



GRAYHAIR

United States Postal Service Board of Governors Open Meeting May 9th, 2025.

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The meeting was opened with remarks from the [chairwoman Amber McReynolds](#) and acting PMG Doug Tulino thanking the now retired 75th Postmaster General Louis DeJoy for his service and vision.



They marked the 250 years of service of the Postal Service, while acknowledging the economic headwinds they face to control costs, increase revenues and transform and modernize the infrastructure.

76th Postmaster General Named

Postal Service Board of Governors [appoints David Steiner](#) to be 76th Postmaster General and CEO of the USPS.

Mr. Steiner has been appointed as PMG, and pending the outcome of necessary background and ethics checks it is expected that he will assume the PMG duties and join the organization in July 2025. At that time the acting PMG [Doug Tulino](#) will return to his position of Deputy Postmaster General and chief Human Resources Officer.



Per the BOG Chairperson Amber McReynolds “Dave is the right person to lead the Postal Service at this time to ensure this magnificent and historic organization thrives into the future.”

“Our Board looks forward to working with Dave as he takes on the core mandates of providing universal and excellent service for the American public and doing so in a financially sustainable manner.”

Mr. Steiner is a lawyer and corporate executive. He holds the role of Lead Independent Director at FedEx. He served as a member of the board of directors of Vulcan Materials, and as CEO at Waste Management Inc. He is also a Director at TE Connectivity Ltd., Greater Houston Partnership, and Tyco Electronics corporation.

Mr. Steiner received his graduate degree in 1986 from the University of California, Los Angeles and undergraduate degree from Louisiana State University.

Prior to joining the USPS Mr. Steiner will leave the Board at FedEx, and manage the other roles and business and financial interests as required.

From Mr. Steiner “I deeply admire the public service and business mission of this amazing institution, and I believe strongly in maintaining its role as an independent establishment of the executive branch.”

By law the selection of the Postmaster General rests solely with the Presidentially appointed and Senate confirmed Governors of the U.S. Postal Service Board of Governors who oversee the Postal Service as an independent establishment of the executive branch.

USPS Finances:

[USPS FY25 Q2 10Q](#)

The Postal Service presented their financial results for FY25 Q2 (January - March) as well as their YTD six month totals of FY25 (October- March).

Operational losses for Q2 were \$800 million, with net losses of \$3.3 billion. This is \$1.8 billion more than the same period last year. The six months YTD lose is at \$3.1 billion.

January 1st, 2025 - March 31st, 2025, FY2025 Q2

Financial Results

Q2 (3 Months)	FY	FY
(Billions)	2025	2024
Total Revenue ¹	\$ 19.9	\$ 20.0
Controllable Expenses ^{1,2}	20.7	20.3
Controllable Income (Loss) ^{1,2}	(0.8)	(0.3)
Workers' Comp. Fair Value Adj. and Other Non-Cash Adj.	(1.1)	0.2
FERS Unfunded Liability Amortization ³	(0.6)	(0.6)
CSRS Unfunded Liability Amortization ³	(0.8)	(0.8)
Net Income (Loss) ¹	\$ (3.3)	\$ (1.5)

October 1st, 2024 through March 31st, 2025. FY 2025 Q1 & Q2

March YTD (6 Months)	FY	FY
(Billions)	2025	2024
Total Revenue ¹	\$ 42.6	\$ 41.8
Controllable Expenses ^{1,2}	42.5	41.6
Controllable Income (Loss) ^{1,2}	0.1	0.2
Workers' Comp. Fair Value Adj. and Other Non-Cash Adj.	(0.3)	(0.9)
FERS Unfunded Liability Amortization ³	(1.2)	(1.2)
CSRS Unfunded Liability Amortization ³	(1.7)	(1.6)
Net Income (Loss) ¹	\$ (3.1)	\$ (3.5)

USPS Liquidity - while improved over same quarter last year is at a dangerously low figure, especially given that they have reached their borrowing limit of \$15 billion.

<i>(in millions)</i>	March 31, 2025	March 31, 2024
Cash and cash equivalents	\$ 7,435	\$ 5,886
Restricted cash, current	2,665	2,067
Restricted cash, noncurrent	1,236	2,593
Total cash, cash equivalents, and restricted cash	\$ 11,336	\$ 10,546

The USPS points to the below administrative and legislative reforms they feel are required to address their liquidity concerns:

- Retiree pension benefit funding rules determining how OPM apportions the costs for the CSRS benefits of employees and retirees that worked for both the Postal Service and the Post Office Department.
- Reconsideration of withdrawal and mortality assumptions for retiree pension liability calculations.
- Diversification of pension assets and the ability to invest in market-based instruments to allow greater flexibility.
- Statutory debt limit of \$15.0 billion, which is set by congress and has not been increased since 1992, to access the capital necessary to achieve our mission and continue to compete with private sector companies that have access to credit and capital markets.
- Workers compensation administration to adopt private sector best practices.

They additionally point out the constraints by laws and regulations which restrict revenue sources and mandate certain expenses as impact to their cost and revenues.

Mail volumes, (First-Class and Marketing Mail) have **declined 49%** between 2007 and 2024, while the number of delivery points have continued to increase, 2.0 million in 2024 alone. The combination of mail decline and increased delivery points have resulted in the drop of average number of pieces delivered per delivery point per day **from 5.5 pieces in 2007 to 2.5 pieces in 2024, a decline of 55%**.

USPS Volumes:

Below illustrates the USPS volume changes for FY25 Q2 and the six months of YTD October 1st - March 31st .

First Class ended March 31st, 2025 with a revenue increase of **1%** on a volume decline of **5.8%**, as compared to same quarter in 2024. The Marketing Mail experienced a revenue decline of **1.4%** based on a volume loss of **5.7%**. Periodicals continued their trending losses.

USPS has been counting on parcel growth to shore up its revenues, but for the three months ended March 31st, 2025 the revenue only increased **0.7%** due to a volume decline of **6.9%**.

	FY2025 Q2	FY2024 Q2	%	Six months of Q1 & Q2		
				FY2025	FY2024	%
First-Class Mail	10,991	11,671	-5.83%	22,426	23,570	-4.85%
Marketing Mail	13,031	13,818	-5.70%	29,659	29,352	1.05%
Periodicals	601	671	-10.43%	1,282	1,401	-8.49%
Other	58	58	0.00%	236	243	-2.88%
International	68	73	-6.85%	146	165	-11.52%
Total Mail	24,749	26,291	-5.87%	53,749	54,731	-1.79%
Shipping & Packages	1,597	1,715	-6.88%	3,611	3,748	-3.66%
<i>(in millions)</i>						

USPS Ground Advantage continue to anchor the shipping portfolio, showing a increase of **24.8%** during Q2. The loss of packages was from the Priority Mail sub-category which is more price sensitive due to competition. The Priority Mail category declined **24.4%** for Q2 and **29.1%** for the YTD October 1st, 2024 through March 31st, 2025.

USPS Service:

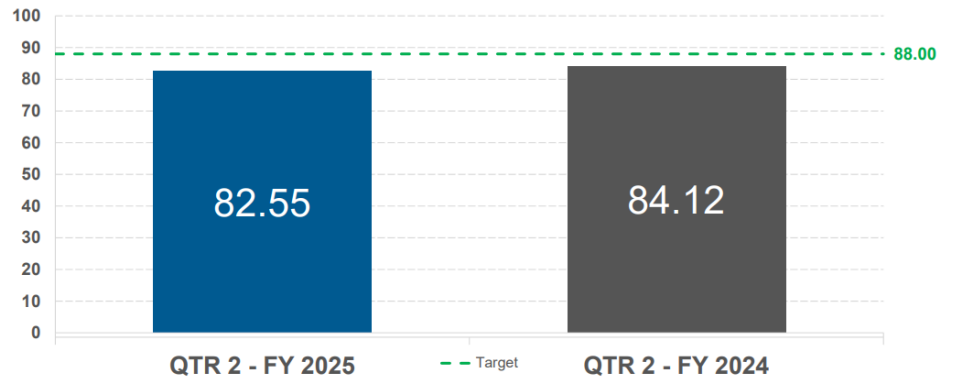
First-Class

None of the First-Class mail categories met their service score goals, although service has been improving over quarter prior.

First-Class Composite

FY25 Q1: 83.50%
FY25 Q2: 82.55%
FY25 YTD: **83.03%**

First-Class Mail Composite



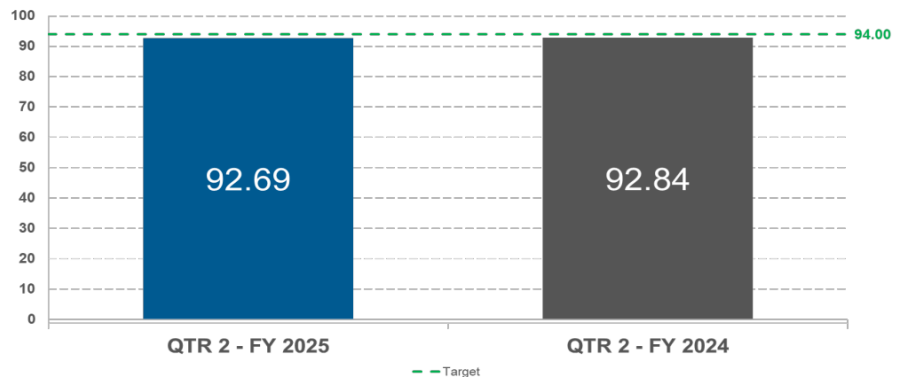
Average days to deliver | **3.0**

2.9

First-Class Overnight

FY25 Q1: 93.04%
FY25 Q2: 92.69%
FY25 YTD: **92.86%**

First-Class Mail Overnight

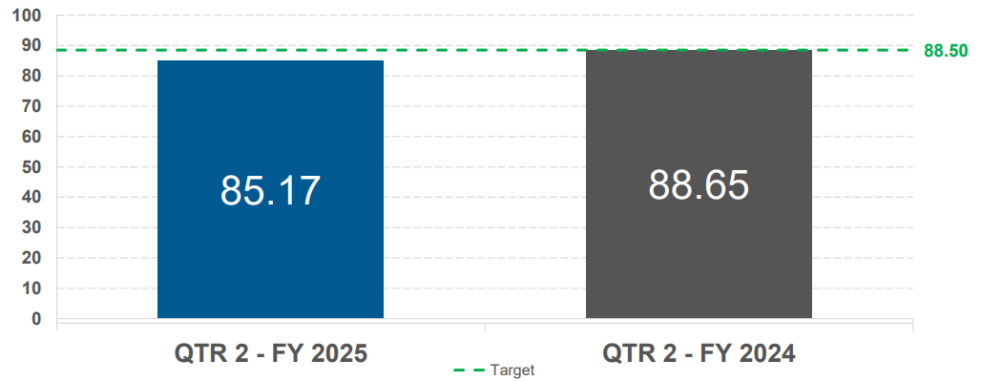


Average days to deliver | **0.8**

0.8

First-Class 2-Day
FY25 Q1: 85.24%
FY25 Q2: 85.17%
FY25 YTD: **85.20%**

First-Class Mail 2-Day

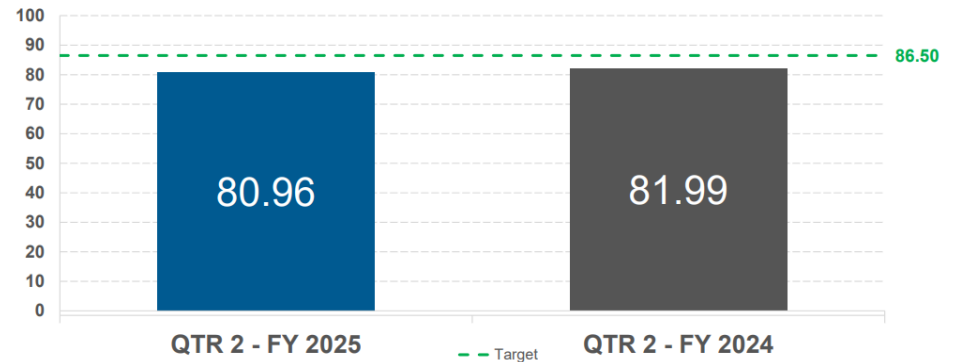


Average days to deliver | **2.1**

2.0

First-Class 3-5-Day
FY25 Q1: 82.16%
FY25 Q2: 80.96%
FY25 YTD: **81.54%**

First-Class Mail 3-5 Day



Average days to deliver | **3.5**

3.4

The Scores shared at the BOG meeting do not go into the granularity of single piece and Letter/Card/Flat performance. Historically the Flat mail product on time lags points behind the letters and cards.

Marketing Mail

Marketing Mail did not meet its 94.5% service goal, and neither was the Letter / Flat broken out. Those figures should be available on the About USPS page early next week.

<https://about.usps.com/what/performance/service-performance/>

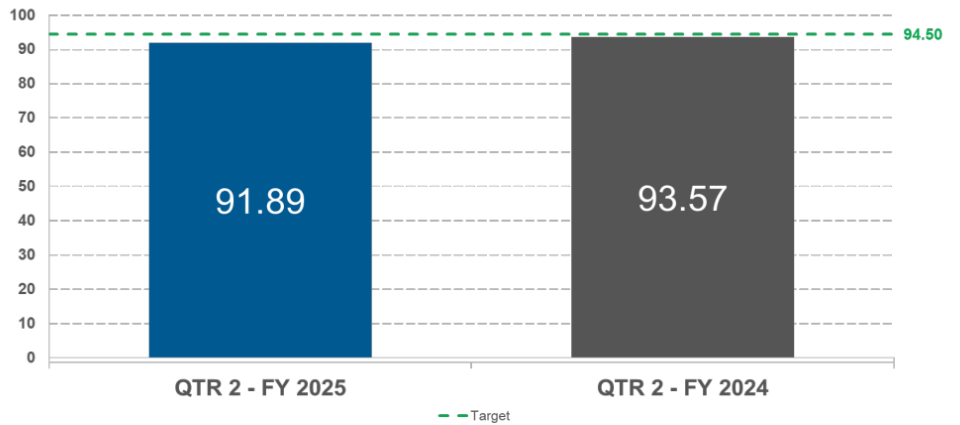
FY25 Q1: 93.07%
 FY25 Q2: 91.89%
 FY25: 92.50%

+ 1 day FY25
 Q2 95.93%

We do have the break out of how MM was entered in Q2, but not the service level at each entry yet.

DSCF - 72.57%
 DNDC - 9.49%
 DDU - 5.86%
 ORIGIN - 12.08%

Marketing Mail



Average days to deliver | **2.9** | **2.7**

To see how mail is performing in your geographic area, or for your type of mailing product use the [Service Dashboard](#) which allows you to enter Class of mail along with ZIP Codes, time ranges and geographic areas.

Searched ZIP Code™: 60446
Service Performance for ILLINOIS 2

First-Class Mail® Presort Letters/Postcards Two-Day

- Performance: **85.75%**
- Performance Plus 1: **94.37%**
- Same Period Last Year: **85.53%**
- FY25 Target: **92.00%**
- FY24 Target: **95.00%**
- Avg Days to Deliver: **1.6**
- Avg Days to Deliver: Same Period Last Year: **1.7**

For questions on this content contact: engage@grayhairsoftware.com