DOCKET SECTION

UNITED STATES POSTAL SERVICE®

RECEIVED
MAY 21 2 34 PM '99
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

FINANCIAL & OPERATING STATEMENTS

Accounting Period 8, PFY 1999

March 27 - April 23, 1999

Finance

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

In Financial & Operating Statement for Accounting Period 08, PFY 1999, March 27- April 23, 1999, page one was inadvertently omitted.

STATEMENT OF INCOME & EXPENSE
($ Millions)

Accounting Period 8						Year-to-Date				
Actual	Var. to Budget	%Var.	SPLY	% Var to SPLY		Actual	Var. to Budget	%Var.	SPLY	% Var to SPLY
$ 4,980.8	[$ - 38.1]	[- 0.8]	$ 4,717.9	5.6	Operating Revenue	$ 39,365.6	[$ - 267.9]	[- 0.7]	$ 37,725.0	4.3
4,649.1	- 35.5	- 0.8	4,456.8	4.3	Operating Expense	37,226.8	[53.1]	[0.1]	35,100.1	6.1
$ 331.7	[$ - 2.6]	NM	$ 261.1	NM	Income From Operations	$ 2,138.8	[$ - 321.0]	NM	$ 2,624.9	NM
2.6	0.1	3.2	3.0	- 12.8	Investment Income	20.5	0.4	2.3	25.2	- 18.6
- 15.1	[- 3.3]	[28.0]	- 13.1	15.3	Interest Expense	- 146.5	[- 22.6]	[18.2]	- 153.9	- 4.8
- 121.9	0.0	0.0	- 119.7	1.9	Interest on Deferred Ret. Liabilities	[- 979.8]	0.0	0.0	- 1,007.6	- 2.8
$ 197.3	[$ - 5.8]	NM	$ 131.3	NM	Income\(Loss)	$ 1,033.0	[$ - 343.2]	NM	$ 1,488.6	NM

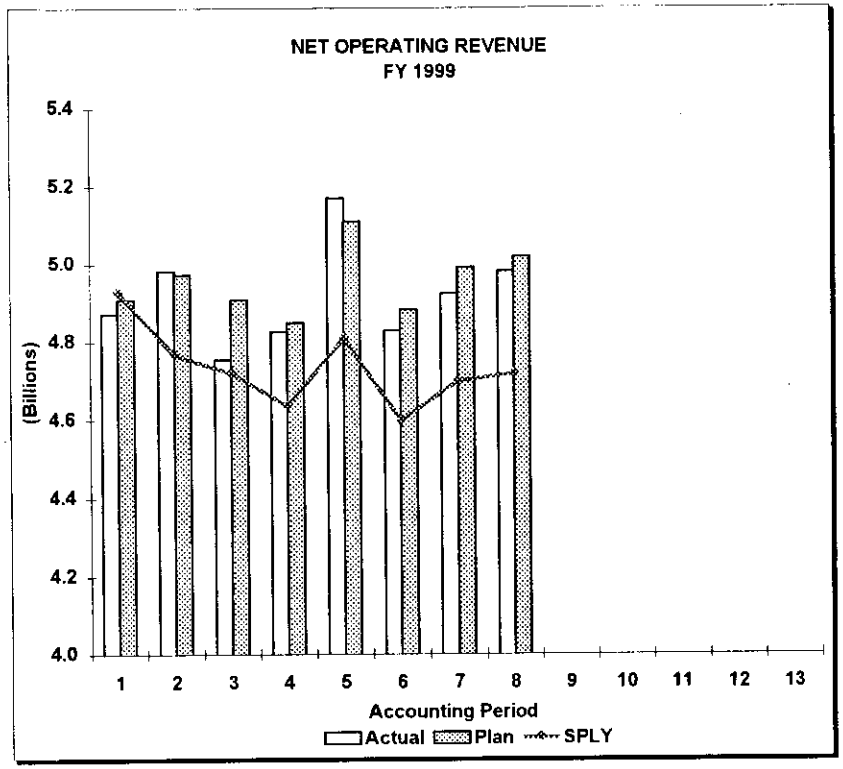
[ ]=Unfavorable variance to budget
NM = Non-Meaningful
Note: Totals may not sum due to rounding.

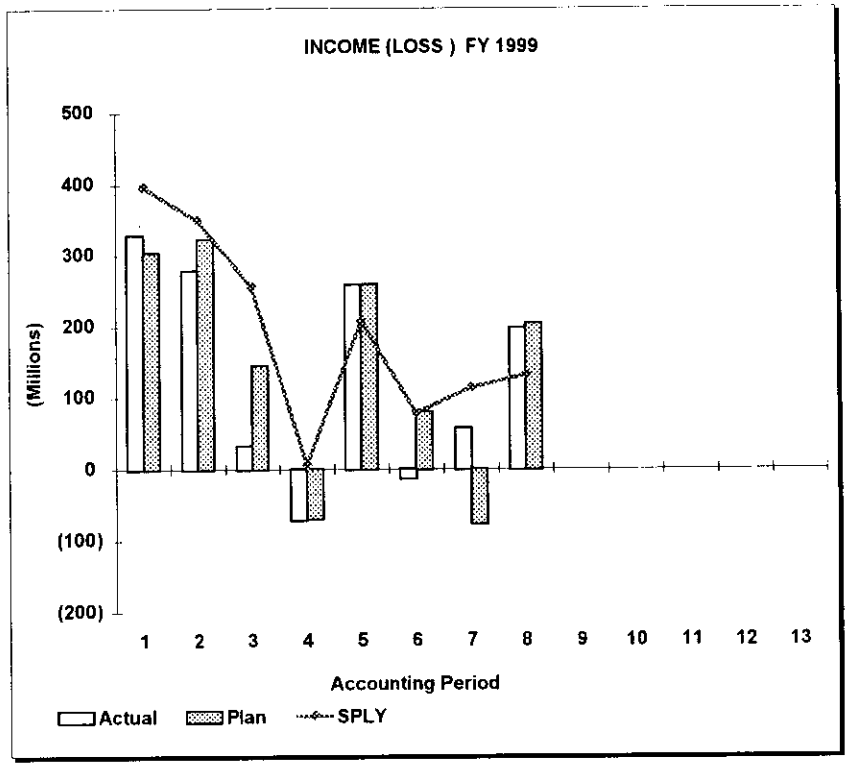
MAIL VOLUME - MAIL REVENUE
(Thousands)

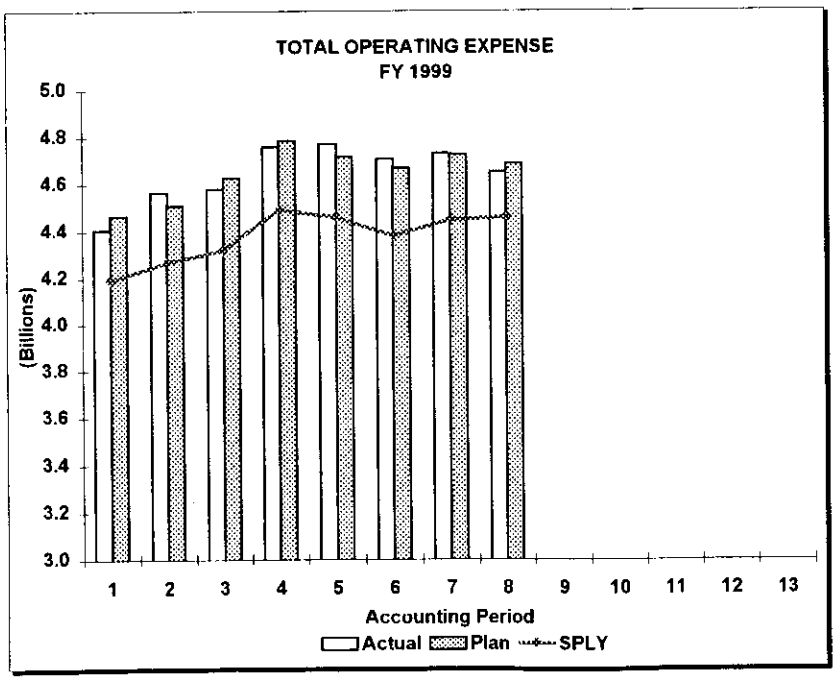
	CURRENT PERIOD			YEAR-TO-DATE		
	A/P 8 1999	A/P 8 1998	% CHANGE	A/P 8 1999	A/P 8 1998	% CHANGE
FIRST-CLASS						
VOLUME	7,833,132	7,823,726	0.1	64,158,724	62,900,343	2.0
REVENUE	$ 2,740,049	$ 2,659,493	3.0	$ 21,830,700	$ 21,216,378	2.9
REV/PC.	0.3498	0.3399	2.9	0.3403	0.3373	0.9
PRIORITY-MAIL						
VOLUME	97,982	94,330	3.9	781,769	747,231	4.6
REVENUE	$ 376,792	$ 331,225	13.8	$ 2,938,532	$ 2,684,894	9.4
REV/PC.	3.8455	3.5113	9.5	3.7588	3.5931	4.6
EXPEDITED MAIL						
VOLUME	5,632	5,411	4.1	42,133	40,486	4.1
REVENUE	$ 78,901	$ 69,763	13.1	$ 569,939	$ 524,849	8.6
REV/PC.	14.0094	12.8928	8.7	13.5271	12.9637	4.3
PERIODICALS						
VOLUME	838,774	808,023	3.8	6,443,342	6,426,556	0.3
REVENUE	$ 175,937	$ 165,390	6.4	$ 1,324,850	$ 1,300,670	1.9
REV/PC.	0.2098	0.2047	2.5	0.2056	0.2024	1.6
STANDARD (A) MAIL						
VOLUME	6,468,242	6,439,774	0.4	54,047,540	51,375,636	5.2
REVENUE	$ 1,109,522	$ 1,076,371	3.1	$ 9,069,361	$ 8,576,478	5.7
REV/PC.	0.1715	0.1671	2.6	0.1678	0.1669	0.5
STANDARD (B) MAIL						
VOLUME	70,340	68,838	2.2	667,361	645,844	3.3
REVENUE	$ 132,237	$ 126,390	4.6	$ 1,207,351	$ 1,137,758	6.1
REV/PC.	1.8800	1.8360	2.4	1.8091	1.7617	2.7
INTERNATIONAL						
VOLUME	65,652	65,786	- 0.2	586,432	620,774	- 5.5
REVENUE	$ 125,840	$ 119,500	5.3	$ 994,138	$ 1,036,070	- 4.0
REV/PC.	1.9168	1.8165	5.5	1.6952	1.6690	1.6
ALL OTHER_1/						
VOLUME	33,602	38,142	- 11.9	274,178	271,899	0.8
REVENUE	$ 130	$ 123	5.7	$ 1,064	$ 1,103	- 3.5
ALL MAIL						
VOLUME	15,413,356	15,344,029	0.5	127,001,479	123,028,768	3.2
REVENUE	$ 4,739,407	$ 4,548,254	4.2	$ 37,935,934	$ 36,478,201	4.0
REV/PC.	0.3075	0.2964	3.7	0.2987	0.2965	0.7

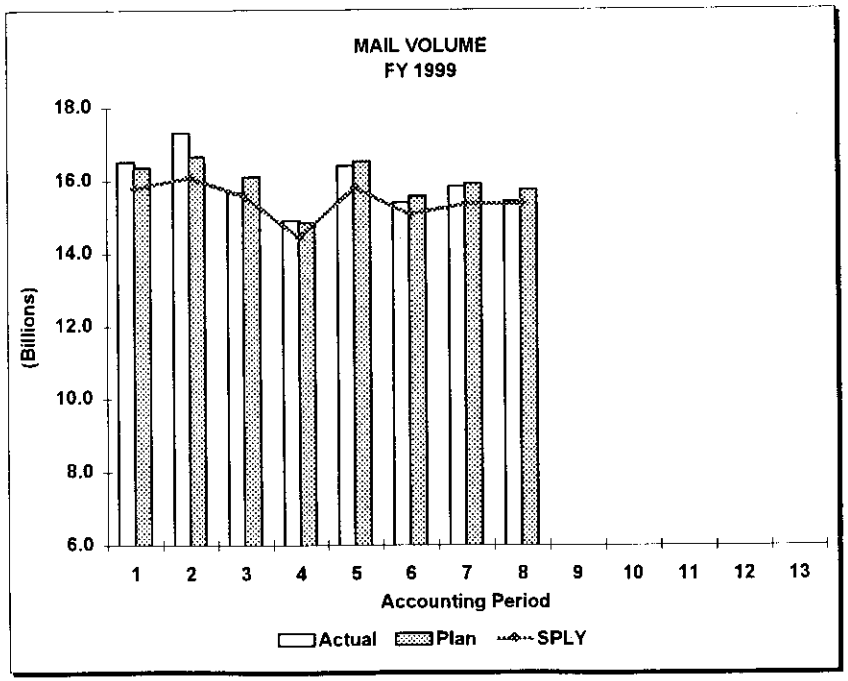
_1/ All other volume includes an increase of 2,195 pieces in Internal Mail and an increase of 56 pieces in Free Mail for the Blind and Handicapped for the year-to-date.

-- Data reflects preliminary estimates for the accounting period.
These estimates are recast quarterly and at the end of the year.


NET OPERATING REVENUE
FY 1999
(Billions)
5.4
5.2
5.0
4.8
4.6
4.4
4.2
4.0
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY


INCOME (LOSS) FY 1999
(Millions)
500
400
300
200
100
0
(100)
(200)
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY


TOTAL OPERATING EXPENSE
FY 1999
(Billions)
5.0
4.8
4.6
4.4
4.2
4.0
3.8
3.6
3.4
3.2
3.0
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY


MAIL VOLUME
FY 1999
(Billions)
18.0
16.0
14.0
12.0
10.0
8.0
6.0
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY

Revenue by Source
Accounting Period 8, FY 1999
($Millions)

Current Period Actual	Current Period SPLY	Current Period % Diff		Year-To-Date Actual	Year-To-Date SPLY	Year-To-Date % Diff
			Operating Revenue:			
$ 1,999.6	$ 1,962.2	1.9	Metered Postage	$ 15,702.1	$ 15,522.2	1.2
882.4	866.9	1.8	Stamps and Stamped Paper	7,386.4	7,178.8	2.9
1,026.8	1,163.9	- 11.8	Permit Imprint	9,360.8	9,289.5	0.8
179.7	169.4	6.1	Periodicals & Standard A	1,353.1	1,331.8	1.6
53.1	56.9	- 6.7	Official Mail	491.7	508.8	- 3.4
577.1	342.3	68.6	Presort First Class & Standard B/Permit Imprint	3,602.1	2,649.2	36.0
50.7	48.0	5.6	Box Rents	395.7	367.2	7.8
14.8	14.5	2.1	Money Order Fees	112.4	109.8	2.4
191.1	88.6	115.7	Other	917.6	726.4	26.3
$ 4,975.3	$ 4,712.7	5.6	**Subtotal**	$ 39,321.9	$ 37,683.7	4.3
			Government Appropriation:			
5.5	5.2	5.8	Revenue Forgone	43.7	41.3	5.8
$ 4,980.8	$ 4,717.9	5.6	**Total Operating Revenue**	$ 39,365.6	$ 37,725.0	4.3
2.6	3.0	- 12.8	Investment Income	20.5	25.2	- 18.6
$ 4,983.4	$ 4,720.9	5.6	**Total Revenue**	$ 39,386.1	$ 37,750.2	4.3

Note: Totals may not sum due to rounding.

Revenue by Category
Accounting Period 8, FY 1999
($Millions)

Current Period Actual	Current Period Budget	Current Period % Var		Year-To-Date Actual	Year-To-Date Budget	Year-To-Date % Var
			Commercial Revenue			
$ 1,806.5	$ 1,829.5	[1.3]	Permit Revenue	$ 14,463.9	$ 14,340.8	0.9
1,815.4	1,881.9	[3.5]	Other Commercial Accounts Revenue	14,218.1	14,729.3	[3.5]
$ 3,621.9	**$ 3,711.4**	**[2.4]**	**Total Commercial Revenue**	**$ 28,682.0**	**$ 29,070.1**	**[1.3]**
			Retail Revenue			
1,033.8	1,032.5	0.1	Retail Postage Revenue	8,557.9	8,446.8	1.3
66.3	66.4	[0.2]	Retail Services Revenue	529.3	518.9	2.0
9.3	14.4	[35.1]	Retail Products Revenue	89.7	126.3	[29.0]
128.7	152.8	[15.8]	Other Retail Channels Revenue	1,109.0	1,164.2	[4.7]
$ 1,238.1	**$ 1,266.1**	**[2.2]**	**Total Retail Revenue**	**$ 10,285.9**	**$ 10,256.2**	**0.3**
$ 4,860.0	**$ 4,977.5**	**[2.4]**	**Total Commercial & Retail Revenue**	**$ 38,967.9**	**$ 39,326.3**	**[0.9]**
115.3	36.0	220.3	Other Income	354.0	263.5	34.3
5.5	5.5	0.0	Revenue Forgone	43.7	43.7	0.0
$ 4,980.8	**$ 5,018.9**	**[0.8]**	**Total Operating Revenue**	**$ 39,365.6**	**$ 39,633.5**	**[0.7]**
2.6	2.5	3.2	Investment Income	20.5	20.1	2.3
$ 4,983.4	**$ 5,021.4**	**[0.8]**	**Total Revenue**	**$ 39,386.1**	**$ 39,653.6**	**[0.7]**

[ ]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

Expense Analysis
Accounting Period 8, FY 1999
($Millions)

Accounting Period 8						Year-to-Date				
Actual	Var. to Budget	%Var	SPLY	% Var to SPLY		Actual	Var to Budget	%Var	SPLY	% Var to SPLY
$3,623.0	[$ 10.2]	[0.3]	$3,518.8	3.0	**Personnel Compensation**	[29,239.1]	[$ 107.1]	[0.4]	$28,010.0	4.4
					Non-Personnel Expense:					
330.4	- 10.0	- 2.9	317.3	4.1	Transportation	2,751.5	- 49.2	- 1.8	2,629.1	4.7
311.4	- 23.2	- 6.9	250.8	24.2	Supplies & Services	2,267.6	[9.3]	[0.4]	1,620.1	40.0
384.3	- 12.5	- 3.2	369.8	3.9	Other	2,968.6	- 14.1	- 0.5	2,840.8	4.5
$ 1,026.1	$ - 45.7	- 4.3	$ 938.0	9.4	**Subtotal**	$ 7,987.7	$ - 54.0	- 0.7	$ 7,090.0	12.7
$ 4,649.1	$ - 35.5	- 0.8	$ 4,456.8	4.3	**Total Operating Expense**	$ 37,226.8	[$ 53.1]	[0.1]	$ 35,100.1	6.1
15.1	[3.3]	[28.0]	13.1	15.3	Interest Expense	146.5	[22.6]	[18.2]	153.9	- 4.8
121.9	0.0	0.0	119.7	1.9	Interest on Deferred Ret. Liabilities	979.8	0.0	0.0	1,007.6	- 2.8
$ 4,786.1	$ - 32.2	- 0.7	$ 4,589.5	4.3	**Total Expense**	$ 38,353.1	[$ 75.7]	[0.2]	$ 36,261.6	5.8

[ ]=Unfavorable variance to budget
Note: Totals may not sum due to rounding.

Analysis of Operating Expenses
Personnel Compensation
($Millions)

Accounting Period 8						Year-to-Date				
Actual	Var. to Budget	% Var.	SPLY *	% Var to SPLY	Total Compensation	Actual	Var. to Budget	%Var.	SPLY *	% Var to SPLY
					Operations:					
$ 27.0	- 0.8	- 2.9	$ 25.6	5.7	-Support	$ 207.2	- 3.2	- 1.5	$ 193.6	7.1
861.9	[4.8]	[0.6]	853.4	1.0	-Mail Processing	7,141.6	- 52.1	- 0.7	7,000.0	2.0
273.2	- 5.6	- 2.0	263.8	3.6	-Rural Delivery	2,130.1	- 12.3	- 0.6	2,040.5	4.4
1,009.1	- 3.4	- 0.3	993.7	1.5	-Other Delivery	8,130.0	[66.8]	[0.8]	7,885.9	3.1
74.4	[1.9]	[2.6]	71.1	4.6	-Vehicles Services	592.6	[10.2]	[1.7]	563.5	5.2
180.0	- 1.8	- 1.0	172.3	4.5	-Plant & Equip Maint	1,425.3	[1.6]	[0.1]	1,357.7	5.0
558.6	[8.4]	[1.5]	531.9	5.0	-Customer Services	4,497.1	[98.4]	[2.2]	4,226.7	6.4
23.3	- 1.6	- 6.4	22.6	3.0	Controller	182.9	- 9.4	- 4.9	175.0	4.5
24.8	- 1.6	- 6.0	24.7	0.8	Human Resources	195.8	- 7.9	- 3.9	188.8	3.7
38.3	- 0.3	- 0.8	35.9	6.8	Customer Service & Sales	296.1	- 3.2	- 1.1	275.9	7.3
158.2	- 1.3	- 0.8	156.1	1.4	Administration	1,227.0	- 2.3	- 0.2	1,202.1	2.1
128.9	[28.9]	[28.9]	113.4	13.7	Other Salaries & Benefits	981.5	[35.3]	[3.7]	864.7	13.5
$ 3,357.9	**[$ 27.5]**	**[0.8]**	**$ 3,264.5**	**2.9**	**Total Salaries & Benefits**	**$ 27,007.2**	**[$ 121.9]**	**[0.5]**	**$ 25,974.3**	**4.0**
48.3	[0.3]	[0.6]	59.8	- 19.2	Workers' Compensation	386.2	[1.9]	[0.5]	471.6	- 18.1
6.3	[0.0]	[0.3]	6.6	- 4.0	Unemployment Compensation	48.3	[0.1]	[0.1]	52.4	- 7.9
95.7	0.0	0.0	90.4	5.9	Deferred Retirement Cost	759.1	0.0	0.0	711.2	6.7
46.8	0.0	0.0	44.8	4.5	CSRS Annuitant COLA	380.8	0.0	0.0	371.2	2.6
34.2	- 16.7	- 32.8	45.4	- 24.5	Annuitant Health Benefits	366.7	- 33.5	- 8.4	363.1	1.0
33.7	- 1.0	- 2.9	7.4	NM	Other Compensation	290.9	[16.8]	[6.1]	66.3	NM
$ 3,623.0	**$ 10.2**	**[0.3]**	**$ 3,518.8**	**3.0**	**Total Personnel Compensation**	**$ 29,239.1**	**[$ 107.1]**	**[0.4]**	**$ 28,010.0**	**4.4**

[ ]=Unfavorable variance to budget
*** Recasted Data**
Note: Totals may not sum due to rounding.

Analysis of Non Personnel Expenses
($Millions)

Accounting Period 8						Year-to-Date				
Actual	Var. to Budget	%Var.	SPLY *	% Var to SPLY	Description	Actual	Var. to Budget	%Var.	SPLY *	% Var to SPLY
$ 330.4	- 10.0	- 2.9	$ 317.3	4.1	Transportation	$ 2,751.5	- 49.2	- 1.8	$ 2,629.1	4.7
311.4	- 23.2	- 6.9	250.8	24.2	Supplies & Services	2,267.6	[9.3]	[0.4]	1,620.1	40.0
139.8	[4.7]	[3.5]	127.3	9.8	Depreciation	1,065.9	- 6.4	- 0.6	996.2	7.0
63.1	- 0.0	- 0.0	60.5	4.4	Rent	454.2	[3.7]	[0.8]	417.5	8.8
31.3	- 3.4	- 9.8	32.4	- 3.4	Fuel & Utilities	250.6	- 19.3	- 7.1	241.7	3.7
26.5	- 0.6	- 2.2	25.9	2.3	Rural Carrier Equip Maint Allow	204.2	- 6.3	- 3.0	199.0	2.6
25.6	[0.3]	[1.3]	25.1	2.1	Vehicle Maintenance	194.6	- 6.6	- 3.3	194.7	- 0.1
17.3	- 3.0	- 14.8	15.0	15.4	Building Projects Expensed	151.8	[24.8]	[19.5]	122.8	23.6
4.4	- 0.4	- 8.7	4.5	- 3.0	Contract Job Cleaners	35.7	- 4.1	- 10.3	34.6	3.3
14.3	- 2.1	- 12.9	15.6	- 8.2	Travel & Relocation	110.4	- 16.4	- 12.9	96.9	14.0
26.2	[4.9]	[23.0]	18.1	45.0	Communications	141.9	- 2.5	- 1.7	115.2	23.1
3.3	- 2.2	- 40.0	5.3	- 36.6	Contract Stations	40.0	- 4.3	- 9.7	42.4	- 5.6
5.0	- 1.3	- 20.0	5.7	- 12.2	Printing	35.9	- 6.9	- 16.2	30.4	18.3
6.1	- 1.6	- 21.1	7.5	- 18.5	Training	47.2	- 6.4	- 11.9	39.4	19.8
5.2	[0.1]	[2.3]	5.2	0.1	Carfare & Tolls	39.9	[1.6]	[4.2]	35.9	11.2
3.0	[0.7]	[32.3]	2.2	40.0	Vehicle Hire	25.6	[4.3]	[20.3]	19.4	31.8
3.6	- 1.2	- 25.1	5.7	- 36.5	Accident Cost	29.8	[0.5]	[1.6]	30.9	- 3.8
- 4.5	- 0.6	- 14.3	- 4.4	- 1.2	Capitalized Interest	- 37.1	- 0.7	- 2.0	- 28.7	- 29.4
14.0	- 6.9	- 33.0	18.4	- 23.9	Miscellaneous	178.2	[30.9]	[21.0]	252.5	- 29.4
$ 1,026.1	**- 45.7**	**- 4.3**	**$ 938.0**	**9.4**	**Total Other Operating Expenses**	**$ 7,987.7**	**- 54.0**	**- 0.7**	**$ 7,090.0**	**12.7**

[ ]=Unfavorable variance to budget
*** Recasted Data**
Note: Totals may not sum due to rounding.

Statement of Financial Position
Accounting Period 8, FY 1999
($ Millions)

Assets	April 23, 1999	March 26, 1999	September 30, 1998 *
Current Assets:			
Cash and cash equivalents _1/	$ 0	$ 0	$ 387
U.S. Government securities, at amortized cost which approximates market	7	7	8
Receivables:			
Foreign countries	503	478	514
U.S. Government	260	275	154
Other	240	243	205
	1,003	996	873
Less allowances	118	114	88
	885	882	785
Supplies, advances and prepayments	306	304	348
Total Current Assets	**1,198**	**1,193**	**1,528**
Other assets _2/	382	382	379
Property and equipment, at cost:			
Buildings	15,991	15,866	15,123
Equipment	11,928	11,880	11,179
Land	2,349	2,333	2,286
	30,268	30,079	28,588
Less allowances for depreciation	11,127	11,009	10,362
	19,141	19,070	18,226
Construction in progress	2,348	2,281	2,073
Leasehold improvements, net	519	511	493
	22,008	21,862	20,792
Deferred Retirement Costs _3/	32,802	32,944	31,844
Total Assets	**$ 56,390**	**$ 56,381**	**$ 54,543**

_1/ Includes securities with maturities of 90 days or less in accordance with Statement of Financial Accounting Standards (SFAS) No. 95.

_2/ Includes $378 million as of September 30, 1998, and $380 as of March 26, 1999 and April 23, 1999 for appropriation receivable for revenue forgone.

* Audited year-end data.

Statement of Financial Position
Accounting Period 8, FY 1999
($ Millions)

Liabilities and Equities	April 23, 1999	March 26, 1999	September 30, 1998 *
Current Liabilities:			
Compensation and employees' benefits	$ 5,172	$ 5,104	$ 5,290
Estimated prepaid postage	1,673	1,673	1,673
Payables and accrued expenses:			
Foreign countries	735	696	780
U.S. Government	182	166	148
Other	2,793	2,810	742
	3,710	3,672	1,670
Appropriation for free & reduced rate mail	32	37	-
Prepaid permit mail and box rentals	1,567	1,570	1,955
Outstanding postal money orders	864	814	692
Current portion of long-term debt	507	1,042	3,633
Total Current Liabilities	**13,525**	**13,912**	**14,913**
Long-term debt, less current portion	2,970	2,887	2,788
Other Liabilities:			
Amounts payable for retirement benefits _3/	31,845	31,845	30,138
Workers' compensation claims	5,251	5,203	4,923
Employees' accumulated leave	1,947	1,884	1,959
Other	834	826	632
Total Other Liabilities	39,877	39,758	37,652
Capital Contributions of the US Government	3,034	3,034	3,034
Deficit Since Reorganization	- 3,016	- 3,210	- 3,844
Net Capital Deficiency	18	- 176	- 810
Total Liabilities and Equity	**$ 56,390**	**$ 56,381**	**$ 54,543**

_3/ Represents the Postal Service's deferred retirement liability to OPM for increases in basic pay and annuitant COLAs. Amounts applicable to future periods are capitalized as deferred retirement costs and amortized over 30 years for basic pay and 15 years for annuitants' COLAs.

* Audited year-end data.

CAPITAL INVESTMENTS
1999

($ MILLIONS)

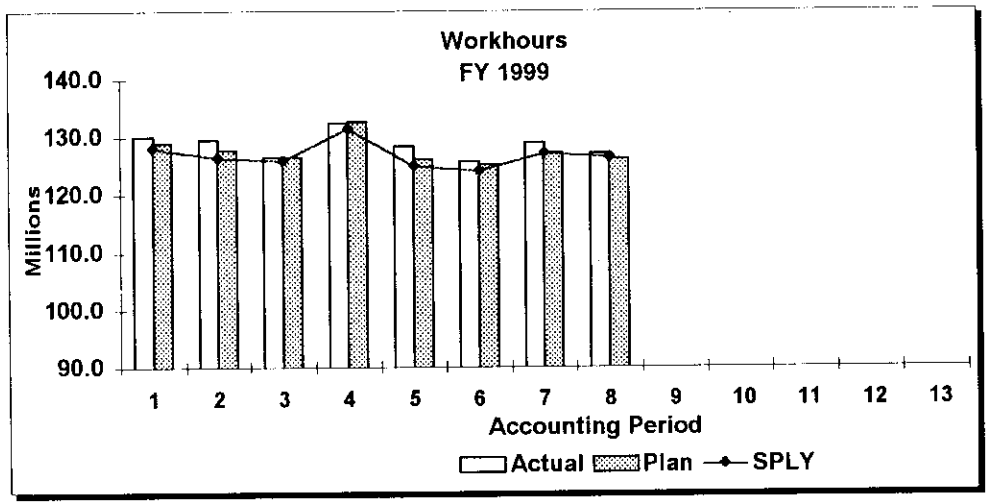
MAJOR CATEGORIES	COMMITMENTS A/P 8 - YEAR-TO-DATE ACTUAL	PLAN	SPLY	EXPENDITURES A/P 8 - YEAR-TO-DATE ACTUAL	PLAN	SPLY
CONSTRUCTION AND BUILDING PURCHASE	$ 291.4	$ 381.3	$ 374.4	$ 560.9	$ 595.0	$ 511.0
BUILDING IMPROVEMENTS	263.3	255.5	214.2	416.1	423.8	364.1
MAIL PROCESSING EQUIPMENT	317.5	179.7	175.5	462.6	537.3	461.6
VEHICLES	37.4	40.6	43.7	31.4	113.6	97.6
RETAIL EQUIPMENT	47.8	40.5	51.3	113.6	59.1	50.8
POSTAL SUPPORT EQUIPMENT	192.2	254.8	145.1	492.5	257.8	221.5
TOTAL COMMITMENTS/EXPENDITURES	$ 1,149.6	$ 1,152.4	$ 1,004.2	$ 2,077.1	$ 1,986.6	$ 1,706.6

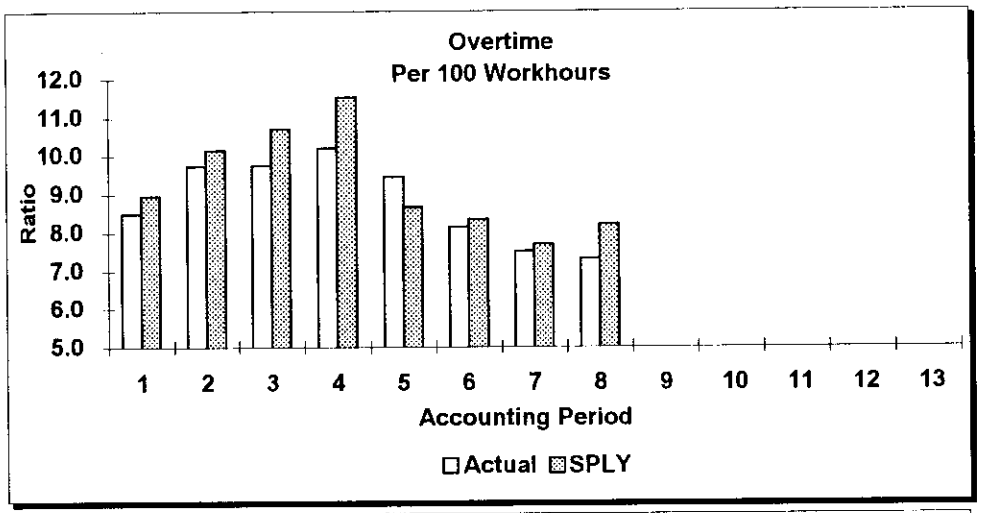
RESOURCES ON ORDER
($ MILLIONS)

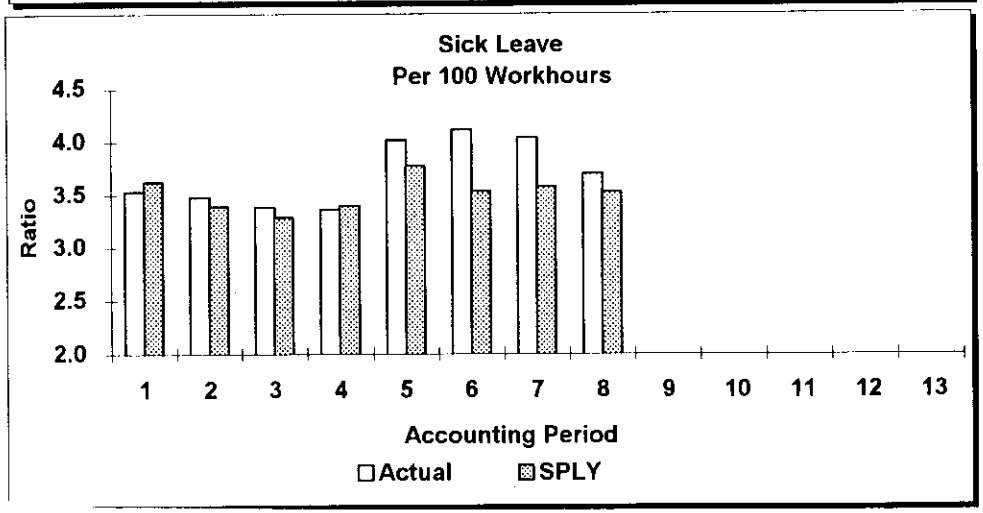
MAJOR CATEGORIES	Apr. 23, 1999	Sept. 30, 1998
CONSTRUCTION AND BUILDING PURCHASE	$ 638.0	$ 932.7
BUILDING IMPROVEMENTS	350.5	527.6
MAIL PROCESSING EQUIPMENT	1,133.7	1,279.7
VEHICLES	285.9	279.8
RETAIL EQUIPMENT	110.9	177.8
POSTAL SUPPORT EQUIPMENT	179.4	479.8
INVENTORIES	166.7	201.3
RESEARCH AND DEVELOPMENT	52.3	51.9
MISCELLANEOUS EXPENSE COMMITMENTS	4,405.0	3,352.3
TOTAL RESOURCES ON ORDER	$ 7,322.4	$ 7,282.9

STATEMENT OF CASH FLOWS
($ Millions)

For the fiscal year through April 23, 1999	FY 1999
Cash flows from operating activities:	
Net income/(loss) (Government Fiscal Year Basis)	$ 828
Adjustments to reconcile net income/(loss) to net cash provided/(used) by operating activities:	
Depreciation and amortization	1,075
Increase/(decrease) in other liabilities	202
Increase/(decrease) in employees' accumulated leave	(12)
Increase/(decrease) in non-current workers' compensation claims	328
Increase/(decrease) in retirement, net	749
Changes in current assets and liabilities:	
Increase/(decrease) in accrued compensation and benefits	(118)
Increase/(decrease) in deferred revenue	(356)
Increase/(decrease) in payables and accrued expenses	2,040
(Increase)/decrease in receivables	(100)
(Increase)/decrease in supplies, advances and prepayments	42
Increase/(decrease) in outstanding postal money orders	172
Net cash provided by operating activities	**4,850**
Cash flows from investing activities:	
Sale/(purchase) of U.S. Government securities, net	1
Purchase of property and equipment, net	(2,291)
Net cash used in investing activities	**(2,290)**
Cash flows from financing activities:	
Increase/(decrease) in debt	(2,944)
(Increase)/decrease in other non-current assets	(3)
Net cash used by financing activities	**(2,947)**
Net (decrease)/increase in cash and cash equivalents	(387)
Cash and cash equivalents at beginning of period	**387**
Cash and cash equivalents at end of period	**0**


Workhours
FY 1999
140.0
130.0
120.0
110.0
100.0
90.0
Millions
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
Plan
SPLY


Overtime
Per 100 Workhours
12.0
11.0
10.0
9.0
8.0
7.0
6.0
5.0
Ratio
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
SPLY


Sick Leave
Per 100 Workhours
4.5
4.0
3.5
3.0
2.5
2.0
Ratio
1 2 3 4 5 6 7 8 9 10 11 12 13
Accounting Period
Actual
SPLY

WORKHOURS & OVERTIME/SICK LEAVE RATIOS
(Thousands)

Accounting Period 8						Year to date				
Actual	Var. to Budget	% Var.	SPLY*	% Var to SPLY	Total Workhours	Actual	Var. to Budget	%Var.	SPLY*	% Var to SPLY
					Operations:					
823	- 14	- 1.7	790	4.1	-Support	6,303	- 11	- 0.2	5,956	5.8
32,973	[367]	[1.1]	33,867	- 2.6	-Mail Processing	282,034	- 1,021	- 0.4	286,231	- 1.5
12,769	- 68	- 0.5	12,362	3.3	-Rural Delivery	98,929	[662]	[0.7]	95,146	4.0
38,316	[24]	[0.1]	38,151	0.4	-Other Delivery	306,840	[3,530]	[1.2]	302,205	1.5
2,612	[66]	[2.6]	2,561	2.0	-Vehicles Services	20,854	[356]	[1.7]	20,342	2.5
6,415	- 88	- 1.3	6,322	1.5	-Plant & Equip Maint	50,923	- 165	- 0.3	49,865	2.1
20,923	[307]	[1.5]	20,540	1.9	-Customer Services	169,861	[3,997]	[2.4]	164,126	3.5
774	- 56	- 6.7	772	0.3	Controller	6,084	- 329	- 5.1	5,966	2.0
775	- 41	- 4.9	790	- 1.8	Human Resources	6,146	- 110	- 1.8	5,992	2.6
1,309	- 26	- 2.0	1,267	3.3	Customer Service & Sales	10,129	- 217	- 2.1	9,734	4.1
5,429	[45]	[0.8]	5,443	- 0.3	Administration	42,165	[656]	[1.6]	41,834	0.8
3,896	[381]	[10.8]	3,503	11.2	Other	29,649	[2,352]	[8.6]	26,771	10.8
127,014	[897]	[0.7]	126,368	0.5	Total Workhours	1,029,917	[9,700]	[1.0]	1,014,168	1.6

Overtime

	Actual	Budget	SPLY
Overtime Ratio Per 100 Workhours	8.8	7.7	9.3

Actual	Budget	SPLY
7.3	6.8	8.2

Sick Leave

	Actual		SPLY
Sick Leave Ratio Per 100 Workhours	3.7	--	3.6

Actual		SPLY
3.7	--	3.5

[ ]=Unfavorable variance to budget

* Recasted Data

Note: Totals may not sum due to rounding.