

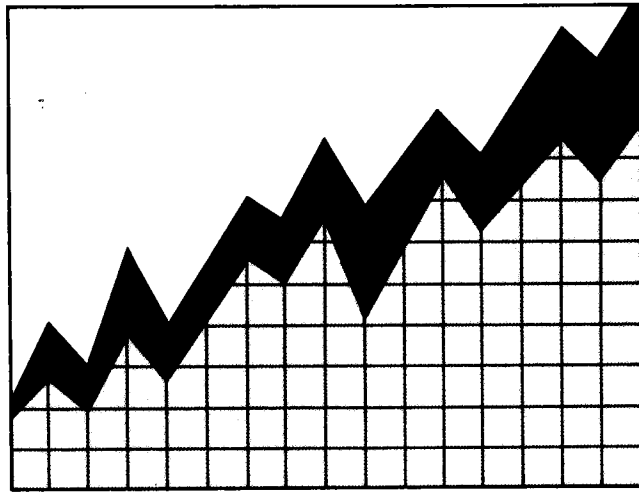
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DEPT. OF THE TREASURY

UNITED STATES GOVERNMENT



ANNUAL

1991

REPORT

COMPILED BY

Department of the Treasury
Financial Management Service **fms**

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TREASURY DEPARTMENT

Preface

Treasury Profile

The Treasury Department was created by an act of Congress approved on September 2, 1789, 31 U.S.C. 301. Many subsequent acts have influenced the development of the Department, delegating new duties and establishing numerous bureaus and divisions which now compose the Department. Today, the Treasury's mission can be categorized into four basic functions: formulating and recommending economic, financial, tax and fiscal policies; serving as financial agent for the U.S. Government; enforcing the law; and manufacturing coins and currency.

Financial Management Service

The Financial Management Service of the Department of the Treasury performs a critical role in fulfilling the Treasury's mission as financial agent of the Government. The Service is committed to improving the quality of Government financial management through its responsibility for the Government's delivery systems for payments and collections, the central accounting and reporting systems, the Government's cash management programs, credit and debt collection activities and various other financial services.

In its role as financial agent for the government, the Financial Management Service publishes this Annual Report of the U.S. Government. This report presents an overview of the Government's cash basis financial position and results of operations. It summarizes selected data that are maintained in the central accounts based on data provided by Federal entities, disbursing officers and Federal Reserve banks. Details supporting the information presented in this report are contained in the Annual Report Appendix which is available from Financial Management Service's Financial Reporting Division. An order form for the appendix is provided as the last page of this publication.

Legislative Requirement

The requirements for the preparation of a report on the receipts and outlays of the Government originated with Article 1, Section 9 of the Constitution of the United States. It provides in part that "no money shall be drawn from the Treasury, but in consequence of appropriations made by law, *and a regular Statement and Account of the Receipts and Expenditures of all public money shall be published from time to time.*" (*Emphasis provided*). This requirement was followed by a standing order of the House of Representatives, dated December 31, 1791, which required an annual report on receipts and outlays of the Government. This requirement was superseded by the following:

- 31 U.S.C. 331 (c) provides, "On the first day of each regular session of Congress, the Secretary shall submit to Congress a report for the prior fiscal year on the total amount of public receipts and public expenditures listing receipts, when practicable, by ports, districts, and States and the expenditures by each appropriation."
- 31 U.S.C. 3513(a) provides, "The Secretary of the Treasury shall prepare reports that will inform the President, the Congress, and the public on the financial operations of the United States Government."

This Annual Report is recognized as the official publication of receipts and outlays with which all other reports containing similar data must be in agreement. It is used by the Congressional Budget Office in serving the needs of Congress; the Office of Management and budget in reviewing the President's Budget programs; the General Accounting Office in performing its audit activities; the various departments and agencies of the Government in reconciling their accounts; and the general public in continually reviewing the operations of their Government. Other reports prepared by the Financial Management Service that contain related information include: The Daily Treasury Statement; Monthly Treasury Statement of Receipts and Outlays of the United States Government; and the Treasury Bulletin.

SECRETARY'S LETTER



THE SECRETARY OF THE TREASURY
WASHINGTON

December 6, 1991

To: The President of the Senate
Speaker of the House of Representatives
Citizens of the United States of America

In accordance with the provisions of Section 15 of the Act of July 31, 1894, (31 U.S.C. 331(c)) and Section 114 of the Act of September 12, 1950, (31 U.S.C. 3513), I am transmitting herewith the United States Government Annual Report for the fiscal year ended September 30, 1991.

This report presents budget results and the cash-related assets and liabilities of the Federal Government with supporting details appearing in the Annual Report Appendix.

The financial results for the year include total receipts of \$1,054.3 billion, an increase of \$23.0 billion over 1990 receipts; total outlays of \$1,323.0 billion, an increase of \$71.2 billion over 1990 outlays; and a \$268.7 billion deficit, an increase of \$48.3 billion over the 1990 deficit.

Sincerely,

Nicholas F. Brady

Enclosure

*Financial
Highlights*

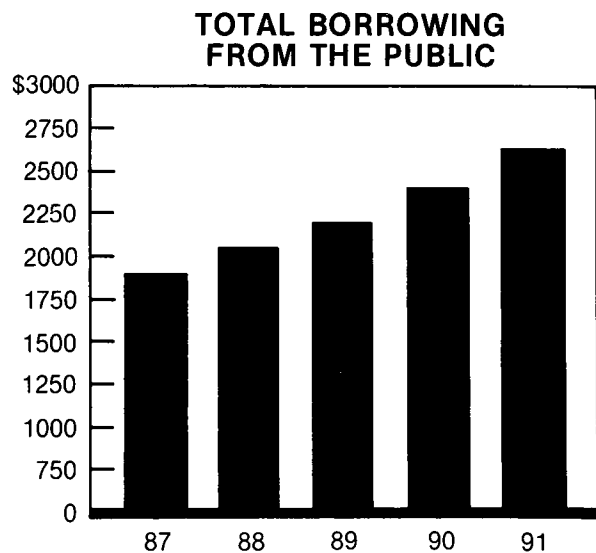
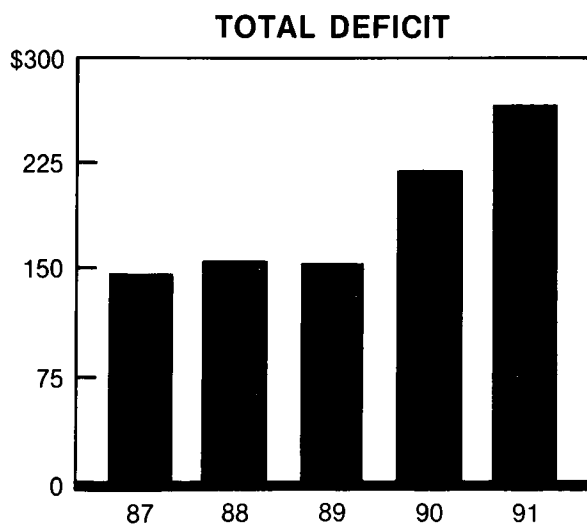
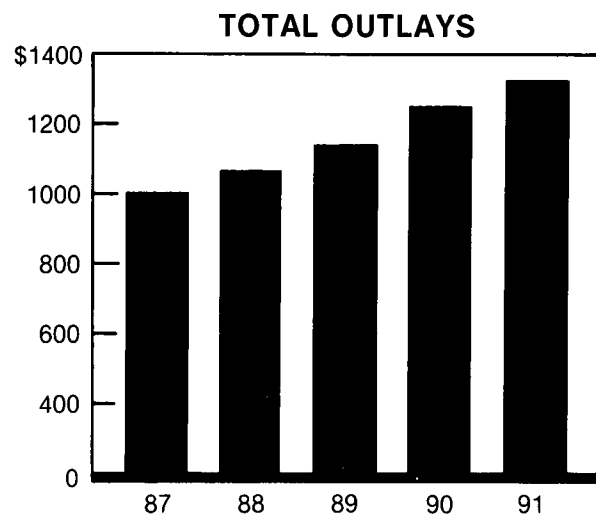
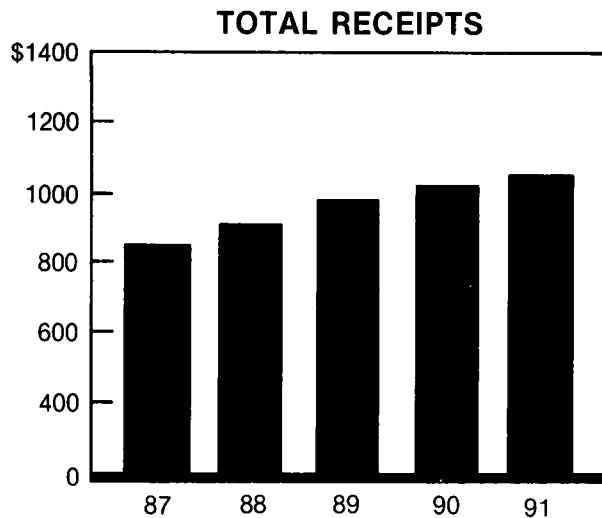
Financial Highlights

(In Billions)

This financial statement is confined to showing only those financial highlights of the United States Government which are directly related to the cash operations of the Department of the Treasury and the rest of the Federal Government.

	FY 1991	FY 1990	PERCENTAGE CHANGE
Total Receipts	\$1,054,260	\$1,031,308 ^r	2.2%
Total Outlays	1,322,989	1,251,776 ^r	5.7
Total Deficit	268,729	220,469 ^r	21.9
Total Assets	74,242	70,345 ^r	5.5
Total Borrowing From The Public	2,687,168	2,410,366 ^r	11.5
Excess of Liabilities Over Assets	\$2,673,445	\$2,409,685 ^r	10.9%

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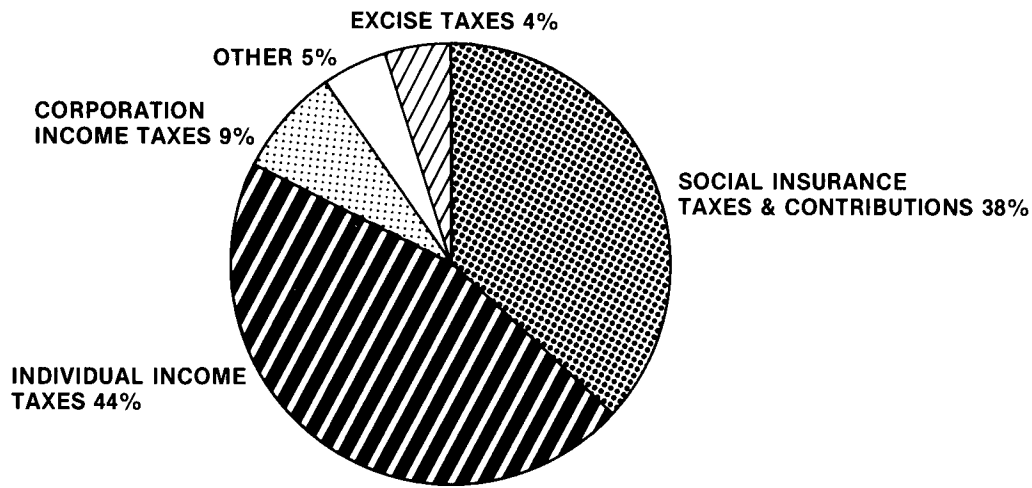


Financial Review

- Receipts by Source Category
 - Outlays by Function
 - Trust Fund Receipt and Outlay Summary
 - Revolving Fund Activity by Department
 - Appropriations, Outlays, and Balances by
Department
 - Five-Year Summary of Financial Highlights
-

Receipts by Source Category

Total receipts amounted to \$1,054.3 billion in FY 1991, an increase of \$23 billion from FY 1990. The percentage distribution of 1991 receipts by source category is graphically depicted below.



Major changes in the amount of receipts by source category are described below. The table which follows shows the amount of receipts for FY 1991 and FY 1990 by source category, and the amount and percentage change from FY 1990.

- Individual Income Taxes—Individual income taxes were 467.8 billion in FY 1991 an increase of \$.9 billion, or .2%.
- Corporation Income Taxes—Corporation income taxes were \$98.1 billion, an increase of 4.6 billion from FY 1990 to FY 1991.
- Social Insurance Taxes and Contributions—Receipts from the three major forms of social insurance taxes and contributions increased from \$380.0 billion in FY 1990 to 396.0 billion in FY 1991 an increase of \$16.0 billion, or 4.2%.
 - Employment Taxes and Contributions—Receipts from this source totaled \$370.5 billion a change of \$16.6 billion, or 4.7% over the prior year.
 - Unemployment Insurance—Unemployment insurance receipts were 20.9 billion in FY 1991, a decrease from FY 1990 of \$.7 billion, or 3.3%.
 - Other Retirement Contributions—Receipts in this category increased by \$41.0 million to a total of \$4.6 billion in FY 1991.
- Excise Taxes—Receipts of excise taxes in FY 1991 were \$42.4 billion, an increase of \$7.1 billion from the prior year.
- The Other Receipts category consisting of Estate and Gift Taxes, Customs Duties, and Miscellaneous Receipts decreased from \$55.5 billion in FY 1990 to 49.9 billion in FY 1991. A discussion of the level of receipts for each of the components of this category is presented below.
 - Estate and Gift Taxes—Receipts in the Estate and Gift taxes category decreased by \$.4 billion in FY 1991 to \$11.1 billion.
 - Customs Duties—Customs Duties decreased by \$.8 billion in FY 1991 to \$15.9 billion.
 - Miscellaneous Receipts—These Receipts totaled \$22.8 billion in FY 1991, a decrease of \$4.5 billion over the FY 1990 level.

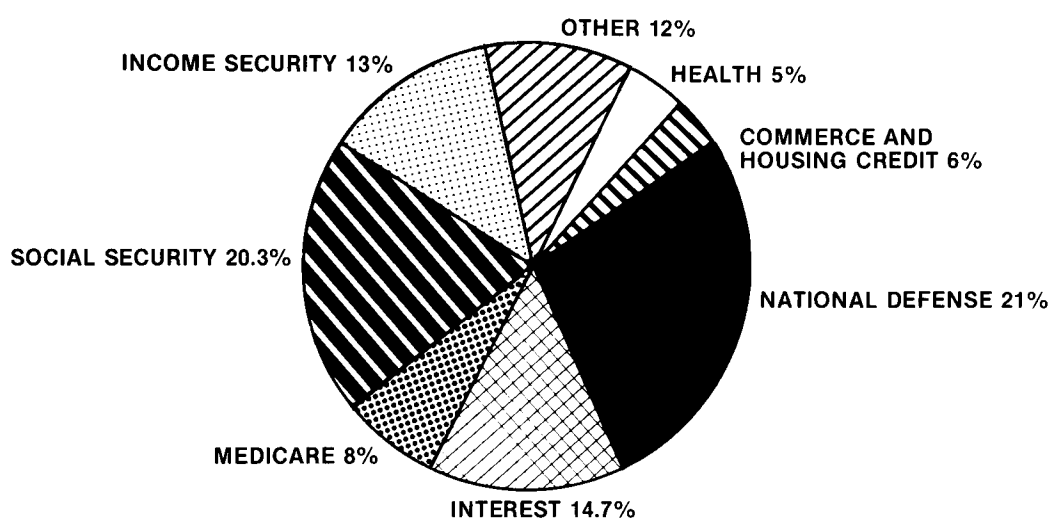
RECEIPTS BY SOURCE CATEGORY
(IN MILLIONS)

	FY 1991	FY 1990	CHANGE FROM 1990	PERCENTAGE CHANGE
Individual Income Taxes	\$ 467,827	\$ 466,884	\$ 943	\$.2%
Corporation Income Taxes	98,086	93,507	4,579	4.9
Total Income Taxes	565,913	560,391	5,522	1
Social Insurance Taxes and Contributions:				
Employment Taxes and Contributions	370,526	353,891	16,635	4.7
Unemployment Insurance	20,922	21,635	-713	-3.3
Other Retirement Contributions	4,563	4,522	41	.9
Total Social Insurance Taxes and Contributions	396,011	380,048	15,963	4.2
Excise Taxes	42,430	35,345	7,085	20.0
Other:				
Estate and Gift Taxes	11,138	11,500	-362	-3.1
Customs Duties	15,921	16,707	-786	-4.7
Miscellaneous Receipts	22,847	27,316 ^r	-4,469	-16.4
Total Other	49,906	55,523 ^r	-5,617	-10.1
Total Receipts	1,054,260	1,031,307 ^r	22,953	2.2%
Details may not add to totals due to rounding. r—revised				

Outlays by Function

Outlays are liquidations of the Government's obligations through the issuance of checks or disbursement of cash. Total outlays were \$1,323.0 billion in FY 1991, an increase of \$71.2 billion or 5.7% over the amount of the preceding fiscal year. Shown below is the percentage distribution of FY 1991 outlays among the seven largest categories included in the government's functional classification system. The functional classification system is a way of grouping the government's activities so that all budget authority and outlays, loan guarantees, and tax expenditures can be presented according to the national needs being addressed. National needs are grouped in 17 broad areas to provide a coherent and comprehensive basis for analyzing and understanding the budget. Three additional categories—Interest, Allowances and Undistributed Offsetting Receipts—do not address specific national needs but are included to cover the entire budget. Under the functional classification system, each outlay is assigned to a classification that best defines its most important purpose, even though many outlays serve more than one purpose.

Total outlays in FY 1991 were \$1,323.0 billion compared with \$1,251.8 billion in FY 1990. The percentage distribution of outlays among the seven largest functional classifications is shown graphically below.



The table that follows shows FY 1991 and FY 1990 outlays for each functional classification and the amount and percentage change in outlay levels between these two fiscal years. Changes in outlays for the largest functional classifications are briefly discussed below.

- **National Defense**—This function includes those activities that are directly related to the defense and security of the United States. National Defense outlays for FY 1991 decreased by \$26.8 billion to \$272.5 billion. This amount encompasses government spending for conventional forces, strategic forces, atomic energy defense activities and other defense related activities.
- **Health**—The Federal Government helps to meet the nation's health care needs by financing and providing health care services, aiding disease prevention and supporting research and training. Outlays for this function were \$71.2 billion in FY 1991, an increase of \$13.5 billion over the prior fiscal year.
- **Social Security**—Through social security the Federal Government contributes to the income security of aged and disabled Americans. This function's outlays were \$269.0 billion for FY 1991, an increase of 8.2% or \$20.4 billion over the FY 1990 outlays.
- **Medicare**—Through medicare the Federal Government contributes to the health and well being of aged and disabled Americans. The outlays for this function were \$104.5 billion in FY 1991, an increase of 6.5% or \$6.4 billion over the FY 1990 outlays.

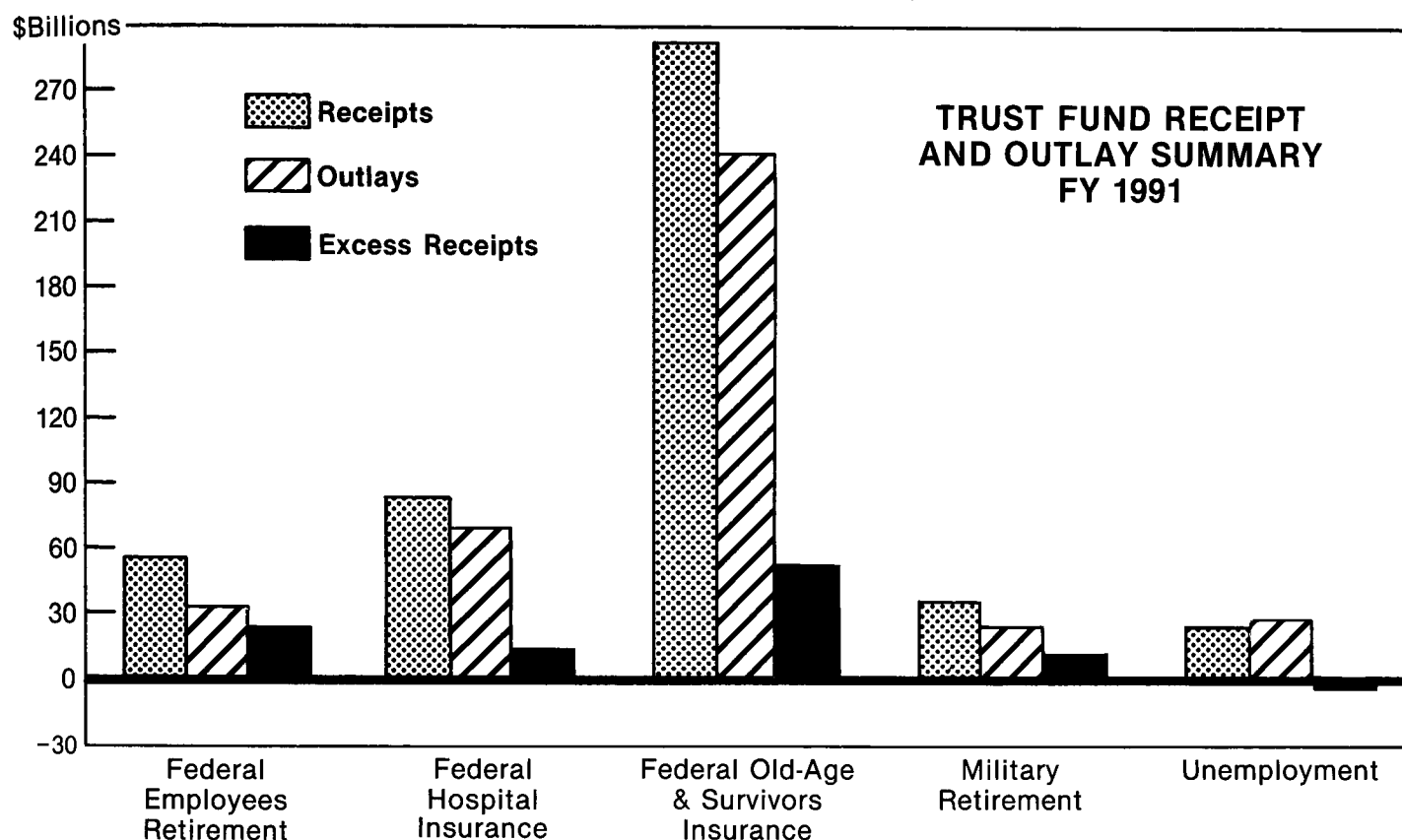
- **Income Security**—Income security benefits are paid to the aged, the disabled, the unemployed and low income families. Outlays for these benefits were \$171.6 billion in FY 1991 an increase of 16.5% or \$24.3 billion from the FY 1990 level. Included within this classification are programs such as general retirement and disability, public assistance and unemployment compensation.
- **Commerce and Housing Credit**—These programs supplement financing for private business and housing by providing assistance for mortgage credit, deposit insurance, and other subsidies for business. Outlays for these programs increased by 12.6% to \$75.6 billion in FY 1991.
- **Interest**—This function includes interest paid by the federal Government, offset by interest collections from the public and interest received by Government Trust Funds. Net interest outlays are very sensitive to both interest rates and the amount of debt outstanding. Net interest outlays increased in FY 1991 to \$195.0 billion, a 5.9% increase over the prior fiscal year.

OUTLAYS BY FUNCTION				
(in millions)				
	FY 1991	FY 1990	CHANGE FROM 1990	PERCENTAGE CHANGE
National Defense	\$ 272,514	\$ 299,331 ^r	\$-26,817	-9.0%
International Affairs	16,167	13,762 ^r	2,405	17.5
General Science, Space, and Technology	15,946	14,444 ^r	1,502	10.4
Energy	1,750	2,372 ^r	-622	-26.2
National Resources and Environment	18,708	17,067 ^r	1,641	9.6
Agriculture	14,864	11,958 ^r	2,906	24.3
Commerce and Housing Credit	75,639	67,160 ^r	8,479	12.6
Transportation	31,531	29,485 ^r	2,046	6.9
Community and Regional Development	7,432	8,498 ^r	-1,066	-12.5
Education, Training, Employment and Social Services	41,479	38,497 ^r	2,982	7.7
Health	71,183	57,716 ^r	13,467	23.3
Medicare	104,489	98,102 ^r	6,387	6.5
Income Security	171,618	147,314 ^r	24,304	16.5
Social Security	269,015	248,623	20,392	8.2
Veterans Benefits and Services	31,344	29,112	2,232	7.7
Administration of Justice	12,295	10,004 ^r	2,291	22.9
General Government	11,358	10,724 ^r	634	6.0
Interest	195,012	184,221 ^r	10,791	5.9
Undistributed Offsetting Receipts	-39,356	-36,615	-2,741	-7.5
Total Outlays	\$1,322,989	\$1,251,776	\$71,213	5.7%

r—revised

Trust Fund Receipt and Outlay Summary

Trust fund accounts are maintained to record the receipt and outlay of moneys held in trust by the Government for use in carrying out specific purposes or programs in accordance with the terms of a trust agreement or statute. This section summarizes how trust fund operations contribute to the overall level of receipts and outlays of the Federal Government. This section also demonstrates the variety of trust funds and their operations. Some trust funds such as the Federal Employees Retirement Fund, Federal Hospital Insurance Fund, Federal Old-Age and Survivors Insurance and Military Retirement Fund accumulated sizable excess receipts in FY 1991. Additionally, the Unemployment Trust Fund which usually displays excess receipts, concluded the FY 1991 with excess outlays. The chart presented below summarizes the operations of the major trust funds in FY 1991.



The table on the following page summarizes trusts fund operations in FY 1991 and FY 1990 and the dollar change between these two fiscal years. Presented below is a description of the receipt and outlay of the major trust funds for FY 1991.

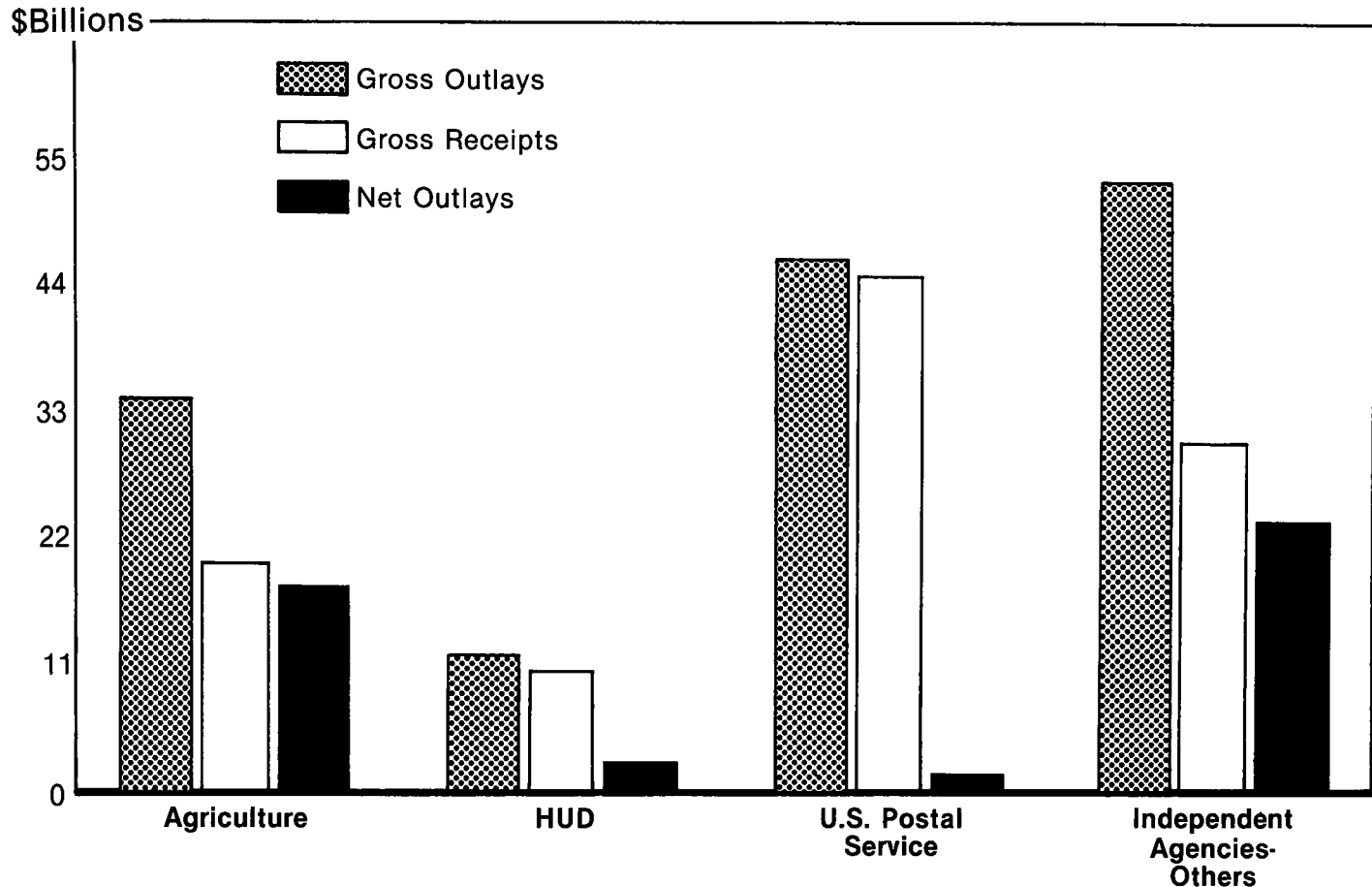
- Federal Employees Retirement—In FY 1991, the receipts of the Federal Employees Retirement Fund were \$57.2 billion. The fund's outlays were \$33.7 billion for an excess of receipts over outlays of \$23.5 billion.
- Federal Hospital Insurance—In FY 1991 Federal Hospital Insurance Fund receipts were \$85.0 billion while outlays totaled \$70.7 for an excess of receipts over outlays of \$14.3 billion.
- Federal Old-Age & Survivors Insurance—In FY 1991 receipts in this fund were \$295.7 billion and outlays were \$243.8 billion. The excess of receipts over outlays amounted to \$52.0 billion.
- Military Retirement—In FY 1991 the Military Retirement Fund accumulated \$36.0 billion in receipts and \$23.1 billion in outlays for an excess of receipts over outlays of \$12.9 billion.
- Unemployment—The FY 1991 receipts of the Unemployment Trust Fund were \$25.5 billion and outlays were \$28.4 billion for an excess of outlays over receipts of \$2.9 billion.

TRUST FUND RECEIPT AND OUTLAY SUMMARY
(IN MILLIONS)

TRUST FUND	RECEIPTS	FY 1991 OUTLAYS	EXCESS	RECEIPTS	FY 1990 OUTLAYS	EXCESS	RECEIPTS	CHANGE OUTLAYS	EXCESS
Airport	\$ 6,206	\$ 5,270	\$ 936	\$ 4,945	\$ 3,528	\$ 1,418	\$ 1,261	\$ 1,743	\$ -482
Black lung disability	872	935	-63	673	611	62	199	324	-124
FDIC	—	—	—	—	17,106 ^r	-17,106 ^r	—	-17,106	17,106
Federal disability insurance	30,135	28,592	1,543	28,322	25,230	3,091	1,813	33,162	-1,549
Federal employees life and health	—	-1,796	1,796	—	-2,107	2,107	—	311	-311
Federal employees retirement	57,151	33,689	23,462	53,025	31,490	21,535	4,126	2,199	1,927
Federal hospital insurance	85,038	70,742	14,296	79,563	66,687	12,876	5,475	4,055	1,420
Federal old-age and survivors insurance	295,747	243,774	51,972	279,599	224,475	55,125	16,147	19,300	-3,152
Federal supplementary medical insurance	48,166	47,021	1,145	45,607	43,022 ^r	2,585 ^r	2,559	3,999	-1,440
Highways	18,453	15,723	2,730	15,430	15,252	178	3,023	471	2,552
Military advances	12,534	11,473	1,061	10,293	9,308	985	2,241	2,165	76
Railroad retirement	8,109	7,233	876	7,512	6,993	519	597	240	357
Military retirement	35,970	23,091	12,879	34,028	21,544	12,484	1,942	1,547	395
Unemployment	25,535	28,434	-2,899	25,866	20,250	5,615	-330	8,184	-8,514
Veterans life insurance	1,496	1,216	280	1,456	1,190	266	40	26	14
All other trust	5,777	3,626	2,151	4,513 ^r	2,927 ^r	1,586 ^r	1,264	699	565
Total Trust Fund Receipts and Outlays	631,188	519,024	112,164	590,830^r	487,506^r	703,324	40,358	31,518	8,840
Total Federal Government Receipts and Outlays	\$633,497	\$1,014,389	\$-380,893	\$631,350^r	\$955,142^r	\$-323,793^r	\$ 2,147	\$59,247	\$-57,100
Details may not add to totals due to rounding.									
**Less than \$500,000.									
r—revised									

Revolving Fund Activity by Department

Public enterprise revolving funds are authorized by specific provisions of law to finance a continuing cycle of operations in which outlays generate receipts and the receipts are available for outlays with further action by Congress. The following chart summarizes FY 1991 receipt and outlay activity for the departments of the Government that have the most sizable revolving fund operations.



The table on the following page presents revolving fund activity by department for FY 1991. Summarized below are the receipt and outlay levels of those departments with the most sizable revolving fund operations.

- Department of Agriculture—In FY 1991, gross outlays of revolving funds operated by Agriculture totaled \$34.0 billion and gross receipts totaled \$17.9 billion. The net outlays were \$16.1 billion.
- Department of Housing and Urban Development—In FY 1991, the gross outlays of revolving funds of this Department totaled \$11.7 billion while gross receipts were \$9.4 billion. Net revolving fund outlays in FY 1991 were \$2.3 billion.
- U.S. Postal Service—In FY 1991, revolving funds of the U.S. Postal Service generated \$46.0 billion in gross outlays, \$44.7 billion in gross receipts and net outlays of \$1.3 billion.
- Independent Agencies-Others—The net outlays of revolving funds maintained by these agencies amounted to \$23.3 billion in FY 1991. This total consisted of \$52.5 billion in gross outlays and \$29.2 billion in gross receipts.

REVOLVING FUND ACTIVITY BY DEPARTMENT

(IN MILLIONS)

	FY 1991 GROSS OUTLAYS	FY 1991 GROSS RECEIPTS	FY 1991 NET OUTLAYS	FY 1990 NET OUTLAYS	DIFFERENCE
Legislative Branch	10	11	-1	**	-1
The Judiciary	0	0	0	0	0
Executive Office of the President	0	0	0	0	0
Funds Appropriated to the President	6,165	717	5,448	-194 ^r	5,642
Department of Agriculture	34,020	17,895	16,125	13,124	3,001
Department of Commerce	28	43	-15	-14	-2
Department of Defense—Military	31	9	21	2	19
Department of Defense—Civil	0	0	0	0	0
Department of Education	24	57	-33	-57	24
Department of Energy	1,259	1,643	-384	-395 ^r	11
Department of Health and Human Services, except Social Security	37	3	33	1	32
Department of Health and Human Services, Social Security	0	0	0	0	0
Department of Housing and Urban Development	11,703	9,419	2,284	1,138	1,146
Department of Interior	479	166	313	327	-14
Department of Justice	0	0	0	** ^r	**
Department of Labor	635	1,423	-787	-680	-107
Department of State	0	0	0	0	0
Department of Transportation	708	858	-151	-287	136
Department of the Treasury	-1,950	294	-2,244	-3,040 ^r	795
Department of Veterans Affairs	2,826	2,771	55	488	-433
Environmental Protection Agency	23	16	7	-16	23
General Services Administration	0	0	0	0	0
National Aeronautics and Space Administration	0	0	0	0	0
Office of Personnel Management	0	0	0	0	0
Small Business Administration	1,575	1,351	225	307	-83
Independent Agencies					
Export-Import Bank of the United States	2,047	2,134	-88	357	-445
Postal Service	46,018	44,701	1,317	1,626	-309
Tennessee Valley Authority	4,188	4,210	-22	-312 ^r	290
Others	52,523	29,209	23,314	-10,463 ^r	33,777
Total Revolving Fund Receipts and Outlays	162,346	116,929	45,417	1,914	43,503
Details may not add to totals due to rounding.					
**Less than \$500,000.					
r—revised					

Appropriations, Outlays and Balances by Department

The following table summarizes the FY 1991 appropriations, outlays and balances for each major department of the Federal Government.

APPROPRIATIONS, OUTLAYS AND BALANCES BY DEPARTMENT (IN MILLIONS)

	Unobligated Balances Beginning of Fiscal Year	Appropriation and Other Obligational Authority	Transfers Borrowings and Investments	Outlays	Balances Withdrawn and Other Transactions	Unobligated Balances End of Fiscal Year
Legislative Branch	\$ 716	\$ 2,485	\$ 12	\$ 2,295	\$ 106	\$ 695
The Judiciary	201	2,110	—	1,989	121	230
Executive Office of the President	88	201	—	193	7	104
Funds Appropriated to the President	22,665	20,997	-5,154	11,724	4,119	24,034
Department of Agriculture	11,420	76,819	-37,758	54,119	-15,058	4,940
Department of Commerce	354	2,638	—	2,585	53	331
Department of Defense	122,703	329,758	-48	288,463	41,247	173,349
Department of Education	3,136	27,547	-85	25,339	2,124	3,755
Department of Energy	4,375	16,849	-133	12,459	4,257	6,337
Department of Health and Human Services, except Social Security	106,547	239,739	-15	217,969	21,754	126,875
Department of Health and Human Services, Social Security	193,403	319,911	—	266,395	53,515	244,781
Department of Housing and Urban Development	41,859	27,940	-1,338	22,751	3,850	49,225
Department of the Interior	2,736	6,866	-2	6,094	770	3,154
Department of Justice	2,717	9,199	—	8,244	954	2,798
Department of Labor	53,845	32,525	—	34,049	-1,523	52,461
Department of State	5,691	4,894	—	4,252	642	6,096
Department of Transportation	66,403	33,538	-9	30,503	3,026	45,598
Department of the Treasury	11,444	278,578	**	276,894	1,684	13,387
Department of Veterans Affairs	14,200	33,398	—	31,214	2,184	16,170
Environmental Protection Agency	4,256	7,015	—	5,770	1,245	5,305
General Services Administration	1,992	3,735	-9	487	3,239	4,238
National Aeronautics and Space Administration	1,197	15,079	-1,063	13,878	138	1,174
Office of Personnel Management	246,935	59,796	—	34,808	24,988	278,739
Small Business Administration	1,044	464	-193	613	-342	967
Independent Agencies	48,664	70,888	-5,794	80,456	-15,594	30,287
Total Appropriations, Outlays and Balances	\$968,593	\$1,622,968	-\$51,590	\$1,433,543	\$137,506	\$1,095,029

Details may not add due to rounding.
**Less than \$500,000.

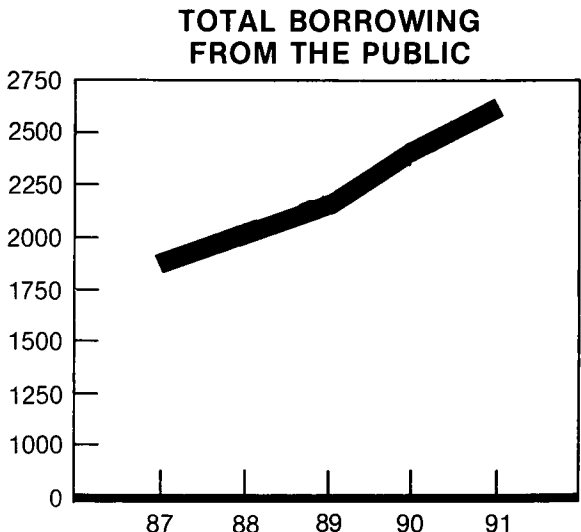
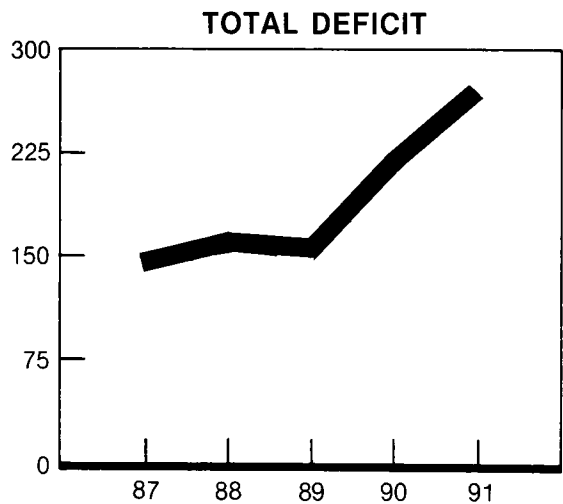
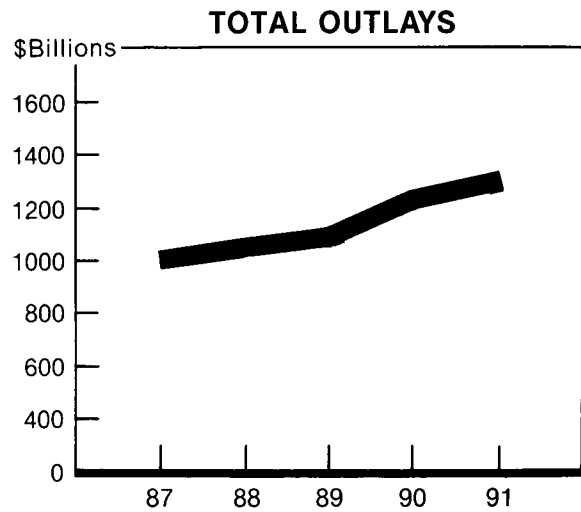
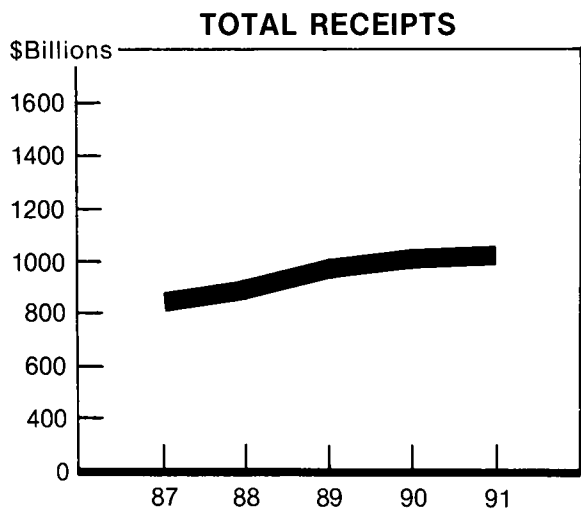
Five-Year Summary of Financial Highlights

(In Millions)

This financial statement is confined to showing only those financial highlights of the United States Government which are directly related to the cash operations of the Department of the Treasury and the rest of the Federal Government.

	FY 1991	FY 1990	FY 1989	FY 1988	FY 1987
Total Receipts	\$1,054,260	\$1,031,308 ^r	\$990,701 ^r	\$ 908,166 ^r	\$ 854,143
Total Outlays	1,322,989	1,251,776 ^r	1,144,020 ^r	1,063,318 ^r	1,003,804 ^r
Total Deficit	268,729	220,469 ^r	153,319 ^r	155,151 ^r	149,661 ^r
Total Assets	74,242	70,345 ^r	68,827 ^r	73,038	66,525 ^r
Total Borrowing from the Public	2,687,168	2,410,366 ^r	2,190,264 ^r	2,049,998 ^r	1,897,761 ^r
Excess of Liabilities Over Assets	\$2,673,445	\$2,409,685 ^r	\$2,188,926 ^r	\$2,036,266 ^r	\$1,882,263 ^r

r—revised



Financial Statements

- *Balance Sheet*
 - *Statement of Operations*
 - *Statement of Sources and
Applications of Funds*
-

Balance Sheet

This financial statement is confined to showing only those assets and liabilities of the United States Government which are directly related to the cash operations of the Department of the Treasury and the rest of the Federal Government.

	September 30, 1991	September 30, 1990
	(in millions)	
ASSETS		
Cash and Monetary Assets:		
U.S. Treasury Operating Cash:		
Federal Reserve Account	7,928	\$ 7,638
Tax and Loan Note Accounts	33,556	32,517
Special Drawing Rights	10,722	10,666
Less: Special Drawing Rights Certificates		
Issued to Federal Reserve Banks	10,018	8,518
Monetary Assets with International Monetary	9,098	8,883
Other Cash and Monetary Assets:		
U.S. Treasury Monetary Assets	2,259	1,572
Cash and Other Assets held Outside the Treasury		
Account	2,931	8,079
Time Deposits Supported by 2% Depository Bonds	(**)	2
Total Cash and Monetary Assets	56,475	60,839
Miscellaneous Asset Accounts	17,767	9,506 ^r
TOTAL ASSETS	74,242	70,345^r
EXCESS OF LIABILITIES OVER ASSETS		
Excess of Liabilities Over Assets at Beginning of Fiscal Year	2,409,685	2,189,781 ^r
Add: Total Deficit for Fiscal Year	268,729	220,469 ^r
Subtotal	2,678,414	2,410,250 ^r
Deduct: Other Transactions not Applied to Surplus or Deficit	4,969	564
Excess of Liabilities Over Assets at Close of Fiscal Year	2,673,445	2,409,685 ^r
TOTAL ASSETS AND EXCESS OF LIABILITIES		
OVER ASSETS	2,747,687	2,480,030^r
LIABILITIES		
Borrowing from the Public		
Public Debt Securities Outstanding	3,665,305	3,233,315
Premium and Discount on Public Debt Securities	84,137	59,811
Total Public Debt Securities	3,581,168	3,173,504
Agency Securities Outstanding	17,751	32,768 ^r
Total Federal Securities	3,598,919	3,206,273 ^r
Deduct Net Federal Securities held as investments by Govt. Accts.	911,751	795,907
Total Borrowing from the Public	2,687,168	2,410,366 ^r
Accrued Interest Payable	42,026	44,537 ^r
Special Drawing Rights Allocated by International Monetary Fund	6,703	6,823
Deposit Fund Liabilities	8,154	8,422 ^r
Miscellaneous Liability Accounts (Checks Outstanding, Etc.)	3,637	9,882
TOTAL LIABILITIES	2,747,687	2,480,030^r
Details may not add to totals due to rounding.		
r—revised		

Statement of Operations

(in Millions)

	Fiscal Year 1991	Fiscal Year 1990
RECEIPTS		
Individual Income Taxes	467,827	\$ 466,884
Corporation Income Taxes	98,086	93,507
Social Insurance Taxes and Contributions:		
Employment taxes and contributions (off-budget)	293,885	281,656
Employment taxes and contributions (on-budget)	76,641	72,235
Unemployment Insurance	20,922	21,635
Other retirement contributions	4,563	4,522
Excise Taxes	42,430	35,345
Estate and Gift Taxes	11,138	11,500
Customs Duties	15,921	16,707
Miscellaneous Receipts	22,847	27,316 ^r
Total Receipts	1,054,260	1,031,308^r
OUTLAYS		
Legislative Branch	2,295	2,244 ^r
The Judiciary	1,989	1,641
Executive Office of the President	193	157
Funds Appropriated to the President	11,724	10,086 ^r
Agriculture	54,119	46,012
Commerce	2,585	3,734
Defense—Military	261,925	289,755
Defense—Civil	26,538	24,975
Education	25,339	23,109
Energy	12,459	12,028
Health and Human Services, except Social Security	217,969	193,679
Health and Human Services, Social Security	266,395	244,998
Housing and Urban Development	22,751	20,167
Interior	6,094	5,795 ^r
Justice	8,244	6,507 ^r
Labor	34,049	25,316
State	4,252	3,979
Transportation	30,503	28,637
Treasury	276,894	255,264 ^r
Veteran Affairs	31,214	28,998
Environmental Protection Agency	5,770	5,108 ^r
General Services Administration	487	-123 ^r
National Aeronautics and Space Administration	13,878	12,429
Office of Personnel Management	34,808	31,949
Small Business Administration	613	692
Independent Agencies	80,456	73,666 ^r
Undistributed offsetting receipts	-110,555	-99,025
Total Outlays	1,322,989	1,251,776^r
Total Deficit	-268,729	-220,469^r
OTHER TRANSACTIONS NOT APPLIED TO CURRENT YEAR'S SURPLUS OR DEFICIT		
Seigniorage (Gain or coin Production)	-438	-547
Profit on Sale of Gold	-20	-5
Net Receipts from Cancelled Checks	-4,511	—
Net gain (-)/loss for IMF loan valuation adjustment	—	-12
Total Other Transactions not Applied to Current Year's Surplus or Deficit	-4,969	\$ -564
Details may not add to totals due to rounding.		
r—revised		

Statement of Sources and Applications of Funds

(in Millions)

	Fiscal Year 1991	Fiscal Year 1991
SOURCES		
Increases in Liabilities:		
Borrowing from the Public	\$276,802	\$220,101 ^r
Accrued Interest Payable to the Public	-2,511	3,052
Deposit Fund Liabilities	-268	-943
Miscellaneous Liabilities (Checks Outstanding, Etc.)	-6,245	-1,341
Special Drawing Rights Allocated by International Monetary Fund	-120	552
Decreases in Assets:		
Other Cash and Monetary Assets:		
Other U.S. Treasury Monetary Assets	—	—
Cash and Other Assets Held Outside the Treasury Account	4,464	—
Special Drawing Rights (SDRs), Total Holdings	-56	—
SDR Certificates Issued to Federal Reserve Banks	1,500	—
Net Change, SDRs	1,444	—
Other Transactions not Applied to Surplus or Deficit	4,969	564
Total Sources	278,535	221,985^r
APPLICATIONS		
Deficits	268,729	220,469^r
Increases in Assets		
U.S. Treasury Operating Cash:		
Federal Reserve Account	290	-5,814
Tax and Loan Note Accounts	1,040	4,996
Other Cash and Monetary Assets:		
Other U.S. Treasury Monetary Assets	—	—
Cash and Other Assets held Outside the Treasury Account	—	131
Special Drawing Rights (SDRs), Total Holdings	—	1,179
SDR Certificates Issued to Federal Reserve Banks	—	—
Net Change, SDRs	—	1,179
Funds Available with International Monetary Fund	215	172
Loans to International Monetary Fund	—	-74
Miscellaneous Assets	8,261	928 ^r
Total Applications	278,535	221,985^r
Details may not add to totals due to rounding.		
r—revised		

*Notes to the
Financial Statements*

Notes to the Financial Statements

1. *Description of Accounts Related to Cash Operations*

The classes of accounts maintained in connection with the cash operations of the Government include:

- The accounts of fiscal officers or agents who receive money for deposit in the U.S. Treasury or for other authorized disposition or who make expenditures by drawing checks on the Treasury;
- The accounts of administrative agencies which classify receipt and outlay transactions according to the individual receipt, appropriation or fund account; and
- The accounts of the Treasury of the United States which office is responsible for the receipt and custody of money deposited by fiscal officers or agents.

A set of central accounts is maintained by the Financial Management Service for the purpose of consolidating financial data reported periodically from these three sources in order to permit the results of cash operations in central financial reports, for the Government as a whole and as a means of internal control.

The central accounts relating to cash operations disclose monthly and fiscal year information on:

- The Government's receipts by principal sources, and its outlays according to the different appropriations and other funds involved; and
- The cash transactions, classified by type, together with certain directly related assets and liabilities which underlie such receipts and outlays.

Accounting for receipts is on the basis of collections; refund of receipts are treated as deductions from gross receipts. Accounting for outlays is on the basis of checks issued and cash payments made (cash basis); revolving and management fund receipts, reimbursements of monies previously expended are treated as deductions from gross outlays. The interest on the public debt, public issues, is recognized on the accrual basis however, the interest on special issues is on the cash basis. The structure of the accounts provides for a reconciliation, on a firm accounting basis, between the published reports of receipts and outlays for the Government as a whole and changes in the Treasury cash balance by means of such factors as checks outstanding, deposits in transit, and cash held outside the Treasury. Within the central accounts, receipts and outlay accounts are classified as:

- General fund receipt accounts;
- Special fund receipt accounts;
- General fund expenditure accounts;
- Special fund expenditure accounts;
- Revolving fund accounts;
- Consolidated working fund accounts;
- Management fund accounts;
- Trust fund accounts; and
- Transfer appropriation accounts.

These accounts are described in detail in the Annual Report Appendix.

2. U.S. Treasury Operating Cash

Major sources of information used by the Financial Management Service (FMS) to determine Treasury's operating cash include the Daily Balance Wires from the Federal Reserve Banks, reporting from the Bureau of the Public Debt, electronic funds transfers and reconciling wires from Internal Revenue Service Centers. Operating cash is presented on a modified cash basis: deposits are reflected as received; and withdrawals are reflected as processed.

3. Special Drawing Rights (SDRs)

The Special Drawing Rights Act of 1968 and the Bretton Woods Agreements Act of 1945 authorize the United States to participate in the Special Drawing Rights Department of the International Monetary Fund and accept the resulting financial obligations in the Fund. The Special Drawing Rights Act provides the permanent authority for the United States to meet its financing requirements in connection with the acquisition and use of SDRs (which is the unit of account for Fund transactions), by the issuance of SDR certificates to Federal Reserve Banks.

4. Miscellaneous Asset Accounts

Included in miscellaneous assets are gold assets and their related certificates in the following amounts:

	FY 1991	FY 1990
Gold assets	\$11,062 million	\$11,063 million
Liabilities (certificates)	\$11,062 million	\$11,063 million

5. Other Transactions not Applied to Surplus or Deficit

Seigniorage is the difference between the value of coins as money and their cost of production. Seigniorage on coins arises from the exercise of the Government's monetary powers and differs from receipts coming from the public, since there is no corresponding payment by another party. Therefore, seigniorage is excluded from receipts and treated as a means of financing a deficit or as a supplementary amount to be applied to reduce debt or to increase the cash in the Treasury in a year with a surplus.

Profit resulting from the sale of gold as a monetary asset is treated like seigniorage, since the value of gold is determined by its value as a monetary asset rather than as a commodity.

6. Federal Securities Outstanding

These consist of public debt and agency debt and include all public and agency debt issues outstanding.

- **Public Debt**—That portion of the Federal debt incurred when the Treasury or the Federal Financing Bank (FFB) borrows funds directly from the public or another fund or account. To avoid double counting, FFB borrowing from the Treasury is not included in the public debt. (The Treasury borrowing required to obtain the money to lend to the FFB is already part of the public debt.)
- **Agency Debt**—That portion of the Federal debt incurred when a Federal agency, other than the Treasury or the Federal Financing Bank, is authorized by law to borrow funds directly from the public or another fund or account. To avoid double counting, agency borrowing from Treasury or the FFB and Federal fund advances to trust funds are not included in the Federal debt. (The Treasury or FFB borrowing required to obtain the money to lend to the agency is already part of the public debt.)

7. *Deposit Fund Liabilities*

These include certain accounts established to record amounts either (a) held in suspense temporarily and later refunded or paid upon administrative or legal determination as to proper disposition thereof, or (b) held by the Government as agent for others (for example, State and local income taxes withheld from Federal employees' salaries and payroll deductions for the purchase of savings bonds by civilian employees of the Government).

8. *Undistributed Offsetting Receipts*

These receipts are composed of the following types of payments:

- Payments to trust funds by Government agencies for their employees' retirement;
- Interest paid to trust funds on their investments in Government securities; and
- Proprietary receipts from rent royalties on the Outer Continental Shelf lands.

Undistributed offsetting receipts are not deducted from outlays at the function, subfunction and agency levels. However, they are deducted from the budget totals.

9. Where applicable, prior year amounts have been revised to reflect realignment to the current Budget of the U.S. Government.

Principal Administrative and Staff Officers of the Treasury

Secretary of the Treasury	Nicholas F. Brady
Deputy Secretary of the Treasury	John E. Robson
Under Secretary for International Affairs	David C. Mulford
Under Secretary for Finance	Robert R. Glauber
Assistant Secretary for Domestic Finance	Jerome H. Powell
Assistant Secretary for Economic Policy	Sidney L. Jones
Assistant Secretary for Enforcement	Peter K. Nunez
Fiscal Assistant Secretary	Gerald Murphy
General Counsel	Jeanne S. Archibald
Inspector General	Donald E. Kirkendall
Assistant Secretary for International Affairs	Olin L. Wethington
Assistant Secretary for Legislative Affairs	Mary C. Sophos
Assistant Secretary for Management	David M. Nummy, Acting
Assistant Secretary for Public Affairs and Public Liaison	Desiree Tucker-Sorini
Assistant Secretary for Tax Policy	Kenneth W. Gideon
Treasurer of the United States	Catalina Vasquez Villalpando
Comptroller of the Currency	Robert L. Clarke
Commissioner of Financial Management Service	Russell D. Morris
Commissioner of Internal Revenue	Fred T. Goldberg
Commissioner of the Bureau of the Public Debt	Richard L. Gregg

ANNUAL REPORT APPENDIX ORDER FORM

Detail pertaining to the information presented in this publication is contained in the U.S. Government Annual Report Appendix. The Appendix contains Summary General Ledger Account Balances, Details of Receipts and Details of Appropriations, Outlays, and Balances.

For a copy of the Appendix, mail this order form to:

Financial Management Service
Financial Reporting Division
Budget Reports Branch
Liberty Center
Attn: UCP, Room 749
401 14th Street, S.W.
Washington, D.C. 20227

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