

Postal Regulatory Commission

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Press Release

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Commission Releases Report Analyzing Postal Service's FY 2024 Finances

Washington, DC - On March 28, 2025, the Commission as required by title 39 of the U.S. Code, issued the FY 2024 *Annual Compliance Determination* (ACD) assessing the Postal Service's compliance with standards for service performance and legal requirements for rates. Prior to FY 2012, the ACD included a chapter on the overall financial health of the Postal Service that identified certain financial highlights or setbacks for the year under review. However, the chapter was not a comprehensive discussion of the financial position of the Postal Service and did not include an analysis of other relevant financial data such as the Postal Service's Form 10-K filing and *Annual Compliance Report*.

Today, the Commission published its annual <u>Financial Analysis report</u>, which carefully analyzes the Postal Service's finances using a number of well-known financial parameters. This report meets the Commission's financial reporting responsibilities and responds to the continued interest from policymakers and stakeholders in the Postal Service's financial health. The *Analysis* provides greater clarity, transparency, and accountability of the Postal Service's financial data and trends.

At the end of FY 2024:

- The Postal Service recorded a net loss from operations of \$1.8 billion and a total net loss of \$9.5 billion.
- The Postal Service's operating revenue was \$79.5 billion, \$1.2 billion higher than the
 previous year. Revenue from Competitive products increased by \$0.5 billion and
 Market Dominant revenue increased by \$0.8 billion in FY 2024, resulting from price
 increases.
- Total operating expenses were \$81.8 billion, \$0.6 billion higher than the prior year. There was a notable decrease in highway transportation expenses, which decreased by 8.2 percent from network optimization efforts as a part of the Delivering for American plan. Furthermore, air transportation expenses decreased by 20.8 percent from a shift in package volume from air to highway transportation.

The Postal Service is a labor intensive organization. Labor costs account for 76.4% of total expenses and in FY 2024 total personnel operating expenses increased by \$1.4 billion from FY 2023, resulting from increases in salaries, retirement and employee health benefits.

The Commission's *Financial Analysis* report is located on its website, www.prc.gov.

The Postal Regulatory Commission is an independent federal agency that provides regulatory oversight over the Postal Service to ensure the transparency and accountability of the Postal Service and foster a vital and efficient universal mail system. The Commission is comprised of five Presidentially-appointed and Senate-confirmed Commissioners, each serving terms of six years. The President designates the Chairman. In addition to Chairman Michael Kubayanda, the other commissioners are Vice Chairman Robert Taub and Commissioners Ann Fisher, Ashley Poling, and Thomas Day. Follow the PRC on Twitter: @PostalRegulator and LinkedIn.