

# FINANCIAL & OPERATING STATEMENTS

Accounting Period 7, PFY 2000

February 26 - March 24, 2000

Finance

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POSTAL RATE CORPORATION  
OFFICE OF THE COMPTROLLER

APR 20 2 22 PM '00

RECEIVED

HIGHLIGHTS  
(MILLIONS)

Accounting Period 7			
	Var. to Budget	% Var.	SPLY
Actual			% Var to SPLY

Year-to-Date			
	Var. to Budget	% Var.	SPLY
Actual			% Var to SPLY

\$ 5,148.3	[-19.3]	[-0.4]	\$ 4,925.2	4.5	Total Revenue	\$ 35,698.8	[-353.6]	[-1.0]	\$ 34,392.8	3.8
<u>5,047.4</u>	<u>-29.6</u>	<u>-0.6</u>	<u>4,868.7</u>	3.7	Total Expense	<u>34,650.2</u>	<u>-78.3</u>	<u>-0.2</u>	<u>33,554.6</u>	3.3
\$ 100.9	\$ 10.3	NM	\$ 56.5	NM	Income(Loss)	\$ 1,048.6	[-275.3]	NM	\$ 838.2	NM
\$ 132.9	[\$ 9.0]	[ 7.3]	\$ 177.7	-25.2	Capital Commitments	\$ 675.7	[\$ 5.3]	[ 0.8]	\$ 866.9	-22.1
128.4	[ 1.7]	[ 1.3]	129.0	-0.5	Total Workhours	892.9	[ 5.4]	[ 0.6]	903.3	-1.1
16,445.5	[-174.0]	[-1.0]	15,888.3	3.5	Mall Volume	114,001.4	[-1,619.8]	[-1.4]	111,441.8	2.3

[ ] = Unfavorable variance to budget  
NM = Non-Meaningful

Note: Totals may not sum due to rounding.

	Actual Number Of:	Current Period	Last Period	SPLY
Post Offices		27,882	27,883	*27,830
Active Postal Owned Vehicles				
Administrative		5,544	5,460	5,209
Operations		197,080	196,564	197,182
Possible City Deliveries (000)		83,048	83,009	82,486
Rural Routes		66,083	65,633	63,334
Delivery Routes		168,189	168,307	167,866
Career Employees (Excludes Inspector General)		791,640	791,645	801,772
Casual Employees		28,608	28,781	28,235
Transitional Employees		13,173	13,277	15,218

\* Beginning in AP 10, FY 1999, the number of Post Offices is being obtained from the Address Management System, which provides the most comprehensive source data available. The actual difference between the number of Post Office's in AMS and the previously used source is approximately 80 units.

**STATEMENT OF INCOME & EXPENSE**  
(\$ Millions)

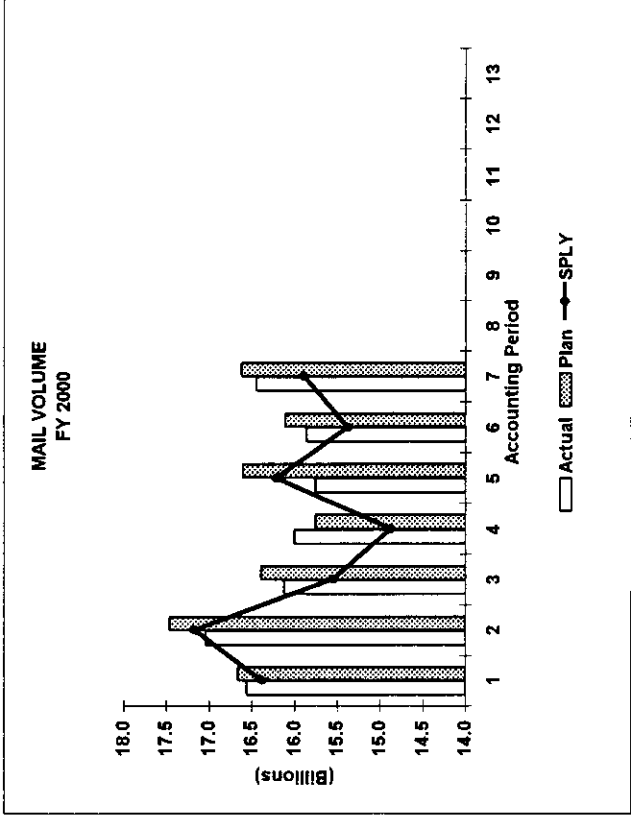
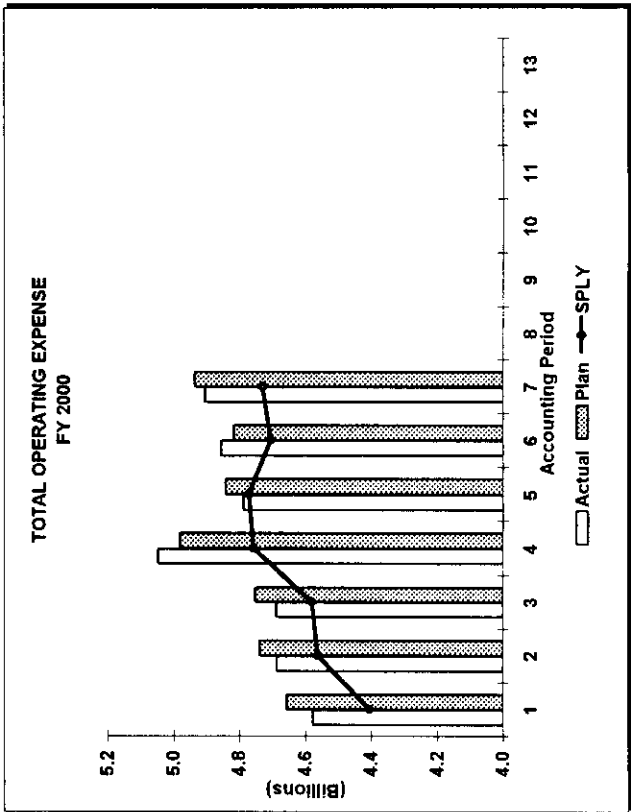
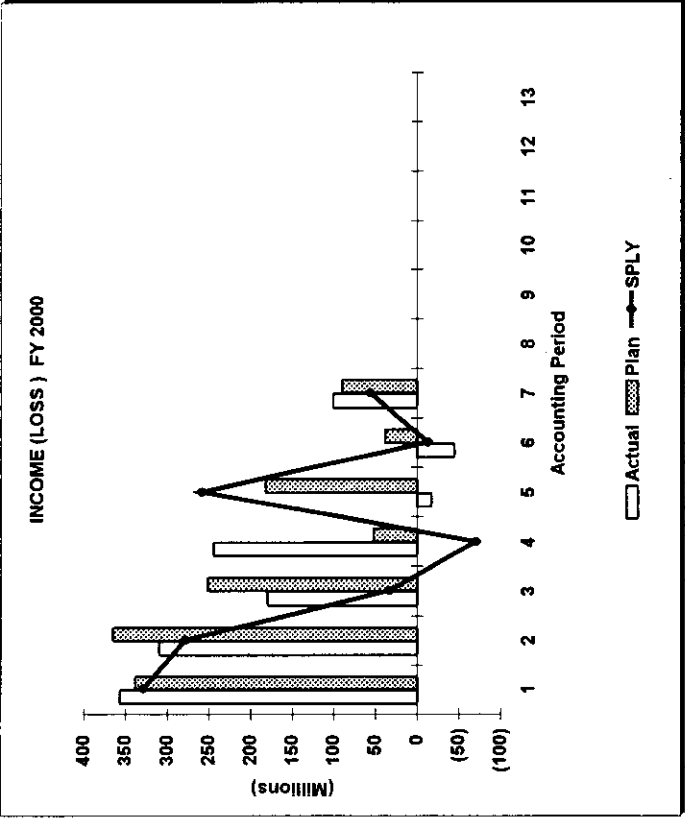
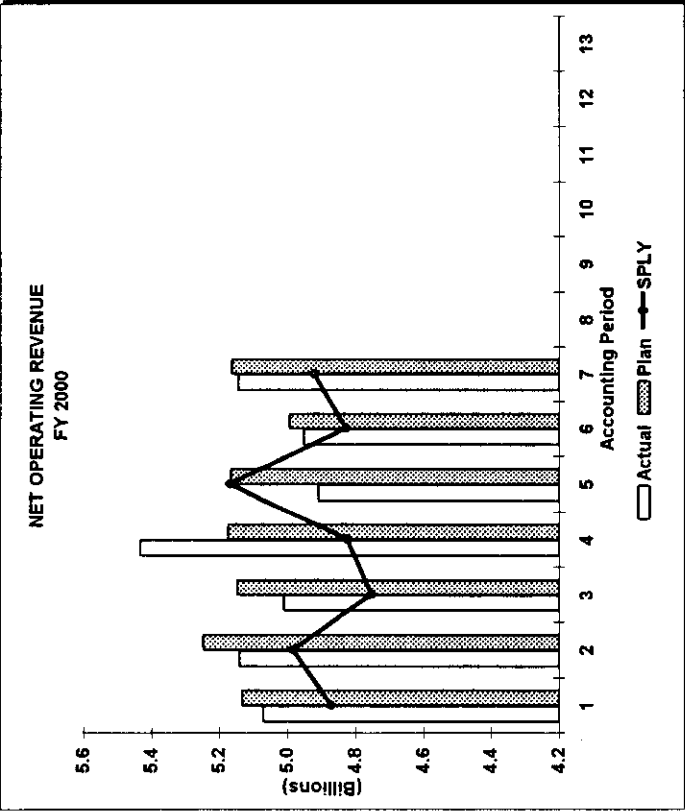
	Accounting Period 7				Year-to-Date			
	Actual	Var. to Budget	%Var.	SPLY	Actual	Var. to Budget	%Var.	SPLY
Operating Revenue	\$ 5,145.9	[\$ -19.7]	[-0.4]	\$ 4,923.1	\$ 35,678.6	[\$ -358.8]	[-1.0]	\$ 34,374.9
Operating Expense	4,905.7	-30.6	-0.6	4,730.1	33,644.5	-84.3	-0.2	32,565.4
Income From Operations	\$ 240.2	\$ 10.9	NM	\$ 193.0	\$ 2,034.1	[\$ -274.5]	NM	\$ 1,809.5
Investment Income	2.4	0.4	18.4	2.1	20.2	5.2	34.3	17.9
Interest Expense	-20.1	[-1.0]	[5.3]	-16.7	-154.2	[-6.0]	[4.0]	-131.3
Interest on Deferred Ret. Liabilities	-121.6	0.0	0.0	-121.9	-851.5	0.0	0.0	-857.9
Income/(Loss)	\$ 100.9	\$ 10.3	NM	\$ 56.5	\$ 1,048.6	[\$ -275.3]	NM	\$ 939.2

[ ] = 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		
	APR 07 2000	APR 07 1999	% CHANGE	APR 07 2000	APR 07 1999	% CHANGE
<b>FIRST-CLASS</b>						
VOLUME	8,238,028	8,017,980	2.7	57,089,894	56,141,527	1.7
REVENUE	\$ 2,867,589	\$ 2,780,307	3.1	\$ 19,608,482	\$ 19,019,236	3.1
REV/PC.	0.3481	0.3468	0.4	0.3435	0.3388	1.4
<b>PRIORITY-MAIL</b>						
VOLUME	96,766	91,763	5.5	696,694	677,162	2.9
REVENUE	\$ 377,444	\$ 349,442	8.0	\$ 2,796,087	\$ 2,536,670	10.2
REV/PC.	3.9006	3.8081	2.4	4.0134	3.7460	7.1
<b>EXPEDITED MAIL</b>						
VOLUME	5,678	5,360	5.9	37,635	36,501	3.1
REVENUE	\$ 79,079	\$ 74,773	5.8	\$ 532,548	\$ 491,038	8.5
REV/PC.	13.9273	13.9502	-0.2	14.1503	13.4527	5.2
<b>PERIODICALS</b>						
VOLUME	844,074	849,322	-0.6	5,569,190	5,603,699	-0.6
REVENUE	\$ 176,318	\$ 172,084	2.5	\$ 1,169,926	\$ 1,149,199	1.8
REV/PC.	0.2089	0.2026	3.1	0.2101	0.2051	2.4
<b>STANDARD (A) MAIL</b>						
VOLUME	7,067,995	6,729,206	5.0	49,203,221	47,552,679	3.5
REVENUE	\$ 1,200,396	\$ 1,154,203	4.0	\$ 8,336,637	\$ 7,955,610	4.8
REV/PC.	0.1698	0.1715	-1.0	0.1694	0.1673	1.3
<b>STANDARD (B) MAIL</b>						
VOLUME	84,629	78,316	8.1	619,417	597,641	3.6
REVENUE	\$ 147,916	\$ 140,644	5.2	\$ 1,097,373	\$ 1,074,639	2.1
REV/PC.	1.7478	1.7959	-2.7	1.7716	1.7981	-1.5
<b>INTERNATIONAL</b>						
VOLUME	75,558	81,569	-7.4	572,645	591,635	-3.2
REVENUE	\$ 130,229	\$ 132,357	-1.6	\$ 933,093	\$ 921,913	1.2
REV/PC.	1.7236	1.6226	6.2	1.6294	1.5582	4.6
<b>ALL OTHER<sup>1/</sup></b>						
VOLUME	32,729	34,817	-6.0	212,751	240,927	-11.7
REVENUE	\$ 105	\$ 136	-22.8	\$ 769	\$ 940	-18.2
<b>ALL MAIL</b>						
VOLUME	16,445,457	15,888,333	3.5	114,001,447	111,441,771	2.3
REVENUE	\$ 4,979,076	\$ 4,803,946	3.6	\$ 34,474,915	\$ 33,149,245	4.0
REV/PC.	0.3028	0.3024	0.1	0.3024	0.2975	1.7

<sup>1/</sup> All other volume includes a decrease of 24,328 thousand pieces in Internal Mail and a decrease of 3,207 thousand pieces in Free Mail for the Blind and Handicapped for the year-to-date.



**Revenue by Source**  
**Accounting Period 7, FY 2000**  
(\$Millions)

Current Period			Year-To-Date		
Actual	SPLY	% Diff	Actual	SPLY	% Diff
<b>Operating Revenue:</b>					
\$ 1,951.6	\$ 1,977.0	-1.3	\$ 13,797.1	\$ 13,702.5	0.7
871.9	874.2	-0.3	6,478.5	6,504.4	-0.4
1,133.7	1,074.0	5.6	7,776.0	8,334.0	-6.7
176.9	177.7	-0.5	1,163.8	1,173.4	-0.8
162.9	53.7	203.4	567.4	438.5	29.4
648.5	579.7	11.9	4,520.6	3,025.0	49.4
53.2	50.7	4.9	365.4	345.0	5.9
15.9	15.1	5.3	100.6	97.6	3.1
126.3	115.5	9.3	874.2	716.3	22.0
<b>\$ 5,140.9</b>	<b>\$ 4,917.6</b>	<b>4.5</b>	<b>\$ 35,643.6</b>	<b>\$ 34,336.7</b>	<b>3.8</b>
<b>Subtotal</b>					
<b>Government Appropriation:</b>					
5.0	5.5	-8.4	35.0	38.2	-8.4
<b>Revenue Forgone</b>					
<b>\$ 5,145.9</b>	<b>\$ 4,923.1</b>	<b>4.5</b>	<b>\$ 35,678.6</b>	<b>\$ 34,374.9</b>	<b>3.8</b>
<b>Total Operating Revenue</b>					
2.4	2.1	15.0	20.2	17.9	12.4
<b>Investment Income</b>					
<b>\$ 5,148.3</b>	<b>\$ 4,925.2</b>	<b>4.5</b>	<b>\$ 35,698.8</b>	<b>\$ 34,392.8</b>	<b>3.8</b>
<b>Total Revenue</b>					

Note: Totals may not sum due to rounding.

**Revenue by Category**  
**Accounting Period 7, FY 2000**  
(\$Millions)

	Current Period			Year-To-Date		
	Actual	Budget	% Var	Actual	Budget	% Var
<b>Commercial Revenue</b>						
Permit Revenue	\$ 2,008.9	\$ 2,002.3	0.3	\$ 13,806.7	\$ 13,761.5	0.3
Other Commercial Accounts Revenue	<u>1,886.9</u>	<u>1,877.4</u>	0.5	<u>12,544.9</u>	<u>12,977.4</u>	[ 3.3 ]
<b>Total Commercial Revenue</b>	<b>\$ 3,895.8</b>	<b>\$ 3,879.7</b>	<b>0.4</b>	<b>\$ 26,351.6</b>	<b>\$ 26,738.9</b>	<b>[ 1.4 ]</b>
<b>Retail Revenue</b>						
Retail Postage Revenue	999.2	1,024.2	[ 2.4 ]	7,551.4	7,446.1	1.4
Retail Services Revenue	74.5	70.9	5.1	497.9	489.6	1.7
Retail Products Revenue	9.1	12.6	[ 27.3 ]	74.0	92.6	[ 20.0 ]
Other Retail Channels Revenue	<u>135.3</u>	<u>142.3</u>	[ 4.9 ]	<u>963.4</u>	<u>1,014.7</u>	[ 5.1 ]
<b>Total Retail Revenue</b>	<b>\$ 1,218.1</b>	<b>\$ 1,250.0</b>	<b>[ 2.5 ]</b>	<b>\$ 9,085.7</b>	<b>\$ 9,043.0</b>	<b>0.4</b>
<b>Total Commercial &amp; Retail Revenue</b>	<b>\$ 5,113.9</b>	<b>\$ 5,129.7</b>	<b>[ 0.3 ]</b>	<b>\$ 35,438.3</b>	<b>\$ 35,781.9</b>	<b>[ 1.0 ]</b>
Other Income	27.0	30.9	[ 13.1 ]	205.3	220.5	[ 6.9 ]
Revenue Forgone	<u>5.0</u>	<u>5.0</u>	0.0	<u>35.0</u>	<u>35.0</u>	0.0
<b>Total Operating Revenue</b>	<b>\$ 5,145.9</b>	<b>\$ 5,165.6</b>	<b>[ 0.4 ]</b>	<b>\$ 35,678.6</b>	<b>\$ 36,037.4</b>	<b>[ 1.0 ]</b>
Investment Income	<u>2.4</u>	<u>2.0</u>	18.4	<u>20.2</u>	<u>15.0</u>	34.3
<b>Total Revenue</b>	<b>\$ 5,148.3</b>	<b>\$ 5,167.6</b>	<b>[ 0.4 ]</b>	<b>\$ 35,698.8</b>	<b>\$ 36,052.4</b>	<b>[ 1.0 ]</b>

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

**Expense Analysis**  
**Accounting Period 7, FY 2000**  
**(\$Millions)**

Accounting Period 7					Year-to-Date					
	Actual	Var. to Budget	%Var	SPLY	% Var to SPLY	Actual	Var to Budget	%Var	SPLY	% Var to SPLY
<b>Personnel Compensation</b>	\$ 3,847.4	[\$ 32.8]	[ 0.9 ]	\$ 3,677.6	4.6	\$ 26,633.2	[\$ 179.4]	[ 0.7 ]	\$ 26,668.1	3.4
Non-Personnel Expense:										
Transportation	368.7	[ 44.6 ]	[ 13.8 ]	327.6	12.5	2,567.9	[ 63.8 ]	[ 2.5 ]	2,277.7	12.7
Supplies & Services	252.7	- 108.1	- 30.0	305.2	- 17.2	1,660.8	- 279.1	- 14.4	1,801.9	- 7.8
Other	436.9	[ 0.1 ]	[ 0.0 ]	419.7	4.1	2,882.6	- 48.4	- 1.7	2,827.7	1.9
<b>Subtotal</b>	\$ 1,058.3	\$ - 63.4	- 5.7	\$ 1,052.5	0.6	\$ 7,111.3	\$ - 263.7	- 3.6	\$ 6,907.3	3.0
<b>Total Operating Expense</b>	\$ 4,905.7	\$ - 30.6	- 0.6	\$ 4,730.1	3.7	\$ 33,644.5	\$ - 84.3	- 0.2	\$ 33,565.4	3.3
Interest Expense	20.1	[ 1.0 ]	[ 5.3 ]	16.7	20.5	154.2	[ 6.0 ]	[ 4.0 ]	131.3	17.4
Interest on Deferred Ret. Liabilities	121.6	0.0	0.0	121.9	- 0.2	851.5	0.0	0.0	857.9	- 0.7
<b>Total Expense</b>	\$ 5,047.4	\$ - 29.6	- 0.6	\$ 4,868.7	3.7	\$ 34,650.2	\$ - 78.3	- 0.2	\$ 33,554.6	3.3

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



**Analysis of Operating Expenses  
Personnel Compensation  
(\$Millions)**

	Accounting Period 7			Year-to-Date				
	Actual	Var. to Budget	% Var.	Actual	Var. to Budget	% Var.	SPLY*	% Var to SPLY
<b>Total Compensation</b>								
Operations:								
-Support	\$ 28.4	[\$ 0.1]	[ 0.3]	\$ 27.4	[- 0.3]	[- 1.6]	180.1	2.3
-Mail Processing	886.6	[ 8.2]	[ 0.9]	875.6	[ 8.2]	[ 0.7]	6,287.0	0.6
-Rural Delivery	298.1	[- 1.7]	[- 0.6]	274.7	[- 5.1]	[- 0.3]	1,856.5	7.6
-Other Delivery	1,084.8	[ 17.1]	[ 1.6]	1,026.4	[ 84.8]	[ 1.2]	7,142.9	3.3
-Vehicles Services	78.5	[ 1.8]	[ 2.4]	75.5	[ 11.9]	[ 2.3]	518.6	4.1
-Plant & Equip Maint	192.5	[- 0.9]	[- 0.5]	182.9	[- 7.3]	[- 0.6]	1,246.5	4.7
-Customer Services	579.0	[ 7.4]	[ 1.3]	565.1	[ 34.7]	[ 0.9]	3,914.3	2.4
Controller	24.1	[- 2.2]	[- 8.4]	23.6	[- 12.9]	[- 7.3]	159.4	2.0
Human Resources	26.0	[- 1.4]	[- 5.2]	25.6	[- 10.4]	[- 5.7]	170.8	0.5
Customer Service & Sales	35.0	[- 1.5]	[- 4.2]	38.9	[- 9.8]	[- 3.6]	257.5	1.3
Administration	163.5	[ 1.8]	[ 1.1]	159.8	[ 11.3]	[ 1.1]	1,068.5	1.9
Other Salaries & Benefits	137.9	[- 6.0]	[- 4.2]	131.7	[- 23.3]	[- 2.5]	850.6	8.8
<b>Total Salaries &amp; Benefits</b>	<b>\$ 3,534.4</b>	<b>[\$ 22.6]</b>	<b>[ 0.6]</b>	<b>\$ 3,407.2</b>	<b>[\$ 116.0]</b>	<b>[ 0.5]</b>	<b>\$ 23,652.9</b>	<b>2.9</b>
Workers' Compensation	66.2	[ 9.9]	[ 17.6]	45.0	[ 39.7]	[ 10.1]	321.4	35.1
Unemployment Compensation	5.6	0.0	0.0	5.5	[ 0.1]	[ 0.1]	36.6	7.6
Deferred Retirement Cost	99.2	0.0	0.0	95.7	0.0	0.0	663.4	4.6
CSRS Annuitant COLA	52.0	0.0	0.0	46.8	0.0	0.0	333.9	8.9
Annuitant Health Benefits	57.0	0.0	0.0	34.3	[- 0.1]	[- 0.0]	333.2	19.8
Other Compensation	33.0	[ 0.3]	[ 0.8]	43.0	[ 23.7]	[ 10.3]	316.8	-20.4
<b>Total Personnel Compensation</b>	<b>\$ 3,647.4</b>	<b>[\$ 32.8]</b>	<b>[ 0.9]</b>	<b>\$ 3,677.6</b>	<b>[\$ 170.4]</b>	<b>[ 0.7]</b>	<b>\$ 25,558.1</b>	<b>3.4</b>

[ ]=Unfavorable variance to budget  
\* Recasted Data

Note: Totals may not sum due to rounding.

**Analysis of Non Personnel Expenses**  
(\$Millions)

Description	Accounting Period 7					Year-to-Date				
	Actual	Var. to Budget	%Var.	SPLY*	% Var to SPLY	Actual	Var. to Budget	%Var.	SPLY*	% Var to SPLY
Transportation	\$ 368.7	[\$ 44.6]	[ 13.8]	\$ 327.6	12.5	\$ 2,567.9	[\$ 63.8]	[ 2.5]	\$ 2,277.7	12.7
Supplies & Services	252.7	-108.1	-30.0	305.2	-17.2	1,660.8	-279.1	-14.4	1,801.9	-7.8
Depreciation	149.4	[ 5.0]	[ 3.4]	129.5	15.4	1,055.4	[ 11.3]	[ 1.1]	925.4	14.0
Rent	70.9	-1.8	-2.4	62.3	13.8	425.8	-6.8	-1.6	395.1	7.8
Fuel & Utilities	39.1	[ 2.9]	[ 7.9]	34.6	12.8	229.0	-11.3	-4.7	219.3	4.4
Rural Carrier Equip Maint Allow	27.7	-0.1	-0.2	26.5	4.5	185.7	-1.0	-0.5	177.7	4.5
Vehicle Maintenance	32.7	[ 6.3]	[ 23.7]	26.7	22.4	196.1	[ 17.6]	[ 9.9]	169.1	15.9
Information Technology	18.6	-3.5	-15.8	23.9	-22.2	154.8	-18.9	-10.9	149.0	3.9
Building Projects Expensed	13.7	-0.5	-3.6	21.0	-34.9	93.3	-6.7	-6.7	125.0	-25.4
Contract Job Cleaners	5.2	-1.7	-24.8	4.5	17.0	35.3	-4.4	-11.2	31.5	12.3
Travel & Relocation	13.0	-0.1	-0.8	15.8	-17.9	74.5	-17.6	-19.1	96.0	-22.4
Communications	24.3	[ 3.3]	[ 15.5]	20.1	20.9	137.9	[ 7.8]	[ 6.0]	115.2	19.7
Contract Stations	5.4	-2.4	-30.8	5.6	-4.4	35.2	-6.6	-15.7	37.0	-4.9
Printing	6.2	[ 2.4]	[ 64.1]	6.4	-3.2	21.7	-4.5	-17.2	31.0	-30.1
Training	4.3	-2.6	-37.5	7.3	-41.9	26.2	-14.0	-34.9	39.7	-34.0
Carfare & Tolls	5.1	[ 0.1]	[ 2.8]	5.4	-6.9	32.1	-2.0	-5.8	33.4	-3.9
Vehicle Hire	4.0	-0.8	-17.3	3.4	15.8	27.2	[ 2.2]	[ 9.0]	21.0	29.6
Accident Cost	4.5	-1.9	-29.4	4.5	-1.1	25.9	-1.9	-6.7	25.6	1.3
Capitalized Interest	-4.0	[ 0.5]	[ 11.6]	-4.3	6.9	-30.2	[ 1.3]	[ 4.2]	-32.5	7.1
Miscellaneous	17.0	-5.0	-22.8	26.4	NM	156.8	[ 6.9]	[ 4.6]	269.2	41.7
<b>Total Other Operating Expenses</b>	<b>\$ 1,058.3</b>	<b>\$ -63.4</b>	<b>-5.7</b>	<b>\$ 1,052.5</b>	<b>0.6</b>	<b>\$ 7,111.3</b>	<b>\$ -263.7</b>	<b>-3.6</b>	<b>\$ 6,907.3</b>	<b>3.0</b>

[ ]=Unfavorable variance to budget  
\* Recasted Data

Note: Totals may not sum due to rounding.

**Statement of Financial Position**  
**Accounting Period 7, FY 2000**

<u>Assets</u>	<u>March 24,</u> <u>2000</u>	<u>February 25,</u> <u>2000</u>	<u>September 30,</u> <u>1999*</u>
<b>Current Assets:</b>			
Cash and cash equivalents _1/	\$ 0	\$ 132	\$ 8
U.S. Government securities, at amortized cost which approximates market	7	7	7
<b>Receivables:</b>			
Foreign countries	337	334	337
U.S. Government	135	134	149
Other	<u>235</u>	<u>232</u>	<u>205</u>
Less allowances	<u>707</u>	<u>700</u>	<u>691</u>
	<u>119</u>	<u>117</u>	<u>113</u>
	<u>588</u>	<u>583</u>	<u>578</u>
Supplies, advances and prepayments	<u>317</u>	<u>319</u>	<u>387</u>
<b>Total Current Assets</b>	<b>912</b>	<b>1,041</b>	<b>980</b>
Other assets _2/	377	376	376
<b>Property and equipment, at cost:</b>			
Buildings	17,237	17,139	16,513
Equipment	12,907	12,828	12,421
Land	<u>2,483</u>	<u>2,476</u>	<u>2,407</u>
Less allowances for depreciation	<u>32,627</u>	<u>32,443</u>	<u>31,341</u>
	<u>12,338</u>	<u>12,222</u>	<u>11,663</u>
	<u>20,289</u>	<u>20,221</u>	<u>19,678</u>
Construction in progress	2,672	2,638	2,623
Leasehold improvements, net	<u>620</u>	<u>609</u>	<u>539</u>
	<u>23,581</u>	<u>23,468</u>	<u>22,840</u>
Deferred Retirement Costs _3/	<u>32,965</u>	<u>33,116</u>	<u>31,497</u>
<b>Total Assets</b>	<b>\$ 57,835</b>	<b>\$ 58,001</b>	<b>\$ 55,693</b>

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

\_2/ Includes \$375 million as of September 30, 1999, January 28, 2000 and February 25, 2000 for appropriation receivable for revenue forgone.

\* Audited year-end data

Statement of Financial Position  
Accounting Period 7, FY 2000  
(\$ Millions)

	March 24, <u>2000</u>	February 25, <u>2000</u>	September 30, <u>1999*</u>
<b>Liabilities and Equities</b>			
<b>Current Liabilities:</b>			
Compensation and employees' benefits	\$ 5,345	\$ 5,175	\$ 5,919
Estimated prepaid postage	1,652	1,649	1,628
<b>Payables and accrued expenses:</b>			
Foreign countries	413	413	527
U.S. Government	197	175	164
Other	<u>2,909</u>	<u>2,356</u>	<u>657</u>
	3,519	2,944	1,348
Appropriation for free & reduced rate mail	34	39	0
Prepaid permit mail and box rentals	1,518	1,570	2,049
Outstanding postal money orders	811	844	813
Current portion of debt	<u>1,942</u>	<u>2,999</u>	<u>3,363</u>
<b>Total Current Liabilities</b>	<b>14,821</b>	<b>15,220</b>	<b>15,120</b>
<b>Long-term debt, less current portion</b>	<b>2,554</b>	<b>2,554</b>	<b>3,554</b>
<b>Other Liabilities:</b>			
Amounts payable for retirement benefits <u>_3/</u>	31,930	31,930	29,685
Workers' compensation claims	5,251	5,215	4,901
Employees' accumulated leave	1,912	1,812	2,041
Other	<u>1,014</u>	<u>1,014</u>	<u>839</u>
<b>Total Other Liabilities</b>	<b>40,107</b>	<b>39,971</b>	<b>37,466</b>
Capital Contributions of the US Government	3,034	3,034	3,034
Deficit Since Reorganization	<u>-2,681</u>	<u>-2,778</u>	<u>-3,481</u>
Equity/Capital Deficiency	353	256	-447
<b>Total Liabilities and Equity</b>	<b>\$ <u>57,835</u></b>	<b>\$ <u>58,001</u></b>	<b>\$ <u>55,693</u></b>

\_3/ Represents the Postal Service's deferred retirement liability to OPM for increases in basic pay and annuitants' 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  
FY 2000**

(\$ MILLIONS)

<u>MAJOR CATEGORIES</u>	<u>COMMITMENTS</u>			<u>EXPENDITURES</u>		
	<u>ACTUAL</u>	<u>PLAN</u>	<u>SPLY</u>	<u>ACTUAL</u>	<u>PLAN</u>	<u>SPLY</u>
CONSTRUCTION AND BUILDING PURCHASE	\$ 153.1	\$ 204.9	\$ 227.8	\$ 437.0	\$ 495.4	\$ 487.9
BUILDING IMPROVEMENTS	222.1	197.5	218.1	374.4	377.9	362.1
MAIL PROCESSING EQUIPMENT	130.3	91.0	209.4	490.9	443.3	407.0
VEHICLES	29.6	31.0	37.5	23.9	102.9	31.0
RETAIL EQUIPMENT	31.4	27.9	36.8	119.0	116.0	101.5
POSTAL SUPPORT EQUIPMENT	<u>109.2</u>	<u>118.1</u>	<u>137.3</u>	<u>177.4</u>	<u>308.5</u>	<u>424.8</u>
<b>TOTAL COMMITMENTS/EXPENDITURES</b>	<b>\$ 675.7</b>	<b>\$ 670.4</b>	<b>\$ 866.9</b>	<b>\$ 1,622.6</b>	<b>\$ 1,844.0</b>	<b>\$ 1,814.3</b>

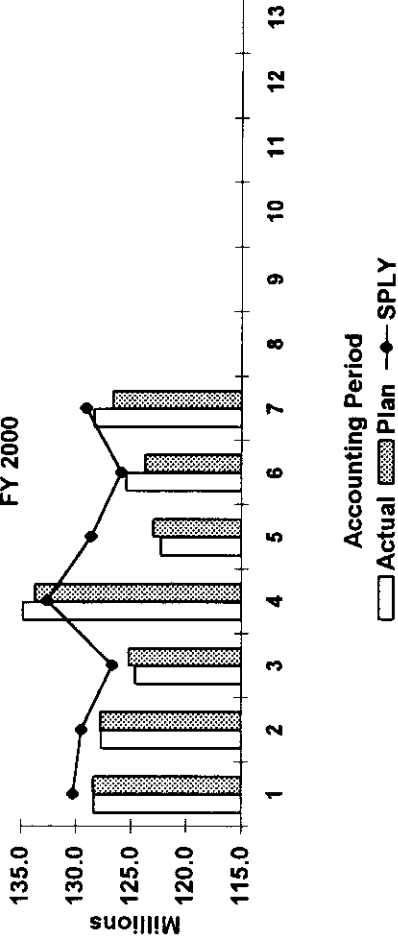
**RESOURCES ON ORDER  
(\$ MILLIONS)**

<u>MAJOR CATEGORIES</u>	<u>March 24, 2000</u>	<u>Sept. 30, 1999</u>
CONSTRUCTION AND BUILDING PURCHASE	\$ 551.9	\$ 901.2
BUILDING IMPROVEMENTS	352.5	
MAIL PROCESSING EQUIPMENT	1,115.4	1,505.4
VEHICLES	495.7	490.3
RETAIL EQUIPMENT	42.6	130.1
POSTAL SUPPORT EQUIPMENT	186.1	254.5
INVENTORIES	222.6	279.8
RESEARCH AND DEVELOPMENT	50.1	48.0
MISCELLANEOUS EXPENSE COMMITMENTS	<u>3,923.1</u>	<u>3,984.4</u>
<b>TOTAL RESOURCES ON ORDER</b>	<b>\$ 6,940.0</b>	<b>\$ 7,593.7</b>

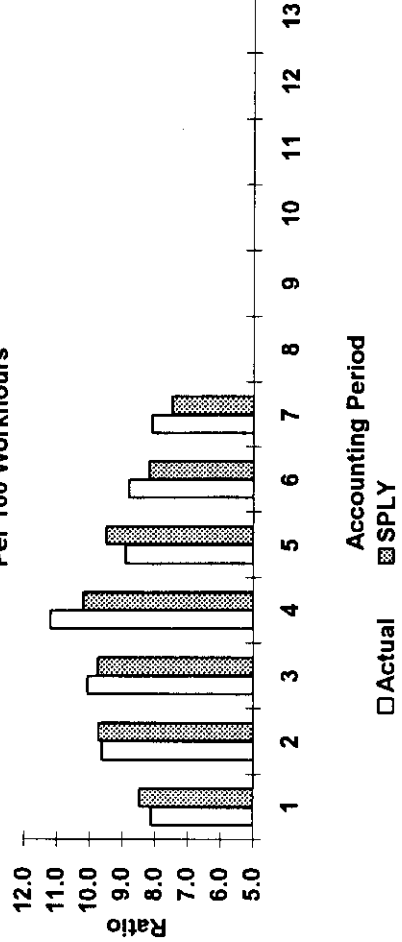
**STATEMENT OF CASH FLOWS**  
(\$ Millions)

For the Year through March 24, 2000	<u>FY 2000</u>
<b>Cash flows from operating activities:</b>	
Net income/(loss) (Government Fiscal Year Basis)	\$ 800
Adjustments to reconcile net income/(loss) to net cash provided/(used) by operating activities:	
Depreciation and amortization	1,032
Increase/(decrease) in other liabilities	175
Increase/(decrease) in employees' accumulated leave	(129)
Increase/(decrease) in non-current workers' compensation claims	350
Increase/(decrease) in retirement, net	777
Changes in current assets and liabilities:	
Increase/(decrease) in accrued compensation and benefits	(574)
Increase/(decrease) in deferred revenue	(473)
Increase/(decrease) in payables and accrued expenses	2,171
(Increase)/decrease in receivables	(10)
(Increase)/decrease in supplies, advances and prepayments	70
Increase/(decrease) in outstanding postal money orders	(2)
<b>Net cash provided by operating activities</b>	<b>4,187</b>
<b>Cash flows from investing activities:</b>	
Sale/(purchase) of U.S. Government securities, net	0
Purchase of property and equipment, net	(1,773)
<b>Net cash used in investing activities</b>	<b>(1,773)</b>
<b>Cash flows from financing activities:</b>	
Increase/(decrease) in debt	(2,421)
(Increase)/decrease in other non-current assets	(1)
<b>Net cash used by financing activities</b>	<b>(2,422)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(8)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>8</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ -</b>

Workhours  
FY 2000



Overtime  
Per 100 Workhours



Sick Leave  
Per 100 Workhours

