

UNITED STATES POSTAL SERVICE
CONGRESSIONAL BUDGET WORKPAPERS

FY 2012

**FISCAL YEAR 2012 PRESIDENT'S
BUDGET HIGHLIGHTS**

| ITEM | FY 2010 ACTUAL | USPS FY 2011 ESTIMATE | OMB PROPOSED ADJ. | OMB FY 2011 ESTIMATE | USPS FY 2012 ESTIMATE | OMB PROPOSED ADJ. | OMB FY 2012 ESTIMATE |
|----------------------------------------------------------------------|-------------------|-----------------------------|-------------------------|----------------------------|-----------------------------|-------------------------|----------------------------|
| Workyears | 670,200 | 644,578 | | 644,578 | 617,161 | | 617,161 |
| Mail Volume (Millions of Pieces) | 170,574 | 172,548 | | 172,548 | 165,174 | | 165,174 |
| Mail Volume (Percent Change Over Previous Year) | -3.5% | 1.2% | | 1.2% | -4.3% | | -4.3% |
| Workyears (Percent Change Over Previous Year) | -6.1% | -3.8% | | -3.8% | -4.3% | | -4.3% |
| Change in Pieces Per Workyear (Percent Change Over Previous Year) | 2.8% | 5.2% | | 5.2% | 0.0% | | 0.0% |
| Total Revenues and Operating Receipt: | 67,076,580 | 67,723,700 | | 67,723,700 | 66,773,844 | | 66,773,844 |
| Total Expenses | 75,581,968 | 74,106,863 | | 74,106,863 | 74,016,799 | | 74,016,799 |
| Net Income or (Loss) | (8,505,388) | (6,383,163) | | (6,383,163) | (7,242,955) | | (7,242,955) |
| Capital Commitments (\$000) Total | 931,492 | 1,400,068 | | 1,400,068 | 1,500,421 | | 1,500,421 |
| Capital Commitments (\$000) Current | 534,973 | 1,400,068 | | 1,400,068 | 1,500,421 | | 1,500,421 |
| Capital Outlays (\$000) | 1,425,720 | 1,306,263 | | 1,306,263 | 1,334,604 | | 1,334,604 |

**COST SEGMENT 1
Postmasters**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 30,267 | 30,205 | (62) | -0.2% | 29,968 | (237) | -0.8% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 2,217,641 | 2,318,483 | 100,842 | 4.5% | 2,382,709 | 64,225 | 2.8% |
| Travel and Transportation of Persons | 21,954 | 22,624 | 670 | 3.1% | 22,295 | (329) | -1.5% |
| Transportation of Things | - | - | - | 0.0% | - | - | 0.0% |
| Benefits of Former Personnel | - | - | - | 0.0% | - | - | 0.0% |
| Total | 2,239,595 | 2,341,108 | 101,513 | 4.5% | 2,405,004 | 63,896 | 2.7% |

Description:

This segment includes personnel costs that can be attributed to postmasters and district managers/postmasters. Segment 1 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-accounts 101 and 102. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

COST SEGMENT 2
Professionals and Supervisors

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 41,552 | 41,445 | (106) | -0.3% | 40,715 | (730) | -1.8% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 3,635,073 | 3,744,693 | 109,620 | 3.0% | 3,796,019 | 51,326 | 1.4% |
| Travel and Transportation of Persons | 16,699 | 17,210 | 511 | 3.1% | 16,959 | (250) | -1.5% |
| Transportation of Things | - | - | - | 0.0% | - | - | 0.0% |
| Benefits of Former Personnel | 664 | 586 | (79) | -11.9% | 586 | - | 0.0% |
| Total | 3,652,436 | 3,762,489 | 110,053 | 3.0% | 3,813,564 | 51,076 | 1.4% |

Description:

This segment includes personnel costs that can be attributed to supervisors and technical personnel in field installations, except those in custodial, building and equipment maintenance activities (Segment 11), motor vehicle service activities (Segment 12), and miscellaneous local operations (Segment 13). Managers of postal installations other than post offices are covered by this segment. Segment 2 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-accounts 103 and 130. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 3
Clerks and Mail Handlers CAG A-J**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 216,477 | 194,476 | (22,001) | -10.2% | 180,501 | (13,975) | -7.2% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 15,525,071 | 13,973,603 | (1,551,468) | -10.0% | 13,176,434 | (797,170) | -5.7% |
| Travel and Transportation of Persons | 12,200 | 12,573 | 374 | 3.1% | 12,390 | (183) | -1.5% |
| Transportation of Things | - | - | - | 0.0% | - | - | 0.0% |
| Benefits of Former Personnel | (4) | (3) | 0 | -11.9% | (3) | - | 0.0% |
| Total | 15,537,267 | 13,986,173 | (1,551,094) | -10.0% | 13,188,821 | (797,352) | -5.7% |

Description:

This segment includes personnel costs that can be attributed to clerks and mail handler personnel in CAG A-J post offices, their classified stations and branches, processing and distribution centers/facilities, air mail centers, facilities, bulk mail centers, and remote encoding centers. Segment 3 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-accounts 104 and 107. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 4
Clerks CAG K**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 53 | 52 | (1) | -1.1% | 51 | (1) | -2.3% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 3,271 | 3,324 | 53 | 1.6% | 3,349 | 25 | 0.7% |
| Travel and Transportation of Persons | 48 | 49 | 1 | 3.1% | 48 | (1) | -1.5% |
| Transportation of Things | - | - | - | 0.0% | - | - | 0.0% |
| Benefits of Former Personnel | - | - | - | 0.0% | - | - | 0.0% |
| Total | 3,318 | 3,373 | 55 | 1.7% | 3,397 | 24 | 0.7% |

Description:

This segment includes personnel costs that can be attributed to clerks in CAG K post offices. Segment 4 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-account 105. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 6
City Delivery Carriers**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 216,418 | 213,231 | (3,187) | -1.5% | 203,434 | (9,797) | -4.6% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 15,635,910 | 15,867,281 | 231,371 | 1.5% | 15,607,565 | (259,716) | -1.6% |
| Travel and Transportation of Persons | 4,324 | 4,456 | 132 | 3.1% | 4,391 | (65) | -1.5% |
| Transportation of Things | - | - | - | 0.0% | - | - | 0.0% |
| Benefits of Former Personnel | (3) | (3) | 0 | -11.9% | (3) | - | 0.0% |
| Total | 15,640,230 | 15,871,734 | 231,503 | 1.5% | 15,611,953 | (259,781) | -1.6% |

Description:

This segment includes personnel costs that can be attributed to city delivery carriers. Segment 6 includes office activity, and segment 7 includes street activity. Segment 6 and 7 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-account 113. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 8
Vehicle Drivers**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 8,133 | 8,160 | 28 | 0.3% | 8,031 | (130) | -1.6% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 615,106 | 630,242 | 15,136 | 2.5% | 635,126 | 4,884 | 0.8% |
| Travel and Transportation of Persons | 34 | 35 | 1 | 3.1% | 34 | (1) | -1.5% |
| Transportation of Things | - | - | - | 0.0% | - | - | 0.0% |
| Benefits of Former Personnel | (0) | (0) | 0 | -11.9% | (0) | - | 0.0% |
| Total | 615,140 | 630,276 | 15,137 | 2.5% | 635,160 | 4,884 | 0.8% |

Description:

This segment includes personnel costs that can be attributed to vehicle service drivers. Segment 8 costs consist of the salaries, benefits, travel and relocation costs recorded in general ledger sub-account 114. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 10
Rural Carriers**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 96,496 | 96,986 | 490 | 0.5% | 95,091 | (1,895) | -2.0% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 5,962,099 | 6,161,383 | 199,284 | 3.3% | 6,205,252 | 43,868 | 0.7% |
| Travel and Transportation of Persons | 2,103 | 2,168 | 64 | 3.1% | 2,136 | (32) | -1.5% |
| Transportation of Things | 533,595 | 554,175 | 20,581 | 3.9% | 572,625 | 18,450 | 3.3% |
| Benefits of Former Personnel | (1) | (1) | 0 | -11.9% | (1) | - | 0.0% |
| Total | 6,497,796 | 6,717,726 | 219,930 | 3.4% | 6,780,012 | 62,287 | 0.9% |

Description:

This segment includes personnel costs that can be attributed to rural carriers. Segment 10 costs consist of the salaries, benefits, travel and relocation costs recorded in general ledger sub-account 112. Also included are amounts recorded in account identifier codes related to the same sub-accounts. Rural carrier equipment maintenance allowance costs (52462) are included in this segment.

COST SEGMENT 11
Building, Plant and Operating Equipment

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 41,711 | 41,806 | 95 | 0.2% | 41,196 | (610) | -1.5% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 3,188,420 | 3,270,006 | 81,586 | 2.6% | 3,305,633 | 35,627 | 1.1% |
| Travel and Transportation of Persons | 4,714 | 4,859 | 144 | 3.1% | 4,788 | (71) | -1.5% |
| Transportation of Things | - | - | - | 0.0% | - | - | 0.0% |
| Benefits of Former Personnel | (0) | (0) | 0 | -11.9% | (0) | - | 0.0% |
| Other Services | 103,870 | 104,337 | 467 | 0.4% | 105,502 | 1,165 | 1.1% |
| Total | 3,297,004 | 3,379,202 | 82,198 | 2.5% | 3,415,922 | 36,720 | 1.1% |

Description:

This segment includes all personnel costs, including supervision, that can be attributed to building services, postal operating, building, and plant equipment maintenance, maintenance administrative support, and repair center activities. Segment 11 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-accounts 121, 123, 125, 127, and 153. Also included are amounts recorded in account identifier codes related to the same sub-accounts. Costs for contract cleaners (52311) are included in this segment.

**COST SEGMENT 12
Vehicle Maintenance**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 5,650 | 5,676 | 26 | 0.5% | 5,639 | (37) | -0.7% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 431,337 | 443,346 | 12,009 | 2.8% | 452,209 | 8,863 | 2.0% |
| Travel and Transportation of Persons | 145 | 149 | 4 | 3.1% | 147 | (2) | -1.5% |
| Transportation of Things | 4,889 | 5,036 | 147 | 3.0% | 5,106 | 70 | 1.4% |
| Benefits of Former Personnel | (0) | (0) | 0 | -11.9% | (0) | - | 0.0% |
| Communication, Utilities, and Misc. | 0 | 0 | 0 | 2.3% | 0 | 0 | 0.8% |
| Other Services | 190,300 | 194,596 | 4,296 | 2.3% | 196,154 | 1,557 | 0.8% |
| Supplies and Materials | 319,282 | 326,869 | 7,586 | 2.4% | 329,418 | 2,549 | 0.8% |
| Inventory Adjustments | 310,579 | 317,683 | 7,104 | 2.3% | 320,113 | 2,430 | 0.8% |
| Total | 1,256,532 | 1,287,679 | 31,147 | 2.5% | 1,303,147 | 15,468 | 1.2% |

Description:

This segment includes all personnel costs, including supervision, that can be attributed to motor vehicle maintenance services. Segment 11 costs consist of the salaries, benefits, travel and relocation recorded in general ledger sub-account 141. Also included are amounts recorded in account identifier codes related to the same sub-accounts. Costs for motor vehicle supplies, materials, maintenance, and vehicle hire are included in this segment.

COST SEGMENT 13
Miscellaneous Field Operations

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 576 | 576 | - | 0.0% | 576 | (0) | 0.0% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 188,800 | 201,134 | 12,335 | 6.5% | 202,650 | 1,516 | 0.8% |
| Travel and Transportation of Persons | 12,665 | 12,826 | 161 | 1.3% | 12,809 | (17) | -0.1% |
| Transportation of Things | 23,817 | 23,677 | (140) | -0.6% | 24,091 | 414 | 1.7% |
| Benefits of Former Personnel | 169 | 149 | (20) | -11.9% | 149 | - | 0.0% |
| Communication, Utilities, and Misc. | 8 | 8 | - | 0.0% | 8 | - | 0.0% |
| Other Services | 80,676 | 78,965 | (1,711) | -2.1% | 79,238 | 273 | 0.3% |
| Supplies and Materials | 187,693 | 215,962 | 28,268 | 15.1% | 220,795 | 4,833 | 2.2% |
| Total | 493,828 | 532,721 | 38,893 | 7.9% | 539,739 | 7,019 | 1.3% |

Description:

This segment includes personnel costs that can be attributed to the Mail Equipment Shops, the facility field offices, and the purchasing field service centers. Segment 13 costs consist of the salaries, benefits, travel and relocation costs recorded in general ledger sub-accounts 142, 146, and 148. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**COST SEGMENT 15
Building Occupancy**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|-------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | - | - | - | 0.0% | - | - | 0.0% |
| Expenses (\$000): | | | | | | | |
| Transportation of Things | 482 | 479 | (3) | -0.6% | 487 | 9 | 1.8% |
| Rental Payments to GSA | 44,481 | 44,061 | (419) | -0.9% | 44,089 | 28 | 0.1% |
| Rental Payments to Others | 1,043,263 | 1,033,431 | (9,832) | -0.9% | 1,034,082 | 651 | 0.1% |
| Communications, Utilities, and Misc | 727,096 | 708,432 | (18,664) | -2.6% | 716,990 | 8,558 | 1.2% |
| Other Services | 199,234 | 213,688 | 14,454 | 7.3% | 218,359 | 4,672 | 2.2% |
| Equipment | - | - | - | 0.0% | - | - | 0.0% |
| Capitalized Leases | (127,818) | (126,613) | 1,205 | -0.9% | (126,693) | (80) | 0.1% |
| Total | 1,886,738 | 1,873,478 | (13,260) | -0.7% | 1,887,315 | 13,838 | 0.7% |

Description:

This segment includes the non-capital related non-personnel costs of occupying and maintaining Postal Service owned and rented facilities. These costs include rent, heating fuel, building repairs and alterations, and utilities, such as gas, electricity, water, and voice telephone.

**COST SEGMENT 16
Supplies and Services**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 212 | (169) | (381) | -179.9% | (169) | 0 | 0.0% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 17,966 | (14,661) | (32,626) | -181.6% | (15,041) | (381) | 2.6% |
| Travel and Transportation of Persons | 58 | 60 | 2 | 3.1% | 59 | (1) | -1.5% |
| Transportation of Things | 445 | 615 | 171 | 38.4% | 625 | 10 | 1.6% |
| Benefits of Former Personnel | - | - | - | 0.0% | - | - | 0.0% |
| Communications, Utilities and Misc. | 134,889 | 135,788 | 899 | 0.7% | 138,681 | 2,893 | 2.1% |
| Printing and Reproduction | 59,247 | 53,139 | (6,108) | -10.3% | 52,284 | (855) | -1.6% |
| Other Services | 1,375,124 | 1,477,275 | 102,150 | 7.4% | 1,492,068 | 14,794 | 1.0% |
| Supplies and Materials | 663,167 | 720,453 | 57,286 | 8.6% | 726,381 | 5,928 | 0.8% |
| Equipment | 2,440 | 3,343 | 903 | 37.0% | 3,418 | 75 | 2.2% |
| Inventory Adjustments | 221,852 | 227,742 | 5,890 | 2.7% | 226,892 | (850) | -0.4% |
| Total | 2,475,189 | 2,603,754 | 128,565 | 5.2% | 2,625,367 | 21,612 | 0.8% |

Description:

This segment includes the non-personnel cost of supplies and spare parts, and the personnel cost of employees at Material Distribution Centers who purchase and maintain inventories of postal supplies and spare parts, and then distribute them to postal installations. Also included is the cost of printing and reproduction, including postage stock and other accountable paper, and the cost of contractual and other services, except those related to the transportation of mail which are included in Cost Segment 14, and those related to Headquarters Administration which are included in Cost Segment 18.

COST SEGMENT 18
Administration and Area Operations

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 12,615 | 12,128 | (487) | -3.9% | 12,123 | (5) | 0.0% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 10,582,499 | 8,446,435 | (2,136,064) | -20.2% | 8,556,692 | 110,258 | 1.3% |
| Travel and Transportation of Persons | 31,733 | 32,702 | 969 | 3.1% | 32,227 | (476) | -1.5% |
| Transportation of Things | - | - | - | 0.0% | - | - | 0.0% |
| Benefits of Former Personnel | 2,337,496 | 2,578,876 | 241,380 | 10.3% | 2,775,066 | 196,190 | 7.6% |
| Communications, Utilities and Misc. | 0 | 0 | 0 | 0.7% | 0 | 0 | 2.2% |
| Printing and Reproduction | 2,629 | 2,622 | (7) | -0.3% | 2,669 | 47 | 1.8% |
| Other Services | 230,479 | 829,140 | 598,661 | 259.7% | 832,115 | 2,974 | 0.4% |
| Supplies and Materials | (29) | (18) | 12 | -39.0% | (16) | 2 | -11.6% |
| Equipment | 43 | 46 | 3 | 7.0% | 47 | 1 | 2.2% |
| Total | 13,184,850 | 11,889,804 | (1,295,046) | -9.8% | 12,198,800 | 308,997 | 2.6% |

Description:

This segment includes the personnel cost of employees at Headquarters, Headquarters related Field Service Units, and Area offices. Non-personnel costs specifically related to Headquarters or Area Administration, and miscellaneous support costs and contingencies which are corporatewide in nature are also included. Other costs included are awards and lump sum payments made to employees whose personnel costs are included in Segments 15, 16, 17, and 19, and corporatewide personnel costs which are not allocated by employee category. Only those awards and lump sum payments which relate to individual performance or some other circumstance unique to an individual are included in Segment 18. Awards and lump sum payments that are made to all or most employees in an employee category are included with the personnel cost of that employee category. Corporatewide personnel costs include workers' compensation, unemployment compensation, CSRS undended liabilities, CSRS annuitant COLAs, annuitant health benefits, annuitant life insurance, repricing of annual leave, annuity protection program, and health benefits for employees on workers' compensation.

**COST SEGMENT 19
Support Services**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|--------------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | 41 | 5 | (36) | -87.4% | 5 | (0) | 0.0% |
| Expenses (\$000): | | | | | | | |
| Salaries and Benefits | 4,420 | 569 | (3,851) | -87.1% | 584 | 16 | 2.8% |
| Travel and Transportation of Persons | 168 | 174 | 5 | 3.1% | 171 | (3) | -1.5% |
| Transportation of Things | - | - | - | 0.0% | - | - | 0.0% |
| Benefits of Former Personnel | - | - | - | 0.0% | - | - | 0.0% |
| Other Services | 51,077 | 38,383 | (12,694) | -24.9% | 37,890 | (492) | -1.3% |
| Supplies and Materials | 275 | 203 | (72) | -26.1% | 200 | (3) | -1.5% |
| Total | 55,941 | 39,328 | (16,612) | -29.7% | 38,846 | (482) | -1.2% |

Description:

This segment includes the non-personnel cost of equipment maintenance training supplies and services, and the personnel cost of employees at the Maintenance Technical Support Center.

COST SEGMENT 20
Depreciation and Servicewide

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|----------------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | - | - | - | 0.0% | - | - | 0.0% |
| Expenses (\$000): | | | | | | | |
| Other Services | 26,869 | 26,757 | (112) | -0.4% | 27,238 | 481 | 1.8% |
| Supplies and Materials | 5,538 | 4,086 | (1,452) | -26.2% | 3,937 | (149) | -3.7% |
| Equipment | - | - | - | 0.0% | - | - | 0.0% |
| Insurance Claims and Indemnities | 91,122 | 91,975 | 853 | 0.9% | 93,650 | 1,675 | 1.8% |
| Interest | 161,169 | 265,836 | 104,667 | 64.9% | 617,850 | 352,015 | 132.4% |
| Land and Structures | - | - | - | 0.0% | - | - | 0.0% |
| Depreciation | 2,571,331 | 2,637,594 | 66,263 | 2.6% | 2,568,422 | (69,172) | -2.6% |
| Total | 2,856,029 | 3,026,247 | 170,218 | 6.0% | 3,311,096 | 284,849 | 9.4% |

Description:

This segment includes the cost of capital plant and equipment which consists of depreciation, amortization, and interest on debt. All Postal Service debt currently outstanding was incurred for the acquisition of capital. Also included in Segment 20 are claims, losses, and other non-capital amounts written off. Interest on retirement liabilities is reflected in Segment 20 so that all interest is included together in the same segment.

**COST SEGMENT 21
Capital Investments**

| | Actual FY 2010 | Estimate FY 2011 | Change Amount FY 2011 | Percent FY 2011 | Estimate FY 2012 | Change Amount FY 2012 | Percent FY 2012 |
|---------------------------|-------------------|---------------------|-----------------------------|--------------------|---------------------|-----------------------------|--------------------|
| Resources: | | | | | | | |
| Positions | | | | | | | |
| Workyears | - | - | - | 0.0% | - | - | 0.0% |
| Expenses (\$000): | | | | | | | |
| Construction | 18,395 | - | (18,395) | -100.0% | 51,035 | 51,035 | 0.0% |
| Building Improvements | 548,880 | 581,665 | 32,785 | 6.0% | 498,033 | (83,632) | -14.4% |
| Mail Processing Equipment | (108,246) | 402,128 | 510,374 | -471.5% | 684,120 | 281,992 | 70.1% |
| Vehicles | 2,047 | 600 | (1,447) | -70.7% | 12,029 | 11,429 | 1904.8% |
| Retail Equipment | - | 61,053 | 61,053 | 0.0% | 8,102 | (52,951) | -86.7% |
| Postal Support Equipment | 470,416 | 354,623 | (115,794) | -24.6% | 247,102 | (107,521) | -30.3% |
| Total | 931,492 | 1,400,068 | 468,576 | 50.3% | 1,500,421 | 100,353 | 7.2% |

Continued:

**COST SEGMENT 21
Capital Investments**

Descriptions:

Construction and Building Improvements

This category includes funds for acquisition of sites, design and construction of new postal owned buildings, purchase of existing facilities, and improvement to existing leased and owned post office buildings.

Mail Processing Equipment:

The funds planned in this program are for the purchase of fixed mechanization, non-fixed mechanization and other mail handling equipment. Fixed mechanization is custom made to meet the requirements for a particular mail handling operation or a specific building. Non-fixed mechanization consists of automated modules of equipment such as optical character readers, bar code sorters, expanded zip retrofit kits, etc. This program is directed toward reducing costs in mail processing operations.

Vehicles:

The vehicle program consists of four vehicle requirement categories: carrier motorization, bulk transfer vehicles for delivery and intra/inter transport of the mails, law enforcement vehicles for postal inspector surveillance, and other maintenance of vehicles and buildings.

Customer Service Equipment:

This equipment supports post office lobby, window, and self-service programs. The Postal Service's objective is to render new and improved services to postal customers in the retail areas of post offices.

Posta Support Equipment:

Support equipment consists of such items as office machines and furniture, maintenance equipment, and automatic data processing equipment.