



***UNITED STATES***  
***POSTAL SERVICE***

# **FINANCIAL & OPERATING STATEMENTS**

**Accounting Period 4, PFY 2002**

**December 1 - December 28, 2001**

**Prepared by: Financial Reporting and Analysis**

**Highlights**  
**Accounting Period 4, FY 2002**  
**(Millions)**

Accounting Period 4					
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
\$ 5,506.7	\$ 5,681.6	[\$ -174.9]	[ -3.1]	\$ 5,319.5	3.5
<u>5,594.8</u>	<u>5,749.2</u>	<u>-154.4</u>	<u>-2.7</u>	<u>5,603.0</u>	<u>-0.1</u>
\$ (-88.1)	\$ (-67.6)	[\$ -20.5]	-	\$ (-283.5)	-
\$ 133.3	\$ 145.4	\$ -12.1	-8.3	\$ 32.7	307.6
127.0	126.5	[ 0.5]	[ 0.4]	135.0	-6.0
15,728.4	16,451.3	[ -722.9]	[ -4.4]	16,063.4	-2.1

Year-to-Date					
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
\$ 20,881.8	\$ 21,924.4	[\$ -1,042.6]	[ -4.8]	\$ 20,761.9	0.6
<u>20,873.1</u>	<u>21,363.4</u>	<u>-490.3</u>	<u>-2.3</u>	<u>20,798.4</u>	<u>0.4</u>
\$ 8.7	\$ 561.0	[\$ -552.3]	-	\$ -36.5	-
\$ 435.6	\$ 456.7	\$ -21.1	-4.6	\$ 252.0	72.9
489.5	484.3	[ 5.2]	[ 1.0]	515.2	-5.0
64,279.9	67,493.6	[ -3,213.7]	[ -4.8]	67,462.2	-4.7

[ ] = Unfavorable variance to budget

Note: Totals may not sum due to rounding.

Note: Mail Volume numbers are preliminary numbers and are subject to change.

\*SPLY data may differ from previous reports due to subsequent adjustments.

Actual Number Of:	Current Period	Last Period	SPLY
Post Offices	27,867	27,868	27,873
Active Postal Owned Vehicles			
Administrative	5,540	5,548	5,617
Operations	203,730	203,547	201,064
Possible City Deliveries (000)	83,921	83,877	83,458
City Delivery Routes	167,463	167,779	168,150
Rural Routes	69,446	69,358	67,657
Career Employees (Excludes Inspector General)	769,674	770,539	784,674
Casual Employees	59,138	33,313	21,099
Transitional Employees	15,972	15,265	17,574

Statement of Income & Expense  
Accounting Period 4, FY 2002  
(\$ Millions)

Current Period							Year-to-Date						
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY		Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY	
\$ 5,504.3	\$ 5,679.5	[\$ -175.2]	[-3.1]	\$ 5,316.5	3.5	Operating Revenue	\$ 20,871.4	\$ 21,914.4	[\$ -1,043.0]	[-4.8]	\$ 20,750.5	0.6	
<u>5,442.1</u>	<u>5,589.8</u>	<u>-147.7</u>	<u>-2.6</u>	<u>5,447.1</u>	<u>-0.1</u>	Operating Expense	<u>20,260.1</u>	<u>20,736.8</u>	<u>-476.7</u>	<u>-2.3</u>	<u>20,175.4</u>	<u>0.4</u>	
\$ 62.2	\$ 89.7	[\$ -27.5]	-	\$ -130.6	-	Income (Loss) From Operations	\$ 611.2	\$ 1,177.6	[\$ -566.4]	-	\$ 575.1	-	
2.4	2.1	0.3	13.3	3.0	-20.0	Investment Income	10.4	10.0	0.4	3.9	11.4	-8.9	
-26.6	-33.3	6.7	-20.0	-32.0	-16.9	Interest Expense	-108.6	-122.2	13.6	-11.2	-127.3	-14.7	
<u>-126.1</u>	<u>-126.1</u>	<u>0.0</u>	<u>0.0</u>	<u>-123.9</u>	<u>1.8</u>	Interest on Deferred Ret. Liabilities	<u>-504.4</u>	<u>-504.4</u>	<u>0.0</u>	<u>-0.0</u>	<u>-495.7</u>	<u>1.8</u>	
\$ (-88.1)	\$ (-67.6)	[\$ -20.5]	-	\$ (-283.5)	-	Income/(Loss)	\$ 8.7	\$ 561.0	[\$ -552.3]	-	\$ -36.5	-	

[ ]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

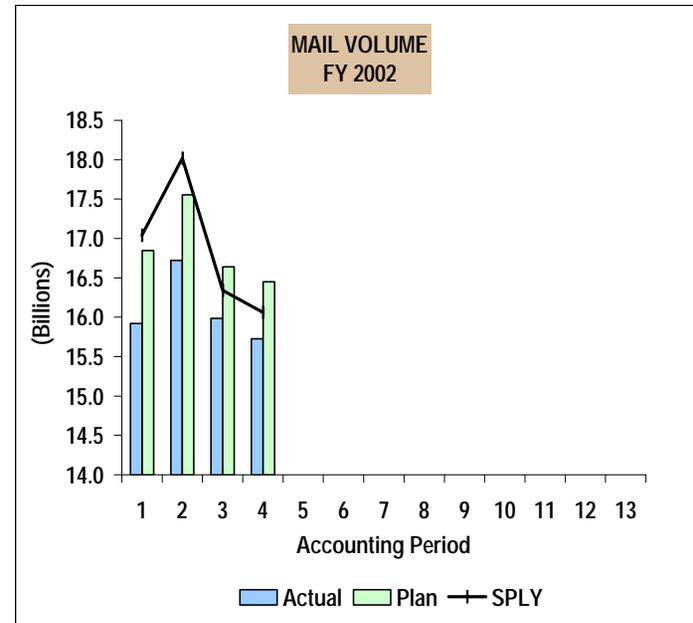
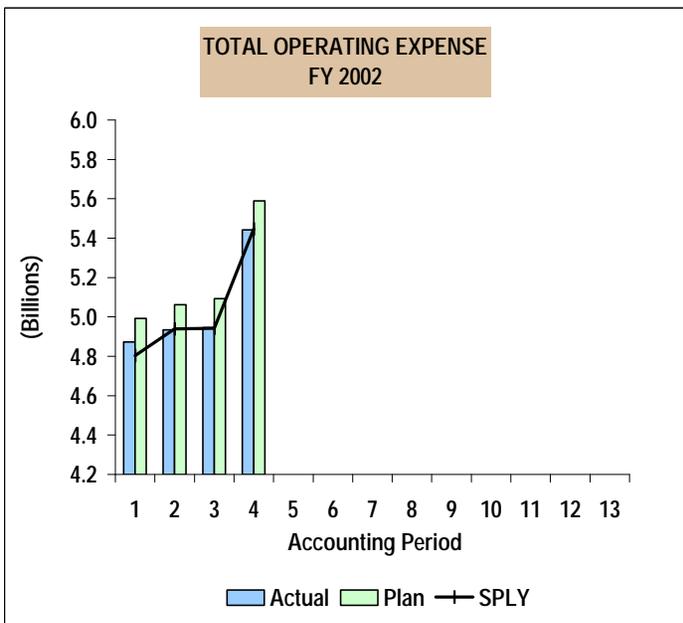
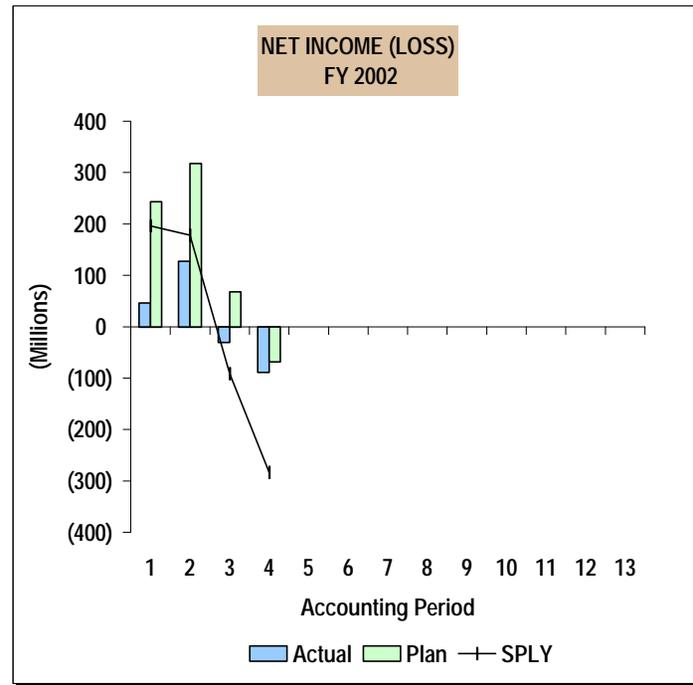
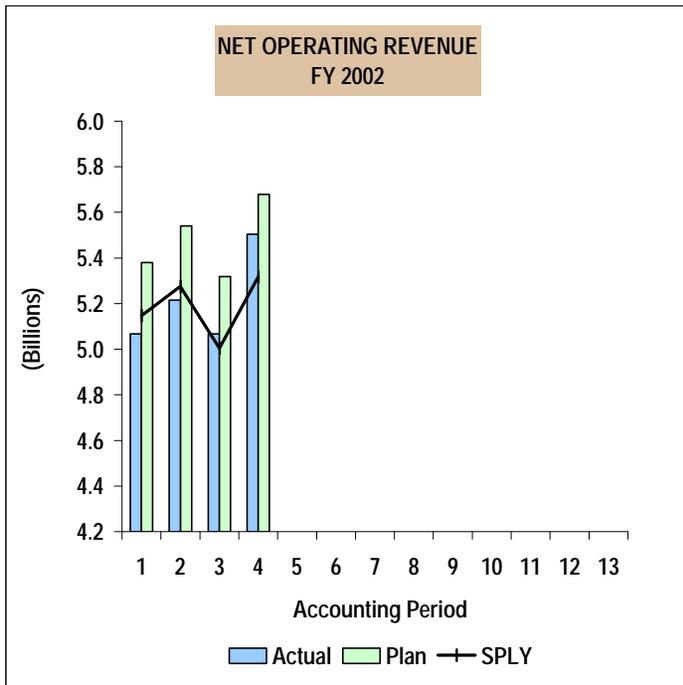
\*SPLY data may differ from previous reports due to subsequent adjustments.

<b>MAIL VOLUME - MAIL REVENUE</b>			
<b>(Data in Thousands)</b>			

CURRENT PERIOD			
CATEGORY	AP 4 FY 2002	AP 4 FY 2001	% SPLY
<b>FIRST-CLASS</b>			
VOLUME	8,763,003	8,635,403	1.5
REVENUE	\$ 3,060,779	\$ 2,897,345	5.6
REV/PC.	0.3493	0.3355	4.1
<b>PRIORITY-MAIL</b>			
VOLUME	106,624	122,785	- 13.2
REVENUE	\$ 546,797	\$ 556,022	- 1.7
REV/PC.	5.1283	4.5284	13.2
<b>EXPRESS MAIL</b>			
VOLUME	5,361	6,228	- 13.9
REVENUE	\$ 82,857	\$ 93,950	- 11.8
REV/PC.	15.4555	15.0851	2.5
<b>PERIODICALS</b>			
VOLUME	738,313	813,282	- 9.2
REVENUE	\$ 162,927	\$ 163,868	- 0.6
REV/PC.	0.2207	0.2015	9.5
<b>STANDARD MAIL</b>			
VOLUME	5,878,539	6,223,832	- 5.5
REVENUE	\$ 1,041,770	\$ 1,030,727	1.1
REV/PC.	0.1772	0.1656	7.0
<b>PACKAGE SERVICES</b>			
VOLUME	99,130	104,875	- 5.5
REVENUE	\$ 220,062	\$ 195,378	12.6
REV/PC.	2.2199	1.8630	19.2
<b>INTERNATIONAL</b>			
VOLUME	105,191	133,703	- 21.3
REVENUE	\$ 178,060	\$ 201,337	- 11.6
REV/PC.	1.6927	1.5059	12.4
<b>ALL OTHER</b>			
VOLUME	32,278	23,281	38.6
REVENUE	0	\$ 116	- 100.0
<b>ALL MAIL _1/</b>			
VOLUME	15,728,441	16,063,389	- 2.1
REVENUE	\$ 5,293,253	\$ 5,138,742	3.0
REV/PC.	0.3365	0.3199	5.2

\_ 1/ Totals may not sum due to rounding.

\_2/ Numbers are preliminary and are subject to change.



\*SPLY data may differ from previous reports due to subsequent adjustments.

**REVENUE BY SOURCE**  
Accounting Period 4, FY 2002  
(\$ Millions)

Current Period				Year-to-Date		
Actual	SPLY	% SPLY		Actual	SPLY	% SPLY
			<b>Operating Revenue:</b>			
\$ 2,101.7	\$ 2,075.7	1.3	Metered Postage	\$ 7,695.3	\$ 7,749.1	- 0.7
1,213.4	1,112.0	9.1	Stamps and Stamped Paper	3,782.5	3,727.7	1.5
979.1	964.3	1.5	Permit Imprint	4,734.6	4,767.9	- 0.7
161.6	162.3	- 0.4	Periodicals & Standard	676.8	663.3	2.0
82.0	63.4	29.3	Official Mail	271.0	236.0	14.8
746.9	722.4	3.4	Presort First-Class & Package Svc./Permit Imprint	2,930.7	2,775.9	5.6
66.9	52.8	26.7	Box Rents *	208.8	211.9	- 1.5
17.9	14.1	27.0	Money Order Fees	63.9	56.7	12.7
<u>131.1</u>	<u>144.4</u>	- 9.2	Other	<u>492.8</u>	<u>541.5</u>	- 9.0
<b>\$ 5,500.6</b>	<b>\$ 5,311.4</b>	<b>3.6</b>	<b>Subtotal</b>	<b>\$ 20,856.4</b>	<b>\$ 20,730.0</b>	<b>0.6</b>
			<b>Government Appropriation:</b>			
<u>3.7</u>	<u>5.1</u>	- 27.0	Revenue Forgone	<u>15.0</u>	<u>20.5</u>	- 27.0
<b>\$ 5,504.3</b>	<b>\$ 5,316.5</b>	<b>3.5</b>	<b>Total Operating Revenue</b>	<b>\$ 20,871.4</b>	<b>\$ 20,750.5</b>	<b>0.6</b>
<u>2.4</u>	<u>3.0</u>	- 17.7	Investment Income	<u>10.4</u>	<u>11.4</u>	- 8.3
<b><u>\$ 5,506.7</u></b>	<b><u>\$ 5,319.5</u></b>	<b>3.5</b>	<b>Total Revenue</b>	<b><u>\$ 20,881.8</u></b>	<b><u>\$ 20,761.9</u></b>	<b>0.6</b>

Note: Totals may not sum due to rounding.

\*Beginning FY 2002, box rent revenue reporting has been modified.

**REVENUE BY CATEGORY**  
**Accounting Period 4, FY 2002**  
**(\$ Millions)**

Current Period				Year-to-Date		
Actual	Budget	% Budget		Actual	Budget	% Budget
			<b>Commercial Revenue</b>			
\$ 1,933.2	\$ 2,043.4	[ 5.4]	Permit Revenue	\$ 8,535.0	\$ 8,971.1	[ 4.9]
<u>1,692.9</u>	<u>1,801.7</u>	[ 6.0]	Other Commercial Accounts Revenue	<u>6,755.1</u>	<u>7,217.5</u>	[ 6.4]
<b>\$ 3,626.1</b>	<b>\$ 3,845.1</b>	<b>[ 5.6]</b>	<b>Total Commercial Revenue</b>	<b>\$ 15,290.1</b>	<b>\$ 16,188.6</b>	<b>[ 5.5]</b>
			<b>Retail Revenue</b>			
1,571.3	1,517.4	3.6	Retail Postage Revenue	4,588.6	4,636.6	[ 1.0]
88.0	81.5	8.0	Retail Services Revenue	287.8	293.4	[ 1.9]
15.1	14.3	5.9	Retail Products Revenue	41.4	39.3	5.3
<u>168.4</u>	<u>176.2</u>	[ 4.4]	Other Retail Channels Revenue	<u>528.6</u>	<u>572.9</u>	[ 7.7]
<b>\$ 1,842.8</b>	<b>\$ 1,789.4</b>	<b>2.9</b>	<b>Total Retail Revenue *</b>	<b>\$ 5,446.4</b>	<b>\$ 5,542.2</b>	<b>[ 1.7]</b>
<b>\$ 5,468.9</b>	<b>\$ 5,634.5</b>	<b>[ 2.9]</b>	<b>Total Commercial &amp; Retail Revenue</b>	<b>\$ 20,736.5</b>	<b>\$ 21,730.8</b>	<b>[ 4.6]</b>
31.7	41.3	[ 23.2]	Other Income	119.9	168.6	[ 28.8]
<u>3.7</u>	<u>3.7</u>	0.0	Revenue Forgone	<u>15.0</u>	<u>15.0</u>	0.0
<b>\$ 5,504.3</b>	<b>\$ 5,679.5</b>	<b>[ 3.1]</b>	<b>Total Operating Revenue</b>	<b>\$ 20,871.4</b>	<b>\$ 21,914.4</b>	<b>[ 4.8]</b>
<u>2.4</u>	<u>2.1</u>	14.9	Investment Income	<u>10.4</u>	<u>10.0</u>	4.1
<b>\$ 5,506.7</b>	<b>\$ 5,681.6</b>	<b>[ 3.1]</b>	<b>Total Revenue</b>	<b>\$ 20,881.8</b>	<b>\$ 21,924.4</b>	<b>[ 4.8]</b>

[ ]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

\*Beginning FY 2002, box rent revenue reporting has been modified.

**EXPENSE ANALYSIS**  
Accounting Period 4, FY 2002  
(\$ Millions)

Current Period						Year-to-Date					
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY	Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
\$ 4,179.2	\$ 4,298.3	\$ -119.1	-2.8	\$ 4,184.8	-0.1	\$ 16,080.2	\$ 16,339.2	\$ -259.0	-1.6	\$ 15,989.8	0.6
569.3	561.5	[ 7.8 ]	[ 1.4 ]	533.3	6.8	1,726.3	1,712.6	[ 13.7 ]	[ 0.8 ]	1,603.4	7.7
251.5	309.4	-57.9	-18.7	280.3	-10.3	718.8	1,041.8	-323.0	-31.0	873.9	-17.7
442.1	420.7	[ 21.4 ]	[ 5.1 ]	448.7	-1.5	1,734.8	1,643.1	[ 91.7 ]	[ 5.6 ]	1,708.3	1.6
\$ 1,262.9	\$ 1,291.6	\$ -28.7	-2.2	\$ 1,262.3	0.0	\$ 4,179.9	\$ 4,397.6	\$ -217.7	-4.9	\$ 4,185.6	-0.1
\$ 5,442.1	\$ 5,589.8	\$ -147.7	-2.6	\$ 5,447.1	-0.1	\$ 20,260.1	\$ 20,736.8	\$ -476.7	-2.3	\$ 20,175.4	0.4
26.6	33.3	-6.7	-19.9	32.0	-16.8	108.6	122.2	-13.6	-11.2	127.3	-14.7
126.1	126.1	0.0	0.0	123.9	1.8	504.4	504.4	-0.0	-0.0	495.7	1.8
\$ 5,594.8	\$ 5,749.2	\$ -154.4	-2.7	\$ 5,603.0	-0.1	\$ 20,873.1	\$ 21,363.4	\$ -490.3	-2.3	\$ 20,798.4	0.4

[ ]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

\*SPLY data may differ from previous reports due to subsequent adjustments.

\*\*Non-Personnel Expense - Non-Personnel budgets for individual Headquarters units will be (have not been) allocated to the new organization structure. Until then, these budgets are included in the Supplies and Services line.

**ANALYSIS OF OPERATING EXPENSES**  
**Accounting Period 4, FY 2002**  
**Personnel Compensation**  
**(\$ Millions)**

Current Period						Year-to-Date					
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY	Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
						<b>Operations:</b>					
\$ 24.9	\$ 26.6	\$ -1.7	-6.3	\$ 25.2	-1.2	\$ 102.5	\$ 106.4	\$ -3.9	-3.7	\$ 103.9	-1.4
941.1	958.6	-17.5	-1.8	999.4	-5.8	3,506.4	3,525.0	-18.6	-0.5	3,702.5	-5.3
323.8	328.3	-4.5	-1.4	324.7	-0.3	1,262.8	1,270.9	-8.0	-0.6	1,245.1	1.4
1,132.9	1,130.2	[ 2.7 ]	[ 0.2 ]	1,161.7	-2.5	4,516.5	4,497.9	[ 18.6 ]	[ 0.4 ]	4,510.2	0.1
85.7	88.4	-2.6	-3.0	87.1	-1.6	323.4	327.8	-4.5	-1.4	322.7	0.2
199.5	204.5	-5.0	-2.5	199.7	-0.1	785.4	800.6	-15.2	-1.9	782.3	0.4
588.2	579.1	[ 9.1 ]	[ 1.6 ]	621.6	-5.4	2,260.6	2,231.9	[ 28.7 ]	[ 1.3 ]	2,386.7	-5.3
18.8	22.6	-3.9	-17.1	22.7	-17.5	77.4	89.9	-12.5	-13.9	91.4	-15.3
22.9	25.4	-2.6	-10.0	23.1	-0.9	95.3	101.8	-6.5	-6.4	97.6	-2.3
30.8	33.6	-2.7	-8.1	31.8	-3.1	125.2	133.9	-8.7	-6.5	129.5	-3.3
162.3	159.9	[ 2.3 ]	[ 1.5 ]	155.8	4.2	682.9	640.0	[ 43.0 ]	[ 6.7 ]	630.2	8.4
135.7	226.2	-90.5	-40.0	142.3	-4.6	553.5	823.7	-270.2	-32.8	575.6	-3.8
<b>\$ 3,666.5</b>	<b>\$ 3,783.5</b>	<b>\$ -117.0</b>	<b>-3.1</b>	<b>\$ 3,795.1</b>	<b>-3.4</b>	<b>\$ 14,291.9</b>	<b>\$ 14,549.9</b>	<b>\$ -258.0</b>	<b>-1.8</b>	<b>\$ 14,577.7</b>	<b>-2.0</b>
78.5	78.5	-0.1	-0.1	76.7	2.3	313.8	314.0	-0.2	-0.1	279.3	12.4
4.8	4.8	0.0	0.0	4.7	2.9	19.3	19.3	[ 0.0 ]	[ 0.0 ]	18.7	3.0
107.9	107.9	0.0	0.0	107.4	0.5	431.7	431.6	[ 0.1 ]	[ 0.0 ]	429.4	0.5
69.3	69.3	0.0	0.0	61.3	13.1	277.1	277.2	-0.1	-0.0	245.0	13.1
80.5	80.5	0.0	0.0	66.3	21.4	322.1	322.1	0.0	0.0	265.2	21.4
171.7	173.7	-2.0	-1.1	73.3	134.2	424.4	425.1	-0.8	-0.2	174.5	143.2
<b>\$ 4,179.2</b>	<b>\$ 4,298.3</b>	<b>\$ -119.1</b>	<b>-2.8</b>	<b>\$ 4,184.8</b>	<b>-0.1</b>	<b>\$ 16,080.2</b>	<b>\$ 16,339.2</b>	<b>\$ -259.0</b>	<b>-1.6</b>	<b>\$ 15,989.8</b>	<b>0.6</b>

Note: Totals may not sum due to rounding.

[ ]=Unfavorable variance to budget

\*SPLY data may differ from previous reports due to subsequent adjustments.

\*\*Total Compensation - Field operating budgets have been adjusted to reflect lower workload. Accordingly, functional budgets have been adjusted.

Corresponding offsets to these adjustments are reflected in Other Salaries & Benefits line. Also included in the Other Salaries & Benefits line are budget funds for Headquarters units which will be (have not been) allocated to individual units based on the new organization structure.

**ANALYSIS OF NON-PERSONNEL EXPENSES**  
**Accounting Period 4, FY 2002**  
**(\$ Millions)**

Current Period							Year-to-Date					
Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY	Description **	Actual	Budget	Var. to Budget	% Budget	SPLY *	% SPLY
\$ 569.3	\$ 561.5	[\$ 7.8]	[ 1.4]	\$ 533.3	6.8	Transportation	\$ 1,726.3	\$ 1,712.6	[\$ 13.7]	[ 0.8]	\$ 1,603.4	7.7
251.5	309.4	- 57.9	- 18.7	280.3	- 10.3	Supplies & Services	718.5	1,041.8	- 323.3	- 31.0	873.9	- 17.8
178.6	177.7	[ 0.9]	[ 0.5]	162.0	10.3	Depreciation	702.6	704.0	- 1.4	- 0.2	652.5	7.7
72.2	72.5	- 0.4	- 0.5	71.9	0.4	Rent	296.7	285.9	[ 10.8]	[ 3.8]	273.4	8.5
37.2	41.4	- 4.2	- 10.1	39.9	- 6.8	Fuel & Utilities	136.7	141.6	- 4.9	- 3.5	127.2	7.5
30.7	31.0	- 0.2	- 0.8	30.3	1.4	Rural Carrier Equip Maint Allowance	121.5	120.5	[ 1.0]	[ 0.8]	117.6	3.3
31.2	32.2	- 1.0	- 3.1	34.6	- 9.7	Vehicle Maintenance	120.7	125.4	- 4.7	- 3.7	125.9	- 4.1
27.8	1.2	[ 26.5]	-	20.8	33.6	Information Technology	103.6	5.2	[ 98.5]	-	63.6	63.1
9.9	10.6	- 0.7	- 6.6	13.2	- 24.9	Building Projects Expensed	43.3	42.8	[ 0.5]	[ 1.1]	49.0	- 11.7
6.2	5.9	[ 0.3]	[ 5.8]	6.4	- 2.5	Contract Job Cleaners	21.7	20.8	[ 0.9]	[ 4.4]	20.7	4.8
9.2	5.2	[ 3.9]	[ 74.8]	10.0	- 8.4	Travel & Relocation	39.3	23.4	[ 15.9]	[ 68.1]	38.9	1.2
17.0	9.8	[ 7.2]	[ 74.1]	16.6	2.2	Communications	44.0	33.9	[ 10.1]	[ 29.6]	52.5	- 16.2
5.6	1.1	[ 4.5]	[ 393.7]	0.6	901.6	Contract Stations	18.3	19.3	- 1.0	- 5.2	18.4	- 0.4
4.1	0.9	[ 3.3]	[ 372.8]	3.3	23.5	Printing	8.5	3.4	[ 5.1]	[ 151.3]	7.7	10.2
3.8	4.2	- 0.3	- 8.2	4.7	- 17.5	Training	15.3	17.6	- 2.3	- 13.3	19.3	- 21.1
5.1	5.3	- 0.2	- 4.2	7.0	- 27.1	Carfare & Tolls	18.4	18.8	- 0.5	- 2.5	17.4	5.5
2.0	3.0	- 0.9	- 31.5	3.6	- 44.1	Vehicle Hire	10.1	11.8	- 1.6	- 14.0	12.3	- 17.8
3.5	3.3	[ 0.2]	[ 7.0]	3.1	13.0	Accident Cost	13.4	13.5	- 0.1	- 0.6	12.7	5.4
- 3.1	- 3.4	[ 0.3]	[ 10.0]	- 4.2	26.3	Capitalized Interest	- 13.7	- 13.7	- 0.0	- 0.2	- 18.5	26.0
1.1	18.9	- 17.8	- 94.4	25.0	-	Miscellaneous	34.7	69.0	- 34.3	- 49.7	117.6	-
<b>\$ 1,262.9</b>	<b>\$ 1,291.6</b>	<b>\$ - 28.7</b>	<b>- 2.2</b>	<b>\$ 1,262.3</b>	<b>0.0</b>	<b>Total Other Operating Expenses</b>	<b>\$ 4,179.9</b>	<b>\$ 4,397.6</b>	<b>\$- 217.7</b>	<b>- 4.9</b>	<b>\$ 4,185.6</b>	<b>- 0.1</b>

[ ]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

\*SPLY data may differ from previous reports due to subsequent adjustments.

\*\*Description - Budget allocations reflect field budget totals only. As noted on page 6, Headquarters budgets have not yet been allocated to individual units. Accordingly, non-personnel budgets for Headquarters units are reflected in Supplies and Services.

**STATEMENT OF FINANCIAL POSITION**  
**Accounting Period 4, FY 2002**  
**(\$ Millions)**

Assets	December 28, 2001	November 30, 2001	September 30, 2001 *
<b>Current Assets:</b>			
Cash and cash equivalents _1/	\$ 204	\$ 268	\$ 999
U.S. Government securities, at amortized cost which approximates market	6	6	6
<b>Receivables:</b>			
Foreign countries	427	414	379
U.S. Government	109	93	133
Other	226	228	206
	<u>762</u>	<u>735</u>	<u>718</u>
Less allowances	<u>116</u>	<u>115</u>	<u>110</u>
	646	620	608
Supplies, advances and prepayments	<u>305</u>	<u>312</u>	<u>320</u>
<b>Total Current Assets</b>	<b>1,161</b>	<b>1,206</b>	<b>1,933</b>
Other assets _2/	372	372	372
<b>Property and equipment, at cost:</b>			
Buildings	19,082	16,633	18,808
Equipment	15,959	18,268	15,456
Land	2,724	2,716	2,684
	<u>37,765</u>	<u>37,617</u>	<u>36,948</u>
Less allowances for depreciation	<u>15,226</u>	<u>15,082</u>	<u>14,792</u>
	22,539	22,535	22,156
Construction in progress	1,877	1,786	1,969
Leasehold improvements, net	<u>629</u>	<u>640</u>	<u>638</u>
	25,045	24,961	24,763
Deferred Retirement Costs _3/	<u>34,175</u>	<u>34,351</u>	<u>32,023</u>
<b>Total Assets</b>	<b>\$ 60,753</b>	<b>\$ 60,890</b>	<b>\$ 59,091</b>

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

\_2/ Includes \$370 million as of September 30, 2001, November 30, 2001, and December 28, 2001 for appropriation receivable for revenue forgone.

\_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

**STATEMENT OF FINANCIAL POSITION**  
**Accounting Period 4, FY 2002**  
**(\$ Millions)**

Liabilities and Equities	December 28, 2001	November 30, 2001	September 30, 2001 *
<b>Current Liabilities:</b>			
Compensation and employees' benefits	\$ 5,817	\$ 5,979	\$ 5,810
Estimated prepaid postage	1,623	1,623	1,623
<b>Payables and accrued expenses:</b>			
Foreign countries	558	551	499
U.S. Government	167	144	151
Other	3,212	2,788	956
	<u>3,937</u>	<u>3,483</u>	<u>1,606</u>
Appropriation for free & reduced rate mail	37	41	0
Prepaid permit mail and box rentals	1,560	1,503	1,866
Outstanding postal money orders	807	841	988
Current portion of debt	<u>2,714</u>	<u>3,212</u>	<u>5,564</u>
<b>Total Current Liabilities</b>	<b>16,495</b>	<b>16,682</b>	<b>17,457</b>
<b>Long-term debt, less current portion</b>	<b>5,751</b>	<b>5,751</b>	<b>5,751</b>
<b>Other Liabilities:</b>			
Amounts payable for retirement benefits _3/	32,436	32,436	29,932
Workers' compensation claims	5,428	5,349	5,167
Employees' accumulated leave	2,021	1,949	2,124
Other	1,226	1,228	986
<b>Total Other Liabilities</b>	<u>41,111</u>	<u>40,962</u>	<u>38,209</u>
Capital Contributions of the US Government	3,034	3,034	3,034
Deficit Since Reorganization	<u>- 5,638</u>	<u>- 5,539</u>	<u>- 5,360</u>
Equity/Capital Deficiency	<u>- 2,604</u>	<u>- 2,505</u>	<u>- 2,326</u>
<b>Total Liabilities and Equity</b>	<b><u>\$ 60,753</u></b>	<b><u>\$ 60,890</u></b>	<b><u>\$ 59,091</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 2002**  
(\$ Millions)

MAJOR CATEGORIES	COMMITMENTS			CASH OUTLAYS		
	A/P4 Year-to-Date			A/P 4 Year-to-Date		
	ACTUAL	PLAN	SPLY	ACTUAL	PLAN	SPLY
CONSTRUCTION AND BUILDING PURCHASE	\$ 9.5	\$ 7.8	\$ 57.2	\$ 104.8	\$ 149.6	\$ 223.7
BUILDING IMPROVEMENTS	22.0	28.0	59.5	67.3	98.7	181.0
MAIL PROCESSING EQUIPMENT	326.6	320.2	72.6	471.3	241.6	280.7
VEHICLES	2.5	16.6	12.7	78.2	43.3	64.7
RETAIL EQUIPMENT	5.2	7.0	19.9	22.8	31.9	86.3
POSTAL SUPPORT EQUIPMENT	69.8	77.2	30.2	75.0	98.7	130.3
<b>TOTAL COMMITMENTS/CASH OUTLAYS *</b>	<b>\$ 435.6</b>	<b>\$ 456.7</b>	<b>\$ 252.0</b>	<b>\$ 819.5</b>	<b>\$ 663.8</b>	<b>\$ 966.6</b>

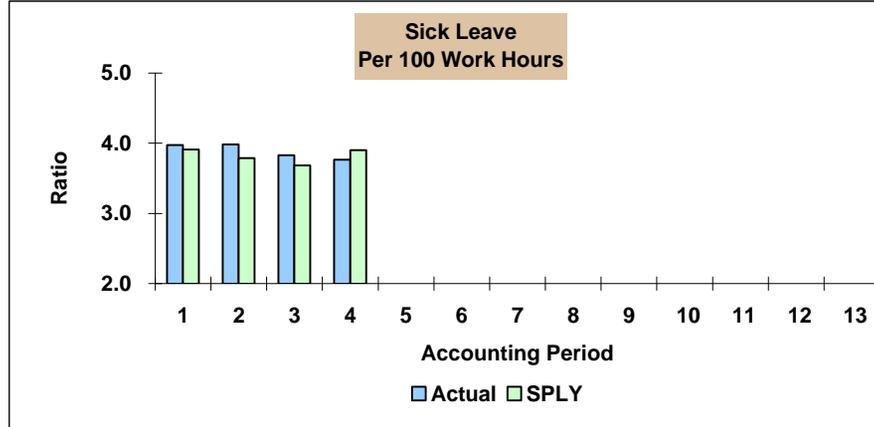
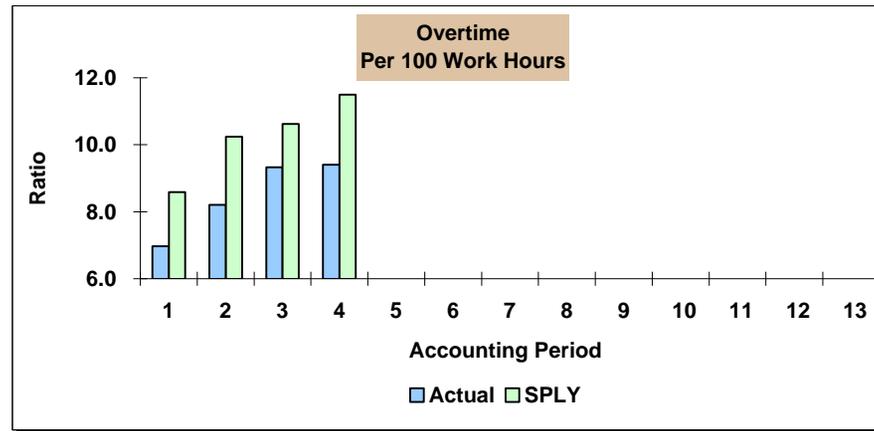
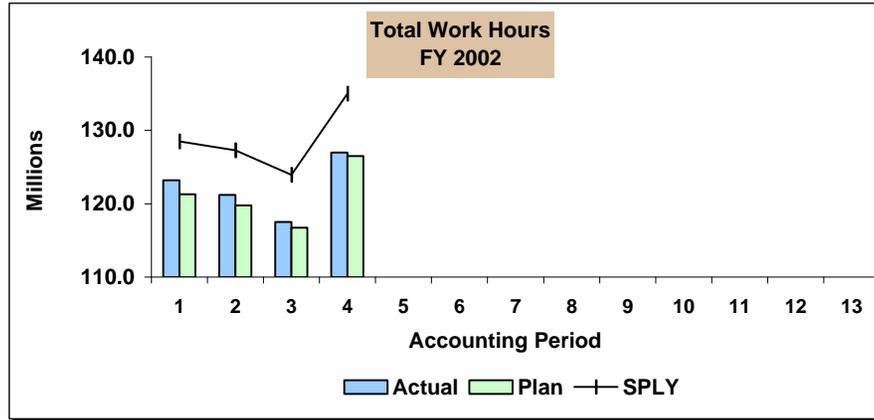
Note: Totals may not sum due to rounding.

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

MAJOR CATEGORIES	December 28, 2001	September 30, 2001
CONSTRUCTION AND BUILDING PURCHASE	\$ 146.4	\$ 245.8
BUILDING IMPROVEMENTS	145.0	194.1
MAIL PROCESSING EQUIPMENT	968.3	1,115.2
VEHICLES	33.6	137.5
RETAIL EQUIPMENT	54.1	71.8
POSTAL SUPPORT EQUIPMENT	115.0	120.5
INVENTORIES	307.0	308.4
RESEARCH AND DEVELOPMENT	29.9	36.2
MISCELLANEOUS EXPENSE COMMITMENTS	4,462.2	3,359.1
<b>TOTAL RESOURCES ON ORDER</b>	<b>\$ 6,261.5</b>	<b>\$ 5,588.7</b>

Note: Totals may not sum due to rounding.

STATEMENT OF CASH FLOWS	
(\$ Millions)	
Fiscal Year 2002	
For the Fiscal Year through December 28, 2001	
<b>Cash flows from operating activities:</b>	
Net income/(loss) (Government Fiscal Year Basis)	\$ (278)
Adjustments to reconcile net income/(loss) to net cash provided/(used) by operating activities:	
Depreciation and amortization	569
Increase/(decrease) in other liabilities	240
Increase/(decrease) in employees' accumulated leave	(103)
Increase/(decrease) in non-current workers' compensation claims	261
Increase/(decrease) in retirement, net	352
Changes in current assets and liabilities:	
Increase/(decrease) in accrued compensation and benefits	7
Increase/(decrease) in deferred revenue	(269)
Increase/(decrease) in payables and accrued expenses	2,331
(Increase)/decrease in receivables	(38)
(Increase)/decrease in supplies, advances and prepayments	15
Increase/(decrease) in outstanding postal money orders	(181)
<b>Net cash provided by operating activities</b>	<b>2,906</b>
<b>Cash flows from investing activities:</b>	
Sale/(purchase) of U.S. Government securities, net	0
Purchase of property and equipment, net	(851)
<b>Net cash used in investing activities</b>	<b>(851)</b>
<b>Cash flows from financing activities:</b>	
Increase/(decrease) in debt	(2,850)
(Increase)/decrease in other non-current assets	0
<b>Net cash used by financing activities</b>	<b>(2,850)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(795)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>999</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 204</b>



**WORK HOURS & OVERTIME/SICK LEAVE RATIOS**  
 Accounting Period 4, FY 2002  
 (Data in Thousands)

Current Period						Year-to-Date				
Actual	Var. to Budget	% Budget	SPLY *	% SPLY		Actual	Var. to Budget	% Budget	SPLY *	% SPLY
					<u>Total Work Hours</u>					
676	- 49	- 6.8	704	- 4.0	Operations:	2,820	- 120	- 4.1	2,960	- 4.7
35,043	- 655	- 1.8	38,629	- 9.3	-Support	126,129	- 1,373	- 1.1	136,984	- 7.9
13,606	- 163	- 1.2	13,821	- 1.6	-Mail Processing	53,172	- 324	- 0.6	53,208	- 0.1
37,127	[ 5 ]	[ 0.0 ]	39,121	- 5.1	-Rural Delivery	147,572	- 110	- 0.1	154,689	- 4.6
2,773	- 71	- 2.5	2,864	- 3.2	-Other Delivery	10,418	- 136	- 1.3	10,556	- 1.3
6,492	- 193	- 2.9	6,566	- 1.2	-Vehicles Services	25,664	- 703	- 2.7	25,870	- 0.8
20,286	[ 72 ]	[ 0.4 ]	21,848	- 7.1	-Plant & Equip Maint	77,578	- 54	- 0.1	83,613	- 7.2
558	- 115	- 17.1	699	- 20.1	-Customer Services	2,323	- 382	- 14.1	2,842	- 18.3
635	- 73	- 10.3	666	- 4.7	Controller	2,703	- 186	- 6.4	2,889	- 6.4
976	- 92	- 8.6	1,027	- 5.0	Human Resources	3,997	- 310	- 7.2	4,228	- 5.4
5,139	[ 88 ]	[ 1.7 ]	5,067	1.4	Customer Service & Sales	21,978	[ 1,630 ]	[ 8.0 ]	20,688	6.2
3,648	[ 1,702 ]	[ 87.5 ]	3,984	- 8.4	Administration	15,177	[ 7,298 ]	[ 92.6 ]	16,717	- 9.2
126,959	[ 457 ]	[ 0.4 ]	134,996	- 6.0	Other	489,531	[ 5,230 ]	[ 1.1 ]	515,244	- 5.0
					Total Work Hours					

Overtime						
Actual	Budget	SPLY		Actual	Budget	SPLY
9.4%	10.6%	11.5%	Overtime Ratio	8.5%	9.3%	10.3%
			Per 100 Work Hours			

Sick Leave						
Actual	Budget	SPLY		Actual	Budget	SPLY
3.8%	--	3.9%	Sick Leave Ratio	3.9%	--	3.8%
			Per 100 Work Hours			

[ ]=Unfavorable variance to budget

Note: Totals may not sum due to rounding.

\*SPLY data may differ from previous reports due to subsequent adjustments.