

FINANCIAL REPORT





DEPARTMENT OF TRANSPORTATION CONSOLIDATED BALANCE SHEET

As of September 30,
Dollars in Thousands

	2006	2005
ASSETS (Note 2)		
Intragovernmental		
Fund Balance with Treasury (Note 3)	\$ 27,692,908	\$ 29,140,842
Investments (Note 4)	19,824,151	19,000,999
Accounts Receivable, Net (Note 5)	212,616	358,857
Other Assets (Note 6)	37,946	96,346
Total Intragovernmental Assets	<u>47,767,621</u>	<u>48,597,044</u>
Cash and Other Monetary Assets	27,639	40,573
Accounts Receivable, Net (Note 5)	103,371	144,567
Loans Receivable and Related Foreclosed Property, Net (Note 7)	618,179	760,448
Inventory and Related Property, Net (Note 8)	897,494	939,639
General Property, Plant & Equipment, Net (Note 9)	15,455,811	15,325,392
Other Assets (Note 6)	195,506	160,883
Total Assets	<u>\$ 65,065,621</u>	<u>\$ 65,968,546</u>
Stewardship Property, Plant & Equipment (Note 10)		
LIABILITIES (Note 11)		
Intragovernmental		
Accounts Payable	\$ 21,271	\$ 182,710
Debt (Note 12)	839,357	952,536
Other Intragovernmental Liabilities (Note 13)	3,212,891	3,378,564
Total Intragovernmental Liabilities	<u>4,073,519</u>	<u>4,513,810</u>
Accounts Payable	403,722	226,045
Loan Guarantees (Note 7)	345,864	393,451
Federal Employee and Veterans' Benefits Payable	950,466	1,007,303
Environmental and Disposal Liabilities (Note 15)	953,634	1,003,585
Grant Accrual (Note 14)	5,546,895	4,086,728
Other Liabilities (Notes 13 & 17)	1,409,182	1,641,416
Total Liabilities	<u>\$ 13,683,282</u>	<u>\$ 12,872,338</u>
Contingencies and Commitments (Note 17)		
NET POSITION		
Unexpended Appropriations - Earmarked Funds	\$ 682,501	
Unexpended Appropriations - Other Funds	7,799,530	5,448,954
Cumulative Results of Operations - Earmarked Funds	30,053,924	
Cumulative Results of Operations - Other Funds	12,846,384	47,647,254
Total Net Position	<u>\$ 51,382,339</u>	<u>\$ 53,096,208</u>
Total Liabilities and Net Position	<u>\$ 65,065,621</u>	<u>\$ 65,968,546</u>

The accompanying notes are an integral part of these financial statements.



DEPARTMENT OF TRANSPORTATION
CONSOLIDATED STATEMENT OF NET COST

For the Years Ended September 30,
Dollars in Thousands

2006

2005

PROGRAM COSTS (Notes 19 & 20)

SURFACE TRANSPORTATION

Gross Costs	\$	46,922,501	\$	42,519,917
Less: Earned Revenue		395,325		210,507
Net Costs		46,527,176		42,309,410

AIR TRANSPORTATION

Gross Costs	\$	15,112,554	\$	14,618,959
Less: Earned Revenue		659,343		589,863
Net Costs		14,453,211		14,029,096

MARITIME TRANSPORTATION

Gross Costs	\$	739,789	\$	735,215
Less: Earned Revenue		282,264		456,301
Net Costs		457,525		278,914

CROSS-CUTTING PROGRAMS

Gross Costs	\$	442,044	\$	536,912
Less: Earned Revenue		434,689		528,184
Net Costs		7,355		8,728

Costs Not Assigned To Programs		390,463		261,911
Less: Earned Revenues Not Attributed to Programs		30,985		25,165
NET COST OF OPERATIONS	\$	61,804,745	\$	56,862,894

The accompanying notes are an integral part of these financial statements.



DEPARTMENT OF TRANSPORTATION
CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the Years Ended September 30,

2006

2005

Dollars in Thousands

	Consolidated Earmarked Funds	Consolidated All Other Funds	Consolidated Total	Consolidated Total
Cumulative Results of Operations				
Beginning Balances	\$ 31,316,081	\$ 16,329,106	\$ 47,645,187	\$ 49,592,505
Budgetary Financing Sources				
Other Adjustments (Rescissions, etc.)	(48,206)	—	(48,206)	(165,954)
Appropriations Used	3,582,258	3,493,303	7,075,561	5,965,970
Non-Exchange Revenue (Note 21)	49,482,068	11,967	49,494,035	48,602,831
Donations & Forfeitures of Cash & Cash Equivalents	2,151	—	2,151	2,504
Transfers-In / Out Without Reimbursement	54,185	67,477	121,662	17,812
Other Budgetary Financing Sources	—	(263)	(263)	(9,351)
Other Financing Sources (Non-Exchange)				
Transfers-In / Out Without Reimbursement	(1,032,131)	892,660	(139,471)	(58,866)
Imputed Financing	460,143	102,134	562,277	554,579
Other	—	(7,880)	(7,880)	8,118
Total Financing Sources	52,500,468	4,559,398	57,059,866	54,917,643
Net Cost of Operations	53,762,625	8,042,120	61,804,745	56,862,894
Net Change	(1,262,157)	(3,482,722)	(4,744,879)	(1,945,251)
Cumulative Results of Operations	\$ 30,053,924	\$ 12,846,384	\$ 42,900,308	\$ 47,647,254
Unexpended Appropriations				
Beginning Balances	1,520,236	3,923,924	5,444,160	5,284,364
Budgetary Financing Sources				
Appropriations Received	2,778,855	7,422,451	10,201,306	6,591,723
Appropriations Transferred-In/Out	25,365	4,117	29,482	13,497
Other Adjustments (Rescission, etc.)	(59,684)	(59,738)	(119,422)	(449,796)
Appropriations Used	(3,582,271)	(3,491,224)	(7,073,495)	(5,990,834)
Total Budgetary Financing Sources	(837,735)	3,875,606	3,037,871	164,590
Total Unexpended Appropriations	\$ 682,501	\$ 7,799,530	\$ 8,482,031	\$ 5,448,954
NET POSITION	\$ 30,736,425	\$ 20,645,914	\$ 51,382,339	\$ 53,096,208

The accompanying notes are an integral part of these financial statements.



DEPARTMENT OF TRANSPORTATION
COMBINED STATEMENT OF BUDGETARY RESOURCES

For the Years Ended September 30,

2006

2005

Dollars in Thousands

	2006		2005	
	Budgetary	Non-Budgetary Financing Accounts	Budgetary	Non-Budgetary Financing Accounts
BUDGETARY RESOURCES (Note 22)				
Unobligated Balance, Brought Forward, October 1	\$ 43,793,009	\$ 434,789	\$ 38,244,246	\$ 1,595,313
Recoveries of Prior Year Unpaid Obligations	709,780	728,153	634,513	240,569
Budget Authority				
Appropriations Received	60,768,943	—	61,516,780	—
Borrowing Authority	269,300	225,051	282,260	\$ 456,800
Contract Authority	51,421,012	—	50,427,292	—
Spending Authority From Offsetting Collections				
Earned				
Collected	2,344,798	395,477	2,011,267	148,995
Change in Receivables from Federal Sources	(152,036)	3,803	199,911	(5,713)
Change in Unfilled Customer Orders				
Advance Received	32,546	—	55,825	—
Without Advance from Federal Sources	397,898	(40,360)	684	32,780
Expenditure Transfers from Trust Funds	142,346	—	7,711,917	—
Subtotal	115,224,807	583,971	122,205,936	632,862
Nonexpenditure Transfers, Net	23,093	—	29,169	—
Temporarily Not Available Pursuant to Public Law	(80,837)	—	(61,067)	—
Permanently Not Available	(47,871,478)	(1,007,732)	(47,818,493)	(1,679,091)
Total Budgetary Resources	\$ 111,798,374	\$ 739,181	\$ 113,234,304	\$ 789,653
STATUS OF BUDGETARY RESOURCES				
Obligations Incurred				
Direct	\$ 62,959,622	\$ 380,354	\$ 67,052,096	\$ 330,863
Reimbursable	2,272,080	—	2,382,937	—
Subtotal	65,231,702	380,354	69,435,033	330,863
Unobligated Balance				
Apportioned	23,324,733	—	17,784,534	59,442
Exempt from Apportionment	269,421	—	190,273	—
Subtotal	23,594,154	—	17,974,807	59,442
Unobligated Balance Not Available	23,972,518	358,827	25,824,464	399,348
Total Status of Budgetary Resources	\$ 111,798,374	\$ 739,181	\$ 113,234,304	\$ 789,653

The accompanying notes are an integral part of these financial statements.



DEPARTMENT OF TRANSPORTATION
COMBINED STATEMENT OF BUDGETARY RESOURCES (CONT.)

For the Years Ended September 30,
 Dollars in Thousands

	2006		2005	
	Budgetary	Non-Budgetary Financing Accounts	Budgetary	Non-Budgetary Financing Accounts
CHANGE IN OBLIGATED BALANCES				
Obligated Balance, Net				
Unpaid Obligations, Brought Forward, October 1	\$ 70,820,273	\$ 2,361,768	\$ 67,849,718	\$ 2,398,507
Uncollected Customer Payments from Federal Sources, Brought Forward, October 1	(1,338,353)	(196,147)	—	—
Total Unpaid Obligated Balance, Net	69,481,920	2,165,621	67,849,718	2,398,507
Obligations Incurred	65,231,702	380,354	69,435,033	330,863
Gross Outlays	(63,011,808)	(307,018)	(71,847,262)	(320,115)
Recoveries of Prior Year Unpaid Obligations, Actual	(709,780)	(728,153)	(634,513)	(240,569)
Change in Uncollected Customer Payments from Federal Sources	(251,840)	36,557	200,595	27,067
Obligated Balance, Net, End of Period				
Unpaid Obligations	72,330,387	1,706,951	70,820,313	2,339,218
Uncollected Customer Payments from Federal Sources	(1,590,193)	(159,590)	(1,365,277)	(196,147)
Total Unpaid Obligated Balance, Net, End of Period	70,740,194	1,547,361	69,455,036	2,143,071
NET OUTLAYS				
Gross Outlays	63,011,808	307,018	71,847,262	320,115
Offsetting Collections	(2,513,482)	(395,475)	(14,658,640)	(148,996)
Less: Distributed Offsetting Receipts	(236,451)	—	(61,990)	(36,395)
Net Outlays	\$ 60,261,875	\$ (88,457)	\$ 57,126,632	\$ 134,724

The accompanying notes are an integral part of these financial statements.



DEPARTMENT OF TRANSPORTATION CONSOLIDATED STATEMENT OF FINANCING

For the Years Ended September 30,
Dollars in Thousands

2006 2005

Resources Used To Finance Activities

Budgetary Resources Obligated

Obligations Incurred	\$ 65,612,056	\$ 69,765,896
Less: Spending Authority From Offsetting Collections and Recoveries	4,562,405	11,030,748
Obligations Net Of Offsetting Collections and Recoveries	61,049,651	58,735,148
Less: Offsetting Receipts	236,451	98,385
Net Obligations	60,813,200	58,636,763

Other Resources

Transfers In / Out Without Reimbursement	(139,471)	(58,866)
Imputed Financing From Costs Absorbed by Others	562,277	554,579
Other Miscellaneous Resources	(7,880)	8,118
Net Other Resources Used To Finance Activities	414,926	503,831

Total Resources Used To Finance Activities

\$ 61,228,126 \$ 59,140,594

Resources Used To Finance Items Not Part Of The Net Cost Of Operations

Change In Budgetary Resources Obligated For Goods, Services, and Benefits Ordered But Not Yet Provided	(1,448,198)	2,137,768
Resources That Fund Expenses Recognized In Prior Periods	528,360	290,178
Budgetary Offsetting Collections And Receipts That Do Not Affect Net Cost of Operations		
Credit Program Collections Which Increase Liabilities For Loan Guarantees or Allowances for Subsidy	205,918	(19,281)
Other	73,075	12,510
Resources That Finance the Acquisition of Assets or Liquidation of Liabilities	1,261,904	1,570,399
Other Resources or Adjustments To Net Obligated Resources That Do Not Affect Net Cost of Operations	200,692	(46,320)

Total Resources Used To Finance Items Not Part Of The Net Cost of Operations

821,751 3,945,254

Total Resources Used To Finance the Net Cost of Operations

\$ 60,406,375 \$ 55,195,340

Components of the Net Cost of Operations That Will Not Require or Generate Resources in the Current Period

Components Requiring / Generating Resources In Future Periods

Increase in Annual Leave Liability	30,105	31,157
Upward / Downward Reestimates of Credit Subsidy Expense	98,058	3,832
Increase in Exchange Revenue Receivable From The Public	1,291	(23,891)
Other		
Increase in MARAD Liabilities	(22,694)	27,438
Increase in FAA Liabilities	2,314	196,698
Other Miscellaneous Increases	101,142	48,385

Total Components of Net Cost of Operations That Will Require or Generate Resources in Future Periods

\$ 210,216 \$ 283,619

Components Not Requiring or Generating Resources

Depreciation and Amortization	1,165,371	1,278,650
Revaluation of Assets or Liabilities	3,997	2,233
Other		
Other WCF Components	(31)	—
Other FAA Components	57,164	68,418
Other Miscellaneous Components	(38,347)	34,634

Total Components of Net Cost of Operations That Will Not Require or Generate Resources

1,188,154 1,383,935

Total Components of Net Cost of Operations That Will Not Require or Generate Resources In The Current Period

1,398,370 1,667,554

NET COST OF OPERATIONS

\$ 61,804,745 \$ 56,862,894

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