerry Connolly (D-VA) has taken this next step by introducing **H.R. 1262, the Reform the Postal Service for the 21st Century Act**. Connolly's bill has the insight to move the Postal Service forward by allowing it to modernize its business model and expand volume and revenue. H.R. 1262 takes the focus away from cutting services in order to deal with congressionally mandated payments to the PSRHBF and instead focuses on how to better utilize the Postal Service's networks.

Some of the bill's highlights allow the USPS to:

- Increase revenue by selling non-postal products in retail locations.
- Co-locate postal facilities in other non-postal retail facilities to increase convenience to customers, provided that all employees would remain USPS employees.
- Pursue new marketing strategies to attract new business and increase mail volumes by expanding voting by mail throughout the country, creating packages of products and services to market towards small businesses, and by offering discounts on packages for small businesses as well.
- Replace its vehicle fleet with Electronic Motor Vehicles (EMV) by creating a separate borrowing authority for EMVs specifically, so that EMVs would not count against its current statutory debt limit.

NALC fully supports H.R. 1262 as a comprehensive approach to modernizing the Postal Service and believes this legislation offers the logical next step to the financial reforms in H.R. 1351.

Vernon Neighborhood Association
"our citizens are the riches of our community"

5125 NE 19 th Ave
Portland, Oregon
97211

April 20, 2011

To Whom it May Concern:

The Vernon Neighborhood Association affirms that there is a crisis facing the US Postal Service and wish to express our support of efforts to save this important neighborhood institution.

In the Vernon neighborhood, many postal customers experience irregular and late delivery service, including delivery after dark in the Fall and Winter. Many Vernon postal customers also experience longer lines and waits at the retail windows.

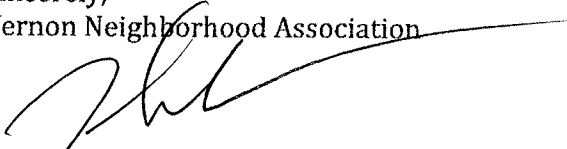
Understaffing of career letter carriers and clerks is the result of a three-year career hiring freeze in the Portland area and nationally. Substitution with temporary "transitional employees" (TEs) for career hires has left Vernon and other post offices with a number of delivery routes that have no assigned letter carrier. The resultant breaking up and parceling out of these "vacant" routes has led to the deterioration of customer service.

The US Postal Service is refusing to hire career employees because temporary TEs are cheaper and because postal management believes the USPS is unable to meet financial obligations and must therefore cut labor costs. USPS management has announced that it expects to further cut labor costs through elimination of one to two delivery days per week and closure of 2,000 to 17,000 community post offices.

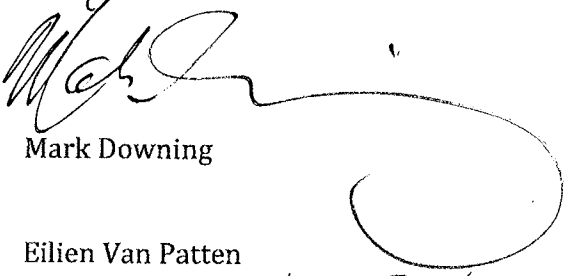
We understand that the financial crisis facing the USPS is actually an accounting problem which could be easily fixed. Congress or the President can shift funds from overpaid retirement accounts and reduce unnecessary pre-funding of retiree health benefits. We also understand the long-term financial health of the USPS, in the Internet age, will require a new business model of products and services.

Therefore, the Vernon Neighborhood Association calls on the USPS management, Postal Board of Governors, Congressional Representatives and the President to do all in their power to reverse the retirement pre-funding and restore proper levels of staffing and service. By taking this action, more career postal employees can be hired and will contribute to reduction of unemployment.

Thank you
Sincerely,
Vernon Neighborhood Association

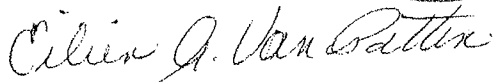


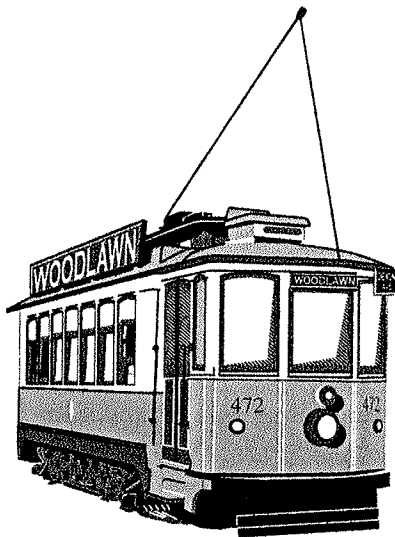
Larry Holmes



Mark Downing

Eilien Van Patten





WOODLAWN NEIGHBORHOOD ASSOC.
c/o NECN
4815 NE 7TH AVENUE
PORTLAND, OREGON 97211

April 25, 2011

National Association of Letter Carriers
Branch 82
5265 NE 42nd Avenue
Portland, OR 97218

To Whom It May Concern:

The Woodlawn Neighborhood Association supports the efforts you are making to save our Post Office from draconian budget cutbacks. Residents in the Woodlawn neighborhood experience irregular and late delivery service, including delivery after dark in the fall and winter. When we take letters and packages to our Post Office, we must wait in long lines before reaching the retail windows. A 10-minute wait is not unusual.

We understand that the financial crisis facing the USPS is actually an accounting problem that Congress or the President could easily fix by shifting funds from overpaid retirement accounts and reducing unnecessary pre-funding of retiree health benefits. No other government agency is required to pre-fund retirement. We also understand that in this internet age the long-term financial health of the USPS will require a new business model with new products and services.

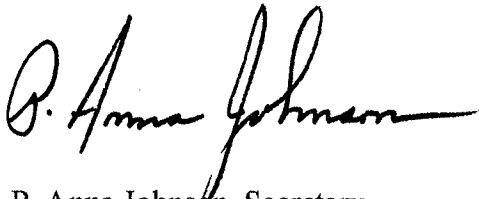
In the Portland area, a three-year hiring freeze has resulted in the understaffing of career letter carriers and clerks. Their jobs are being done by temporary "transitional employees" (TEs) who are paid less and who receive no benefits. This practice has led to the deterioration of customer service in the Woodlawn neighborhood. In addition, USPS management has announced that it expects to cut labor costs further by reducing delivery to four or five days per week and closing between 2,000 and 17,000 community post offices.

cont.

The Woodlawn Neighborhood Association calls upon the USPS management, the Postal Board of Governors, our Congressional Representatives, and the President to do everything in their power to:

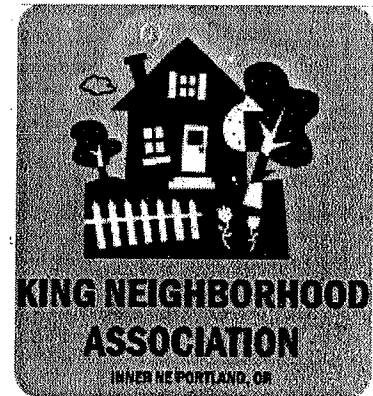
- Keep six-day delivery .
- Maintain all community post offices.
- End irregular, late, and after-dark delivery.
- Hire more career postal employees – especially current temporary “transitional” employees, returning and other veterans, and the unemployed.
- Fix the USPS accounting problems.
- Allow the USPS to expand products and services.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Anna Johnson". The signature is fluid and cursive, with a long horizontal stroke at the end.

P. Anna Johnson, Secretary

May 8 2011



To whom it may concern:

The King Neighborhood Association, by a vote of its members, affirms that there is a crisis facing the US Postal Service and wish to express our support of efforts to save this important neighborhood institution.

Many of our members experience of irregular and late delivery service, including delivery after dark in the fall and winter. Many postal customers are experiencing longer lines and waits at the retail windows.

Understaffing of career letter carriers and clerks as a result of a three year career hiring freeze in the Portland area, and substitution of temporary "transitional employees" (TEs) for career hires, has many post offices with a number of delivery routes that have no regular letter carrier. The resultant breaking up and parceling out of these "vacant" routes has led to the deterioration of customer service.

The US Postal Service is refusing to hire career employees because temporary TEs are cheaper and because postal management believes the USPS is unable to meet financial obligations and must therefore cut labor costs. USPS management has announced that it expects to further cut labor costs through elimination of one or two delivery days per week and closure of from 2,000 to 17,000 community post offices.

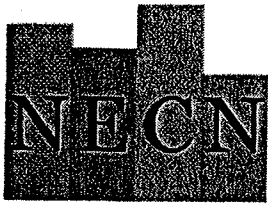
We understand that the financial crisis facing the USPS is actually an accounting problem which could be easily fixed by Congress or the President, through shifting funds from overpaid retirement accounts and reducing unnecessary pre-funding of retiree health benefits. We also understand that the long-term financial health of the USPS in the internet age will require a new business model with new products and services.

The King Neighborhood Association gratefully calls on the USPS management, Postal Board of Governors, the President and our Congressional Representatives to do everything in their power to restore proper levels of service, keep six day delivery and community post offices, end irregular, late and after dark delivery, hire more career postal employees – especially current temporary "transitional" employees, returning and other veterans and the unemployed, fix the USPS accounting problems, and allow the USPS to expand products and services.

Sincerely,

Alan Silver

Chair, King Neighborhood Association
4815 NE 7th Avenue
Portland, OR 97211



**NORTHEAST COALITION
OF NEIGHBORHOODS**

5/17/11

Congressman Earl Blumenauer
District Office
729 NE Oregon Street, Suite 115
Portland, OR 97232

Dear Representative Blumenauer,

On behalf of the Board of the Northeast Coalition of Neighborhoods (NECN), I thank you for sponsoring HR 1351, the US Postal Service's Pension Obligation Recalculation and Restoration Act.

We believe that HR 1351 fixes an intra-governmental accounting problem and allows the Postal Service to correct its current financial challenges without using taxpayer funds.

HR 1351 corrects an unnecessary over-funding to the post office retirement accounts, and transfers the surplus "refund" into the Postal Service Retiree Health Benefit Fund.

Sincerely,

Chris Lopez, President
NECN Board of Directors

Cc: National Association of Letter Carriers

www.necoalition.org

Alameda | Boise | Concordia | Elliot | Grant Park | Humboldt | Irvington | King | Sabin | Sullivan's Gulch | Vernon | Woodlawn
At King Neighborhood Facility, 4815 NE 7th Avenue, Portland, OR 97211. 503-823-4575 main, 503-823-3150 fax, info@necoalition.org



June 7, 2011

To Whom It May Concern:

The St. Johns Neighborhood Association is writing to express our support of the US Postal Service workers in our community.

Many of our neighbors experienced irregular and late delivery service, including delivery after dark in the fall and winter. Many postal customers are experiencing longer lines and waits at the retail windows.

Under-staffing of career letter carriers and clerks as a result of a three year career hiring freeze in the Portland area, and substitution of temporary "transitional employees" for career hires, has many post offices with a number of delivery routes that have no regular letter carrier. The resultant breaking up and parceling out of these "vacant" routes has led to the deterioration of customer service. The SJNA requests that the US Postal service end this hiring freeze so that a timely, consistent schedule be maintained for the citizens of our area.

Sincerely,

A handwritten signature in cursive script that reads 'Babs Adamski'.

Babs Adamski

Chair, St. Johns Neighborhood Association



Boise Neighborhood Association
3903 N Mississippi Avenue
Portland, Ore 97227
boisena@gmail.com

June 18, 2011

To Whom It May Concern,
The Boise Neighborhood Association, located in central Portland, Oregon, affirms that there is a crisis facing the US Postal Service and wish to express our support of efforts to save this important neighborhood institution.

Many of our neighbors are experiencing irregular or late delivery service at their homes and longer wait times and lines at our neighborhood post office. Understaffing and the hiring of temporary transitional employees is leading to a decline in the quality and frequency of this vital public good.

We understand that the USPS is facing a financial crisis due to a decrease in the utilization of its services, but we believe that it could easily be fixed by creating a new business model with new services and products.

We urge USPS management, the Postal Board of Governors, the US President and our Congressional Representatives to do everything in their power to restore the level of service that maintains regular career letter carriers; ends irregular, late and after dark delivery; fix the USPS accounting problems, and allow the USPS to expand their products and services offered.

Sincerely,
Ellen M Cusick
BNA Co-Chair



345 NE 8th, Portland, OR 97232
PHONE: 503.233.5018
FAX: 503.236.5255
www.patpdx.org

To Whom It May Concern:

The Portland Association of Teachers affirms that there is a crisis facing the US Postal Service and wish to express our support of efforts to save this important neighborhood institution.

Many of our members experience of irregular and late delivery service, including delivery after dark in the fall and winter. Many postal customers are experiencing longer lines and waits at the retail windows.

Understaffing of career letter carriers and clerks as a result of a three year career hiring freeze in the Portland area, and substitution of temporary "transitional employees" (TEs) for career hires, has many post offices with a number of delivery routes that have no regular letter carrier. The resultant breaking up and parceling out of these "vacant" routes has led to the deterioration of customer service.

The US Postal Service is refusing to hire career employees because temporary TEs are cheaper and because postal management believes the USPS is unable to meet financial obligations and must therefore cut labor costs. USPS management has announced that it expects to further cut labor costs through elimination of one or two delivery days per week and closure of from 2,000 to 17,000 community post offices.

We understand that the financial crisis facing the USPS is actually an accounting problem which could be easily fixed by Congress or the President, through shifting funds from overpaid retirement accounts and reducing unnecessary pre-funding of retiree health benefits. We also understand that the long-term financial health of the USPS in the internet age will require a new business model with new products and services.

Therefore, the Portland Association of Teachers calls on the USPS management, Postal Board of Governors, the President and our Congressional Representatives to do everything in their power to restore proper levels of service, keep six day delivery and community post offices, end irregular, late and after dark delivery, hire more career postal employees – especially current temporary "transitional" employees, returning and other veterans and the unemployed, fix the USPS accounting problems, and allow the USPS to expand products and services.

Sincerely,

Rebecca Levison, President
Portland Association of Teachers



GRAPHIC COMMUNICATIONS CONFERENCE
of the International Brotherhood of Teamsters, Local 767M
19309 West Valley Hwy., Ste. R-112
Kent, WA 98032

® 250-M ® 66

(425) 251-8585
(425) 251-8015 Fax
(503) 525-0766 Portland
gcu767m@qwestoffice.net

The following resolutions were passed by Graphic Communications Conference of the International Brotherhood of Teamsters Local 767M

Save Our U.S. Postal Service

Whereas: Many Portland-area postal customers are experiencing irregular and late delivery service, including delivery after dark during the fall and winter, and

Whereas: Many Portland-area postal customers are experiencing longer lines and waits at the retail windows, and

Whereas: Understaffing of career letter carriers and clerks as a result of a three year career hiring freeze in the Portland area and substitution of temporary "transitional employees" (TEs) for career hires has left some post offices with up to 25% of delivery routes without a regular letter carrier, and

Whereas: The resulting breaking up and parceling out of the "vacant" routes has led to deterioration of customer service, and

Whereas: The US Postal Service is refusing to hire career employees because temporary TEs are cheaper and because postal management believes the USPS is unable to meet financial obligations and must therefore cut labor costs, and

Whereas: USPS management expects to further cut labor costs through elimination of one or two delivery days per week and closure of from 2,000 to 17,000 community post offices, and

Whereas: The financial crisis facing the USPS is really an accounting problem which could be easily fixed by Congress or the President, through shifting funds from overpaid retirement accounts and reducing unnecessary, burdensome pre-funding of retiree health benefits, and

Whereas: The long-term financial health of the USPS in the internet age will require a new business model, therefore be it

Resolved: That the Graphic Communications Conference of the International Brotherhood of Teamsters Local 767M urge the USPS management, Postal Board of Governors, the President and our Congressional Representatives to do everything in their power to restore proper levels of service, keep six day delivery and community post offices, end irregular, late and after dark delivery, hire more career postal employees – especially current temporary "transitional" employees, returning and other veterans and the unemployed, fix the USPS accounting problems, and allow the USPS to expand products and services.

Sample Resolution

Save Our U.S. Postal Service

Whereas: Many Portland-area postal customers are experiencing irregular and late delivery service, including delivery after dark during the fall and winter, and

Whereas: Many Portland-area postal customers are experiencing longer lines and waits at the retail windows, and

Whereas: Understaffing of career letter carriers and clerks as a result of a three year career hiring freeze in the Portland area and substitution of temporary "transitional employees" (TEs) for career hires has left some post offices with up to 25% of delivery routes without a regular letter carrier, and

Whereas: The resulting breaking up and parceling out of these "vacant" routes has led to deterioration of customer service, and

Whereas: The US Postal Service is refusing to hire career employees because temporary TEs are cheaper and because postal management believes the USPS is unable to meet financial obligations and must therefore cut labor costs, and

Whereas: USPS management expects to further cut labor costs through elimination of one or two delivery days per week and closure of from 2,000 to 17,000 community post offices, and

Whereas: The financial crisis facing the USPS is really an accounting problem which could be easily fixed by Congress or the President, through shifting funds from overpaid retirement accounts and reducing unnecessary pre-funding of retiree health benefits, and

Whereas: The long-term financial health of the USPS in the internet age will require a new business model, therefore be it

Resolved: That the (organization) urge the USPS management, Postal Board of Governors, the President and our Congressional Representatives to do everything in their power to restore proper levels of service, keep six day delivery and community post offices, end irregular, late and after dark delivery, hire more career postal employees – especially current temporary "transitional" employees, returning and other veterans and the unemployed, fix the USPS accounting problems, and allow the USPS to expand products and services.

(please send a copy of your resolution to the National Association of Letter Carriers, Branch 82, 5265 NE 42nd Ave. Portland, OR 97218 (503-493-5903) nalc82@spiritone.com)



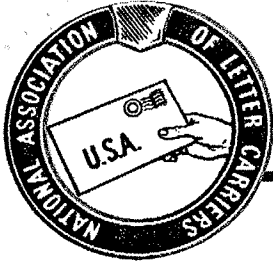
KEVIN CARD

President

**Oregon State Association
National Association of Letter Carriers**

4326 SE 73rd Avenue • Portland, Oregon 97206
(503) 407-4544 • unioncard@hotmail.com





NALC FACT SHEET

Department of Legislative and Political Affairs — National Association of Letter Carriers, AFL-CIO

100 Indiana Ave. NW — Washington, DC 20001-2144 — 202-393-4695 — www.nalc.org © NALC

April 7, 2011

Support H.R. 1351: United States Postal Service's Pension Obligation Recalculation and Restoration Act of 2011

On April 5, 2011, Rep. Stephen Lynch (D-MA) introduced H.R. 1351, the United States Postal Service's Pension Obligation Recalculation and Restoration Act of 2011.

Lynch, the ranking member of the House Subcommittee on the Federal Workforce, Postal Service, and the District of Columbia, was the first member of Congress to author legislation last Congress to address a decades-old accounting error that led the Office of Personnel Management (OPM) to overcharge the Postal Service by billions of dollars for payments into the Civil Service Retirement System (CSRS).

Lynch's bill once again takes a big step toward making sure the Postal Service is treated in a fair and equitable manner, allowing it to overcome the very difficult financial challenges it currently faces. In addition to addressing the CSRS overcharge, H.R. 1351 also deals with the more recent finding regarding another overcharge to the USPS related to the Federal Employees Retirement System (FERS). Even so, H.R. 1351 only addresses the CSRS and FERS overcharges and does not repeal the onerous, legally mandated, annual pre-funding payments into the Postal Service Retiree Health Benefit Fund (PSRHBF). (For a complete background on these additional financial challenges, please see the NALC Fact Sheet entitled *Save the Postal Service: Demand Fairness in USPS Pension and Retiree Health Funding*.)

H.R. 1351 takes the necessary first steps toward ensuring a financially sound future for the United States Postal Service. The bill was drafted with three major components, taking into consideration the recent Segal Company Report issued by the Postal Regulatory Commission:

1. It calls on the OPM to recalculate the USPS surplus in the Civil Service Retirement System within six months of enactment, using a methodology that fairly allocates the cost of pensions between the Post Office Department and the U.S. Postal Service as proposed by the Segal Report.

2. Then, once the accurate "postal surplus" is determined by the OPM, the agency would have 15 days to transfer the surplus to the PSRHBF.

3. Direct the OPM to permit the USPS to use most of its \$6.9 billion surplus in the FERS system to satisfy two obligations in FY 2011: a \$5.5 billion payment due to the PSRHBF, and a \$1.2 billion estimated payment to the Department of Labor for Federal Employees Compensation Act (workers comp.) expenses. Any remaining funds would be used to reduce the Postal Service's normal cost-percentage for FERS in future years.

H.R. 1351 does not address the legally mandated pre-funding payments into the PSRHBF beyond the FY2011 payment, which costs the USPS \$5.5 billion annually. Rather, it simply fixes the massive over-funding to the postal CSRS and FERS accounts. Additional legislation would be necessary to repeal the future scheduled pre-funding payments to the PSRHBF.

Additionally, the date of the transfer for the overcharge is less important than the acknowledgment by Congress and the OPM that the USPS has sufficient assets to cover all its retirement obligations—for both pensions and health benefits. Since the PSRHBF already has more than \$42 billion in it, and since the surplus transfer from the CSRS pension fund would likely leave the PSRHBF fully funded, passage of H.R. 1351 makes an irrefutable case for the repeal of the pre-funding payments called for by current law.

The Lynch bill would transfer surplus CSRS and FERS assets paid for by ratepayer and employee contributions—not taxpayer funds—to the Postal Service's retirement health fund, and it would have absolutely no effect on any current or future federal retiree's annuity.

The NALC supports swift passage of H.R. 1351.



UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

RUTH Y. GOLDWAY
CHAIRMAN

June 8, 2011

Postmaster General Patrick Donahoe
United States Postal Service
475 L'Enfant Plaza
Washington, DC 20260

Dear Mr. Donahoe:

During service performance consultations earlier this year, you discussed the internal Postal Service schedule for improving the process of reviewing retail facilities to evaluate whether closing them was appropriate. You explained that new procedures would be developed and then applied to a substantial number of facilities nationwide. You also assured the Commission that should the process indicate that closing a significant number of existing retail outlets appeared justified, the Postal Service would file a request with the Commission for an advisory opinion under 39 U.S.C. 3661 prior to closing those facilities.

Consistent with that schedule the Postal Service published proposed rules in the *Federal Register* on March 31, 2011 (76 FR 17794), and as you may know, the Commission submitted timely comments. During this period, numerous articles have appeared in the press identifying facilities in a number of states that have been closed, or that have been evaluated for potential closing, or shortly will be evaluated for potential closing. The Commission has received an increased number of post office closing appeals, hundreds of inquiries from citizens, and has had communications with concerned members of Congress. Thus, it appears that the Postal Service may already be engaged in a nationwide change in service without prior notification to the Commission as title 39 requires. A prompt request for an advisory opinion on the impacts of closing retail facilities appears to be the best way to address these concerns.



PATTY OLSON
Legislative Director

PORTLAND, OREGON AREA LOCAL
AMERICAN POSTAL WORKERS UNION
AFL-CIO

Office (503) 231-1797
Fax (503) 231-8705
patiomygosh@aol.com

2360 S.E. Morrison
Portland, OR 97214



The Commission is fully aware of the current financial circumstances the Postal Service is experiencing, and the Commission will take prompt action on the request for an advisory opinion. The process of filing an advisory opinion gives the public and the Commission the opportunity to consider the comprehensive plans the Postal Service is developing for retail realignment and avoids the confusion that now surrounds post office closings. I am writing to ask your assistance in assuring that the Commission can analyze the Postal Service request quickly and thoroughly for the benefit of all.


Commission rules applicable to such requests are quite general, as the contents of a satisfactory filing necessarily will vary, depending on the subject matter of each request. The rules simply require the submission of information and data sufficient to fully inform the Commission of the impact of the proposed change. See 39 CFR 3001.74. In this regard, it would be extremely helpful if the Postal Service includes with its request a detailed discussion of how the cumulative impact of the local changes involved will affect the fulfillment of national access and delivery aspects of the Postal Service's universal service obligation, and on how the Postal Service balanced the estimated benefits to its financial situation against the potential negative impact on customer convenience. In addition, it seems certain that, among other things, the Commission will require information on:

- Postal operated retail facilities that have ceased providing service since January 1, 2011;
- Postal operated facilities that have been noticed for closure or lease termination and that are still under consideration;
- The postal operated retail facilities for which cessation of service is currently under internal review; and
- A comprehensive state-by-state list of postal operated retail facilities and their locations.

Therefore, I am taking this opportunity to request that you assure that any Postal Service filing in support of such a proposed change include the above information. This will greatly assist the Commission to provide timely input to the Postal Service final decision.

Thank you in advance for your help.

Sincerely,


Ruth Y. Goldway
Chairman

United States Senate
WASHINGTON, DC 20510

May 10, 2011

Mr. Patrick R. Donahoe
Postmaster General and Chief Executive Officer
United States Postal Service
475 L'Enfant Plaza, SW, Room 10804
Washington, DC 20260

Dear Postmaster General Donahoe,

We write to you regarding the Postal Service's proposed changes to 39 C.F.R. Part 241, which would modify the consolidation and discontinuation process for Post Offices and subordinate Postal Service facilities. We certainly understand that the Postal Service faces significant fiscal challenges and that some changes to the administration of the Post Office closing and consolidation process may be appropriate. However, we would like to highlight some concerns about provisions within the proposed rule that could change the consolidation and closure process at the expense of appropriate due process considerations.

It is critical that any changes to the consolidation process maintain the longstanding tradition of allowing members of the public an opportunity to voice their concerns about a proposed closure or consolidation and, if appropriate, appeal the closure to the Postal Regulatory Commission. We are particularly concerned that under the proposed rule, a conversion of an independent Post Office to a subordinate Postal Service facility would no longer provide an opportunity for appropriate community input or appeal to the Postal Regulatory Commission. Although in many cases the re-designation of a Post Office may not have any practical effect for postal customers, there is a very clear distinction between the rights afforded to customers wishing to challenge the proposed closure of a Post Office and a subordinate Postal Service facility. Changes to the process governing the consolidation of postal facilities should continue to allow for appropriate input by local customers and postal employees.

Additionally, the proposed rule would change the timeframe, approval process, and coordination procedures for Post Office closures in a manner that might not incorporate the assessment of local Postal Service personnel. Although it may be necessary for executives within the Postal Service to have additional authority over Post Office closures, decisions regarding a closure should reflect the results of a local evaluation and input from regional postal employees as well as the community. Furthermore, the proposed rule would shrink the current 90 day waiting period after a final determination to close a facility to 60 days. While the Postal Service might find some minimal cost savings from shortening the waiting period, the consequence of the proposed rule would certainly make it more difficult for communities to prepare for a closing and properly notify customers.

Finally, we are concerned about how the regulation would deviate from current law with regard to the management of Post Offices. Under 39 U.S.C. 1004, postmasters are identified as the managers in charge of Post Offices. The proposed regulation would appear to nullify the statutory role of postmasters. We believe that such a change undermines local postal accountability and violates current law.

As you well know, Post Offices, subordinate Postal Service facilities and postmasters serve an integral role in many communities throughout our country. For rural communities, the closure of a Post Office or another postal facility can significantly impact small business owners and the ability of citizens to access postal services. As the Postal Service continues to propose and implement new policies to strengthen its financial health, we respectfully ask that changes to the process governing the closure and consolidation of postal facilities maintain clear and appropriate procedures for local input.

Sincerely,



Ron Wyden
U.S. Senator



Jeff Merkley
U.S. Senator

Postal Finances Fact Sheet

Thursday, June 16, 2011

The financial condition of the United States Postal Service appears dire. However, it turns out that the USPS is not broke. The USPS Office of Inspector General, the Postal Regulatory Commission and the Congressional Research Service determined that what appear to be budget problems are actually public policy issues with political solutions. Congressional legislation can reverse the USPS' financial position and set the Service on the road to recovery.

Here are excerpts of the conclusions reached by these organizations, followed by talking points that officers and members of APWU can use in discussing postal finances:

David C. Williams, *The Postal Service's Share of CSRS Responsibility*, United States Postal Service Office of Inspector General (OIG) (Report Number RARC-WP-10-001) 01/20/2010,

The following paper demonstrates that the current system of funding the Postal Service's Civil Service Retirement System pension responsibility is inequitable and has resulted in the Postal Service overpaying \$75 billion to the pension fund.

Ruth Y. Goldway, Chair, Postal Regulatory Commission, *Transmittal Letter to USPMG Potter*, 06/30/2010

[The to the Postal Regulatory Commission] finds that the current allocation overstates USPS responsibility for CSRS Payments to former [Post Office Department] employees, and estimates assets currently allocated for that purpose fall short of an equitable allocation by \$50 to \$55 billion.

Kevin Kosar, *The U.S. Postal Service's Financial Condition: Overview and Issues for Congress*, Congressional Research Service 07/01/2010,

The effects of the PAEA's [Postal Accountability and Enhancement Act, PL 109-435] mandatory payments to the Postal Service Health Benefits Fund on the USPS's profitability were considerable. This may be illustrated with a hypothetical—if the USPS did not have to pay into this fund each year, it would have experienced no operating losses until FY2009.

John Corbett & Marie Therese Dominguez, *Management Advisory – Summary of Substantial Overfunding in Postal Service Pension and Retiree Health Care Funds*, OIG (Report Number FT-MA-10-002) 09/30/2010, pg. 3,

Based on information from the OPM, the Postal Service's Federal Employee Retirement System (FERS) pension plan was overfunded [\$5.5 billion] at the end of fiscal year (FY) 2008 and projected to be overfunded at the end of FY 2009.

Corbett & Dominguez, pg. 2:

If our proposals to recover the overfunded amounts were placed in effect, the Postal Service could potentially recover \$142.4 billion. In addition, the Postal Service:

- *Would no longer be required to prefund the Postal Service Retiree Health Benefits Fund (retiree health fund) an average of \$5.6 billion per year.*
- *Could prefund pensions and retirees' health benefits at benchmarked levels.*
- *Could pay existing retirees' health insurance premiums from the retiree health fund.*
- *Could extinguish its debt to the U.S. Department of the Treasury (Treasury).*

The proposals could also provide significant levels of cash for operations, subject to any legislative restrictions placed on those funds. Finally, providing these funds would allow the Postal Service to continue optimizing its infrastructure at a more reasonable pace and minimize the impact on current employees.

APWU Postal Finances Talking Points

- Recent USPS deficits are mostly the result of a requirement in the 2006 Postal Accountability and Enhancement Act (PAEA), which requires the Postal Service to “pre-fund” future retiree healthcare costs. **[Kosar, pg. 8]**
- No other government agency or private enterprise bears this burden. **[Segal, pg 8.]**
- As a result of the pre-funding mandate, before the Postal Service sells its first stamp, it begins every fiscal year more than \$5 billion in debt.

Postal Service Retiree Health Benefits Fund Payments Under PAEA

Fiscal Year	Payment (billions)
2007	\$5.4
2008	\$5.6
2009	\$5.4a
2010	\$5.5
2011	\$5.5
2012	\$5.6
2013	\$5.6
2014	\$5.7
2015	\$5.7
2016	\$5.8

Source: Postal Accountability and Enhancement Act (P.L. 109-435, Sec. 803; 120 Stat. 3251-3252; 5 U.S.C Sec. 8909(d)(3)(A).) FY2009 payment amount of \$5.4 billion was reduced to \$1.4 billion with enactment of P.L. 111-68.

[Kosar, pg. 7]

- The PAEA requires the USPS to pre-fund a 75-year liability in just 10 years. **[Postal Accountability and Enhancement Act (P.L. 109-435, Sec. 803; 120 Stat. 3251-3252; 5 U.S.C Sec. 8909(d)(3)(A).)]**
- In 2008, the GAO concluded that this mandate was the primary cause of the USPS’s \$5.3 billion shortfall in FY 2007. **Katherine Siggerud, GAO, Testimony Before the Subcommittee on Federal Workforce, Postal Service, and the District of Columbia, Committee on Oversight and Government Reform, House of Representatives, *POSTAL REFORM LAW Early Transition Is Promising, but Challenges to Successful Implementation Remain*, February 28, 2008, pg. 6. GAO-08-503T;**
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- Absent this pre-funding burden, the Postal Service would have experienced a cumulative *surplus* of \$4 billion over the last four fiscal years – despite declining mail volume, an economy in chaos, and electronic diversion. **[APWU, *APWU Blasts Deficit Commission Proposals*, APWU Web News Article 143-2010, Dec. 2, 2010**
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- The USPS is funded entirely by postage sales and service. **[Kosar, pg. 2]**
- The pre-funding requirement is essentially a congressional budgeting gimmick that forces postal rate-payers to subsidize the U.S. Treasury. **[APWU: *Save Saturday Service Fact Sheet*,**

- The APWU, joined by other postal unions, a coalition of mail users, and the USPS, has called on Congress to repeal or reform the pre-funding requirement. [APWU: *APWU, Postal Unions Urge Obama To Fix USPS Pension Overfunding*,

Postal Regulatory Commission: Rate Adjustment Due To Extraordinary Or Exceptional Circumstances : Answer of the Saturation Mailers Coalition, Valasis Direct Mail, Inc, et al To the Motion of the Affordable Mail Alliance to Dismiss Request, Docket No. R2010-4, August 2, 2010, pp. 2-3,

; Corbett & Dominguez, pg. 5]

- On September 30, 2009 Congress enacted HR 2918 which provided a one-time reduction in the September 2009 payment to the Postal Service Retiree Health Benefits Fund, from \$5.4 billion to \$1.4 billion, deferring the \$3 billion balance until after FY 2016. President Obama signed it into law the very next day. [PL 111-68, 1]
- A flawed method for computing USPS obligations to the Civil Service Retirement Fund also drains billions of dollars from the Postal Service. A recent report by the USPS Office of Inspector General (OIG) concluded that the methodology used by the U.S. Office of Personnel Management (OPM) for determining the Postal Service's contribution to the Civil Service Retirement and Disability Trust Fund is flawed. The OIG concluded that improper allocation of liabilities resulted in an overpayment of \$75 billion. [Williams, pp. 2-4]
- A Postal Rate Commission report providing its opinion on the fairness and equity of the OPM methodology at the request of the USPS, agrees that the OPM approach overfunded CSRS to the tune of \$50-55 billion dollars. [Goldway 06/30/2010; Segal Group Report to PRC 06/29/2010]
- Flaws in its computing methods for Federal Employees Retirement System (FERS) contributions siphon \$5.5 billion in overpayments from the USPS, according to the most recent OIG Report. FERS overpayments will continue to grow to the levels seen in the CSRS system, unless the USPS corrects its computations. [Corbett & Dominguez, 09/30/2010, pg. 3]
- That same report finds that fairer funding allocations could bring as much as \$142 billion back to the USPS for funding retiree obligations and on-going operations. With the funds the Postal Service would/could:
 - No longer be required to prefund the Postal Service Retiree Health Benefit Fund an average of \$5.6 billion per year.
 - Pre-fund pensions and retiree health benefits at benchmarked levels.
 - Pay existing retiree health benefit premiums from the retiree health fund.
 - Extinguish its debt to the US Treasury
 - Inject significant funds into operations.
 - Slow down AMPs, consolidations and closures.
 [Ibid, pg. 2]
- The OIG and the PRC believe that OPM could change the pension calculations and return money to the USPS under authority granted by the Postal Accountability and Enhancement Act of 2006 (P.L. 109-435). However, the OPM disagrees, saying that Congress must enact specific legislation to allow OPM to make the changes requested. [OPM Response to PRC Segal Report, Pg. 3, undated, received 09/24/2010,

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Matasar, Emily

From: Kevin Card [unioncard@hotmail.com]
Sent: Thursday, June 09, 2011 3:20 PM
To: Matasar, Emily
Subject: Communication Slot Request

Hi Emily,

I would like to request a City Council communication slot for June 29, 2011.

I want to talk about the future of postal delivery in Portland.

Specifically, the postal service is closing offices and changing delivery hours around the city.

This adversely affects businesses and residential customers, who have a stake in what happens at their local post office.

Thanks!

Kevin Card
President
Oregon State Association of Letter Carriers
4326 SE 73rd Avenue
Portland, OR 97206
503-407-4544
unioncard@hotmail.com

6/9/2011

Request of Kevin Card to address Council regarding future of postal delivery in
Portland (Communication)

JUN 29 2011

PLACED ON FILE

Filed JUN 24 2011.

LaVonne Griffin-Valade
Auditor of the City of Portland

By 

COMMISSIONERS VOTED AS FOLLOWS:		
	YEAS	NAYS
1. Fritz		
2. Fish		
3. Saltzman		
4. Leonard		
Adams		