

**Black Lung Disability
Trust Fund
16X8144
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Black Lung Disability Trust Fund Footnotes

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

The accompanying Balance Sheet of the Black Lung Disability Trust Fund (BLDTF) and related Income Statement pertain to the aspects of the BLDTF that is serviced by the Funds Management Branch (FMB) of the Bureau of the Fiscal Service (Fiscal Service) of the U.S. Department of the Treasury (Treasury). The Black Lung Disability Trust Fund was created by legislation enacted by the U.S. Congress.

FMB acts as a service organization which processes receipts, disbursements, and transfers related to the Black Lung Disability Trust Fund based upon information received and recorded by FMB from Treasury's Office of Tax Analysis (OTA) and the Internal Revenue Service (IRS), and the program agency responsible for the trust fund activity, Treasury's Bureau of the Fiscal Service (Fiscal Service), and other Treasury bureaus. As part of its functions, Fiscal Service also manages the investments, maintains related accounting records and supporting documentation, and reports financial activity. The financial activity reported in the accompanying Balance Sheet and Income Statement is limited to the activities performed by FMB.

The program agency is responsible for administering, regulating, and monitoring the program activities funded by the trust fund. The program agency makes all decisions regarding dispositions from the trust funds. As such, the Balance Sheet and Income Statement do not include information regarding the ultimate disposition of amounts transferred from the trust fund to the program agency.

The program agency is responsible for reporting on the financial position of the trust fund. As such, the financial position of the trust fund in the program agency's records may differ from what has been illustrated in the accompanying Balance Sheet and Income Statement.

(b) Basis of Presentation

The Balance Sheet and Income Statement have been prepared to report the assets and liabilities of the trust funds under the function performed by FMB, and the related activity, in accordance with the measurement and criteria discussed below.

(c) Basis of Accounting

The Investments on the Balance Sheet, and Interest Revenue on Investments reported on the Income Statement, are reported using the accrual basis of accounting. All other accounts and activity reported on the Balance Sheet, and Income Statement, are reported on the cash basis.

(d) Fund Balance with Treasury

The Trust Fund does not maintain cash in commercial bank accounts. Treasury processes cash receipts and disbursements. Fund Balance with Treasury represents net revenue, disposition of revenue, and investment activity. Fund balance with Treasury is reported based on the balance reported by the Fiscal Service's Government-wide Accounting and Reporting Modernization Project (GWA) Account Statement and reconciling transactions identified and recorded by FMB.

(e) Interest Receivables

Interest receivables are calculated and reported by FMB based on the investment terms received and recorded by FMB from Fiscal Service's Federal Investments Branch (FIB) in the investment confirmations and monthly statements of account.

(f) Investments

Pursuant to authorizing legislation, the Secretary of the Treasury shall invest, at the direction of the program agencies, such portion of the trust fund balances as is not, in the judgment of the program agencies, necessary to meet current withdrawals. Such investments shall be in non-marketable par value or non-marketable market-based securities as authorized by legislation. Par value securities are special issue bonds or certificates of indebtedness that bear interest determined by legislation or the Treasury. Market-based securities are Treasury securities that are not traded on any securities exchange, but mirror the prices of marketable securities with similar terms. Both par value and market-based securities are issued and redeemed by FIB.

FMB follows Treasury fiscal investment policy guidelines. FMB determines the term of the securities purchased based on direction provided by the program agency. The securities are acquired and held in the name of the Secretary of the Treasury for the trust fund. The interest on and proceeds from the sale or redemption of any security held for the trust fund is credited to the trust fund. Investments are selected for liquidation based on the following order: earliest maturity date, lowest prevailing interest rate, and first security in first security out.

Investments are calculated and reported at net cost based on the cost and premium/discount amounts reported to FMB in the investment confirmations and monthly statements of account received from FIB. The market value of investments is calculated and reported by FMB using the recorded investment cost and the market rates published in the October 31, 2013 *Treasury Quote* file (the last work day of the fiscal year) and unrealized gains and losses are calculated and reported by FMB as the difference between the market value and the investments, net. The investments are exposed to various risks such as interest rate and market risks. Such risks, and the resulting investment market values, may be influenced by changes in economic conditions and market perceptions and expectations. Accordingly, it is at least reasonably possible that material changes to the market values of the investments will occur in the near term.

Link to Fiscal Service's Federal Investment Branch Investment Statement of Account: [FIB Investment Account Statement](#)

[FIB Investment Account Statement](#)

Investments are calculated and reported at net cost based on the cost and premium/discount amounts reported to FMB in the investment confirmations and monthly statements of account received from FIB.

(g) Equity

Equity is calculated and reported by FMB based on the assets of the trust fund. Equity is calculated as the difference between Total Assets and Total Liabilities.

(h) Interest Revenue

Interest revenue is reported based on the amounts received and recorded by FMB from FIB in the monthly statements of account and accrued interest and amortization calculated by FMB. Amortization of any premiums and discounts on investments is calculated and reported by FMB based on the investment terms reported to FMB by FIB using the straight-line method for investments with a term equal to or less than one year and using the level yield method which approximates the interest method for investments with a term of greater than one year.

(i) Revenues

Pursuant to authorizing legislation, revenue activity recorded in the trust funds consists primarily of interest, penalties, fines, administrative fees, transfers in from program agencies, tax revenues, tax adjustments, tax refunds, premiums, cost recoveries, and other income, which are transferred from the General Fund of the Treasury or from program agencies to the Trust Funds.

Penalties, fines, administrative fees, transfers in from program agencies, premiums, cost recoveries, and other income are reported based on the amounts received and recorded by FMB from FMS and the program agencies responsible for the respective trust fund activity.

Tax revenues, tax adjustments, and tax refunds are reported based on the amounts received and recorded by FMB from the OTA, IRS, Fiscal Service, and/or U.S. Customs and Border Protection. OTA estimates the tax revenues each month based on projected tax receipts and provides the estimates to Fiscal Service. Fiscal Service transfers the amount of estimated taxes to the trust fund accounts. The IRS or program agencies generally certify the tax revenues within two quarters after the taxes are estimated (i.e., 1st quarter estimate is certified in the 3rd quarter) and provide this certification to Fiscal Service. Fiscal Service calculates the tax adjustment as the difference between the taxes estimated by OTA and taxes certified by the IRS program agencies and adjusts the trust fund accounts accordingly. Fiscal Service reports the tax adjustments to FMB. As a result of the timing of the certifications, the Income Statement includes certified tax revenues (i.e. actual tax revenues) for the first three quarters of the fiscal year and estimated tax revenues for the last quarter of the fiscal year.

(j) Transfers to Program Agencies

Dispositions from the Trust Fund are made in accordance with the authorizing legislation to the program agency, which is responsible for the ultimate disposition of such funds, to cover program administration and related costs as defined by law. Transfers to program agencies are calculated and reported based on the disbursement request amounts received and recorded by FMB from the program agency responsible for the respective trust fund activity and the disbursement amounts returned and recorded by FMB from the program agencies responsible for the respective trust fund activity.

(k) Reimbursements to Treasury Bureaus and the General Fund (Operating Expenses/Program Costs)

In the case of the Black Lung Disability Trust Fund, Fiscal Service is authorized by law to receive direct reimbursement from the trust funds for certain administrative expenses (operating expenses/program costs). Also, the Secretary of the Treasury is directed by law to charge trust funds to reimburse the General Fund for administrative expenses incurred by other Treasury bureaus in performing activities related to administering the trust funds. These reimbursement amounts are determined by Treasury based on its assessment of the estimated cost of the services provided. Reimbursements to Treasury bureaus and the General Fund are reported based on the disbursement request amounts received and recorded by FMB from various Treasury bureaus, including the Fiscal Service.

(2) Related Parties

FMB, on behalf of the Secretary of the Treasury, compiles amounts deposited into the trust fund, invests receipts in Treasury securities, redeems securities and transfers funds to the program agency, maintains accounting records for receipts and disbursements of the trust fund, and reports trust fund financial activity to the program agencies and other interested parties. The program agency, OTA, IRS, and/or Fiscal Service determine the amounts to be deposited in the trust fund. The program agency determines the disposition of the trust fund balances.

Black Lung Disability Trust Fund
16X8144
Trial Balance (Unaudited)
May 1, 2014 Through May 31, 2014

Period Name:2014-08 Fund:TFM8144DEXXXXXX Program:<All>

USSGL	BEA Category	Year of BA	Cost Center	USSGL / Cost Center Description	Beginning Balance	Period Net Dr	Period Net Cr	Ending Balance
1010	-	-	-	FUND BALANCE WITH TREASURY	291,901,359.91	49,450,810.46	20,596,265.25	320,755,905.12
2141	M	-	XXXXXXXXXX	DEFAULT CAM1	-228,251.40	0.00	33,376.38	-261,627.78
2510	M	-	-	PRINCIPAL PAYABLE TO THE BUREAU OF THE FISCAL SER	-5,035,844,903.09	0.00	0.00	-5,035,844,903.09
2511	M	-	-	CAPITALIZED LOAN INTEREST PAYABLE - NON-CREDIT REI	-1,119,762,468.19	0.00	19,019,836.78	-1,138,782,304.97
3310	-	-	-	CUMULATIVE RESULTS OF OPERATIONS	5,917,319,149.36	0.00	0.00	5,917,319,149.36
4114	M	-	TFMA53100900	MISCELLANEOUS INTEREST	755,691.66	196,160.08	0.00	951,851.74
			TFMA58002500	\$1.10 TAX ON UNDERGROUND COAL	161,016,502.00	23,832,000.00	0.00	184,848,502.00
			TFMA58002600	.55 TAX ON SURFACE COAL	99,355,934.00	14,736,000.00	0.00	114,091,934.00
			TFMA58002700	4.4% TAX ON UNDERGROUND COAL	3,359,917.00	840,000.00	0.00	4,199,917.00
			TFMA58002800	4.4% TAX ON SURFACE COAL	55,686,462.00	8,148,000.00	0.00	63,834,462.00
			BA Sum		320,174,506.66	47,752,160.08	0.00	367,926,666.74
	Sum BEA				320,174,506.66	47,752,160.08	0.00	367,926,666.74
Sum					320,174,506.66	47,752,160.08	0.00	367,926,666.74
4175	M	-	TFMA57654100	TRANSFERS OUT - BENEFIT PAYMENTS, DOL	-116,700,000.00	0.00	16,000,000.00	-132,700,000.00
4201	-	-	-	PRIOR YEAR DELIVERED ORDERS - OBLIGATIONS-PAID	-4,439,491,955.89	0.00	0.00	-4,439,491,955.89
			-	TOTAL ACTUAL RESOURCES - COLLECTED	4,548,811,168.21	0.00	0.00	4,548,811,168.21
			BA Sum		109,319,212.32	0.00	0.00	109,319,212.32
	Sum BEA				109,319,212.32	0.00	0.00	109,319,212.32
Sum					109,319,212.32	0.00	0.00	109,319,212.32
4397	M	-	-	RECEIPTS & APPROPRIATIONS TEMPORARILY PRECLUDE	-109,290,870.32	0.00	0.00	-109,290,870.32
4620	-	-	TFMA53100900	MISCELLANEOUS INTEREST	-755,691.66	0.00	196,160.08	-951,851.74
			TFMA57601100	SALARIES AND EXPENSES, DEPARTMENTAL MANAGEME	14,484,826.00	1,984,106.00	0.00	16,468,932.00
			TFMA57601200	SALARIES AND EXPENSES, EMPLOYMENT SECURITY ADM	17,928,240.00	2,545,278.00	0.00	20,473,518.00
			TFMA57601300	SALARIES AND EXPENSES, OIG (16)*	176,179.00	25,723.00	0.00	201,902.00
			TFMA57654100	TRANSFERS OUT - BENEFIT PAYMENTS, DOL	116,700,000.00	16,000,000.00	0.00	132,700,000.00
			TFMA58002500	\$1.10 TAX ON UNDERGROUND COAL	-161,016,502.00	0.00	23,832,000.00	-184,848,502.00
			TFMA58002600	.55 TAX ON SURFACE COAL	-99,355,934.00	0.00	14,736,000.00	-114,091,934.00
			TFMA58002700	4.4% TAX ON UNDERGROUND COAL	-3,359,917.00	0.00	840,000.00	-4,199,917.00
			TFMA58002800	4.4% TAX ON SURFACE COAL	-55,686,462.00	0.00	8,148,000.00	-63,834,462.00
			TFMA59000700	COLLECTIONS - RESPONSIBLE OPERATORS	-11,984,993.65	0.00	1,698,650.38	-13,683,644.03
			TFMA61000100	TREASURY ADMIN EXPENSE - GENERAL FUND (16)*	192,714.66	27,530.67	0.00	220,245.33
			TFMA61000200	TREASURY ADMIN. EXPENSES - BPD (16)*	95,393.06	13,627.58	0.00	109,020.64
			XXXXXXXXXX	DEFAULT CAM1	199,909.40	33,376.38	0.00	233,285.78
			BA Sum		-182,382,238.19	20,629,641.63	49,450,810.46	-211,203,407.02
	Sum BEA				-182,382,238.19	20,629,641.63	49,450,810.46	-211,203,407.02
Sum					-182,382,238.19	20,629,641.63	49,450,810.46	-211,203,407.02
4901	-	-	XXXXXXXXXX	DEFAULT CAM1	-228,251.40	0.00	33,376.38	-261,627.78
4902	M	N	TFMA57601100	SALARIES AND EXPENSES, DEPARTMENTAL MANAGEME	-14,484,826.00	0.00	1,984,106.00	-16,468,932.00
			TFMA57601200	SALARIES AND EXPENSES, EMPLOYMENT SECURITY ADM	-17,928,240.00	0.00	2,545,278.00	-20,473,518.00
			TFMA57601300	SALARIES AND EXPENSES, OIG (16)*	-176,179.00	0.00	25,723.00	-201,902.00
			TFMA59000700	COLLECTIONS - RESPONSIBLE OPERATORS	11,984,993.65	1,698,650.38	0.00	13,683,644.03
			TFMA61000100	TREASURY ADMIN EXPENSE - GENERAL FUND (16)*	-192,714.66	0.00	27,530.67	-220,245.33
			TFMA61000200	TREASURY ADMIN. EXPENSES - BPD (16)*	-95,393.06	0.00	13,627.58	-109,020.64
			BA Sum		-20,892,359.07	1,698,650.38	4,596,265.25	-23,789,973.94
	Sum BEA				-20,892,359.07	1,698,650.38	4,596,265.25	-23,789,973.94
Sum					-20,892,359.07	1,698,650.38	4,596,265.25	-23,789,973.94
5310	M	-	TFMA53100900	MISCELLANEOUS INTEREST	-755,691.66	0.00	196,160.08	-951,851.74
5760	-	-	TFMA57601100	SALARIES AND EXPENSES, DEPARTMENTAL MANAGEME	14,484,826.00	1,984,106.00	0.00	16,468,932.00
			TFMA57601200	SALARIES AND EXPENSES, EMPLOYMENT SECURITY ADM	17,928,240.00	2,545,278.00	0.00	20,473,518.00
			TFMA57601300	SALARIES AND EXPENSES, OIG (16)*	176,179.00	25,723.00	0.00	201,902.00
			BA Sum		32,589,245.00	4,555,107.00	0.00	37,144,352.00
	Sum BEA				32,589,245.00	4,555,107.00	0.00	37,144,352.00
Sum					32,589,245.00	4,555,107.00	0.00	37,144,352.00
5765	-	-	TFMA57654100	TRANSFERS OUT - BENEFIT PAYMENTS, DOL	116,700,000.00	16,000,000.00	0.00	132,700,000.00
5800	-	-	TFMA58002500	\$1.10 TAX ON UNDERGROUND COAL	-161,016,502.00	0.00	23,832,000.00	-184,848,502.00
			TFMA58002600	.55 TAX ON SURFACE COAL	-99,355,934.00	0.00	14,736,000.00	-114,091,934.00
			TFMA58002700	4.4% TAX ON UNDERGROUND COAL	-3,359,917.00	0.00	840,000.00	-4,199,917.00
			TFMA58002800	4.4% TAX ON SURFACE COAL	-55,686,462.00	0.00	8,148,000.00	-63,834,462.00
			BA Sum		-319,418,815.00	0.00	47,556,000.00	-366,974,815.00
	Sum BEA				-319,418,815.00	0.00	47,556,000.00	-366,974,815.00
Sum					-319,418,815.00	0.00	47,556,000.00	-366,974,815.00
5900	-	-	TFMA59000700	COLLECTIONS - RESPONSIBLE OPERATORS	-11,984,993.65	0.00	1,698,650.38	-13,683,644.03
6100	-	-	TFMA61000100	TREASURY ADMIN EXPENSE - GENERAL FUND (16)*	192,714.66	27,530.67	0.00	220,245.33
			TFMA61000200	TREASURY ADMIN. EXPENSES - BPD (16)*	95,393.06	13,627.58	0.00	109,020.64
			BA Sum		288,107.72	41,158.25	0.00	329,265.97
	Sum BEA				288,107.72	41,158.25	0.00	329,265.97
Sum					288,107.72	41,158.25	0.00	329,265.97
6310	M	-	-	INTEREST EXPENSES ON BORROWING FROM THE BUREAU	129,197,261.00	19,053,213.16	0.00	148,250,474.16
TOTAL					0.00	159,180,740.96	159,180,740.96	0.00

Black Lung Disability Trust Fund
16X8144
Balance Sheet (Unaudited)
May 31, 2014

Period Name:2014-08	Fund:TFM8144DEXXXXXX	Program:<All>
Account Type	Account Description	Ending Balance
ASSETS	FUND BALANCE WITH TREASURY	320,755,905.12
		320,755,905.12
		Total: 320,755,905.12
LIABILITIES	ACCRUED INTEREST PAYABLE - DEBT	-261,627.78
	PRINCIPAL PAYABLE TO THE BUREAU OF THE FISCAL SERVICE	-5,035,844,903.09
	CAPITALIZED LOAN INTEREST PAYABLE - NON-CREDIT REFORM	-1,138,782,304.97
		-6,174,888,835.84
EQUITY	CUMULATIVE RESULTS OF OPERATIONS	5,917,319,149.36
	NET INCOME	-63,186,218.64
		5,854,132,930.72
		Total: -320,755,905.12

Black Lung Disability Trust Fund
16X8144
Income Statement (Unaudited)
October 1, 2013 Through May 31 2014

Period Name:2014-08 Fund:TFM8144DEXXXXXX Program:<All>

Revenue Type	USSGL	Ussgl Description	Cost Center	Cost Center Description	Activity	Ending Balance
INCOME	5800	TAX REVENUE COLLECTED - NOT OTHERW	TFMA58002500	\$1.10 TAX ON UNDERGROUND COAL	-23,832,000.00	-184,848,502.00
			TFMA58002600	.55 TAX ON SURFACE COAL	-14,736,000.00	-114,091,934.00
			TFMA58002800	4.4% TAX ON SURFACE COAL	-8,148,000.00	-63,834,462.00
			TFMA58002700	4.4% TAX ON UNDERGROUND COAL	-840,000.00	-4,199,917.00
	Sum				-47,556,000.00	-366,974,815.00
	5310	INTEREST REVENUE - OTHER - EXCHANGE	TFMA53100900	MISCELLANEOUS INTEREST	-196,160.08	-951,851.74
	5900	OTHER REVENUE - EXCHANGE	TFMA59000700	COLLECTIONS - RESPONSIBLE OPERATORS	-1,698,650.38	-13,683,644.03
Sum					-49,450,810.46	-381,610,310.77
EXPENSES	5765	NONEXPENDITURE FINANCING SOURCES -	TFMA57654100	TRANSFERS OUT - BENEFIT PAYMENTS, DOL	16,000,000.00	132,700,000.00
	5760	EXPENDITURE FINANCING SOURCES - TRA	TFMA57601100	SALARIES AND EXPENSES, DEPARTMENTAL MAN	1,984,106.00	16,468,932.00
			TFMA57601200	SALARIES AND EXPENSES, EMPLOYMENT SECUR	2,545,278.00	20,473,518.00
			TFMA57601300	SALARIES AND EXPENSES, OIG (16)*	25,723.00	201,902.00
	Sum				4,555,107.00	37,144,352.00
		6100	OPERATING EXPENSES/PROGRAM COSTS	TFMA61000100	TREASURY ADMIN EXPENSE - GENERAL FUND (1	27,530.67
			TFMA61000200	TREASURY ADMIN. EXPENSES - BPD (16)*	13,627.58	109,020.64
Sum					41,158.25	329,265.97
	6310	INTEREST EXPENSES ON BORROWING FR	XXXXXXXXXXXX	DEFAULT CAM1	19,053,213.16	148,250,474.16
Sum					39,649,478.41	318,424,092.13
TOTAL					-9,801,332.05	-63,186,218.64