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## **SECTION VI - FINANCIAL SUMMARY**

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Total Obligational Authority (TOA) has been used throughout this book to express the amounts in the Department of the Navy budget because it is the most accurate reflection of program value. While TOA amounts differ only slightly from Budget Authority (BA) in some cases, they can differ substantially in others. The differences in TOA and BA, as evidenced in the table below, result from a combination of several factors.

BA, Budget Authority – Authority provided by law to enter obligations that will result in immediate or future outlays involving Federal Government Funds.

TOA, Total Obligation Authority – The value of the direct defense program for each fiscal year regardless of the method of financing.

	<b>TOA vs BA</b>		
	<i>(In Millions of Dollars)</i>		
	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Total Obligational Authority (TOA)</b>	<b>123,887</b>	<b>120,756</b>	<b>119,439</b>
Receipts and Other Funds	-141	-63	-152
Financing Adjustments	304	-344	-115
Expiring Balances	(742)	-	-
Other Finance Adjustments	(-438)	(-344)	(-115)
<b>Total Budget Authority</b>	<b>124,050</b>	<b>120,349</b>	<b>119,172</b>

Receipts and other funds are reflected in BA but not in TOA. Offsetting receipts include such things as donations to the Navy and Marine Corps, recoveries from foreign military sales, deposits for survivor annuity benefits, interest on loans and investments, rents and utilities, and fees chargeable under the Freedom of Information Act. Trust Funds include funds established for the Navy General Gift Fund, Naval Academy General Gift and Museum Fund, environmental restoration of Kaho'olawe Island in Hawaii, Ships' Stores Profits and Midshipmen's Store.

Financing adjustments account for many of the differences between TOA and BA. The FY 2005 -\$115 million financing adjustment is an anticipated land sales revenue within BRAC. Land sales revenue is generated by the sale of bases closed due to BRAC. The sales are available to finance TOA program but offset the direct BA needed. In FY 2003 and FY 2004, various funding changes are scored as budget authority adjustments in the fiscal year in which the change itself is effective; for TOA purposes, changes are reflected as adjustments to a specific program year, based on the original appropriation. Congressional

rescissions reduce the BA in the year of Congressional action and reduce TOA in the program year impacted by the rescission. For example, rescissions of FY 2003 program reduce BA in FY 2004 and reduce TOA in FY 2003.

Expiring Balances also contribute to the difference between TOA and BA. Expiring balances are funds that were included in BA available for FY 2003 accounts, but were not obligated prior to the end of the fiscal year. These amounts are included in BA totals but not TOA.

The TOA and BA levels for FY 2003 through FY 2005 along with DON outlay estimates are summarized in Table 20.

**Table 20**  
**Department of the Navy**  
**Summary of Direct Budget Plan (TOA), Budget Authority, and Outlays**  
*(Dollars in Millions)*

Account	TOA			BA			OUTLAY		
	FY 2003	FY 2004	FY 2005	FY 2003	FY 2004	FY 2005	FY 2003	FY 2004	FY 2005
MPN	23,820	24,055	24,460	23,788	24,055	24,460	23,704	24,053	24,610
MPMC	9,988	9,736	9,596	9,962	9,736	9,596	9,549	9,768	9,899
RPN	1,861	2,004	2,172	1,921	2,004	2,172	1,857	1,943	2,112
RPMC	514	572	655	514	572	655	519	562	645
O&M,N	35,555	29,615	29,789	35,509	29,555	29,789	30,852	31,549	31,090
O&M,MC	5,525	4,608	3,632	5,520	4,607	3,632	4,262	4,774	4,338
O&M,NR	1,239	1,167	1,240	1,244	1,167	1,240	1,054	1,260	1,210
O&M,MCR	218	189	189	218	189	189	142	221	192
ERN	--	255	267	--	255	267	--	56	173
NWCF	40	130	65	765	130	65	(211)	659	419
Payment to Kaho'olawe	86	18	-	75	18	-	103	18	-
APN	8,711	9,165	8,768	8,629	9,165	8,768	8,195	8,615	8,796
WPN	2,081	2,080	2,102	2,101	2,080	2,102	1,523	1,970	1,960
SCN	9,108	11,402	9,962	9,049	11,389	9,962	9,455	10,580	11,740
OPN	4,608	4,969	4,834	4,591	4,969	4,834	3,988	4,675	4,745
PMC	1,522	1,279	1,190	1,477	1,279	1,190	1,242	1,359	1,189
PANMC	1,421	928	859	1,344	928	859	695	1,120	938
Coastal Defense	-	-	-	-	-	-	(0)	28	28
RDT&E,N	13,700	14,969	16,346	13,667	14,969	16,346	12,193	14,033	15,608
NDSF	852	1,090	1,269	928	985	1,269	639	989	1,115
Oth Rev & Mgt Fnd	-	-	-	-	-	-	-	-	-
<b>Total DoD Bill</b>	<b>120,850</b>	<b>118,233</b>	<b>117,395</b>	<b>121,304</b>	<b>118,054</b>	<b>117,395</b>	<b>109,760</b>	<b>118,232</b>	<b>120,809</b>
MCON	1,327	1,284	1,060	1,352	1,238	1,060	1,053	1,211	1,170
MCNR	53	75	28	75	45	25	65	62	58
FH(Con)	273	279	186	332	131	139	305	360	252
FH(Ops)	892	862	853	862	841	705	921	704	813
ERC	247	270	181	266	102	-	67	240	92
Total MILCON Bill	2,791	2,770	2,308	2,886	2,358	1,929	2,410	2,576	2,384
Receipts and Other Funds	--	--	--	(141)	(63)	(152)	(154)	(104)	(121)
<b>Total, DON</b>	<b>104,836</b>	<b>121,003</b>	<b>119,703</b>	<b>124,050</b>	<b>120,349</b>	<b>119,172</b>	<b>112,017</b>	<b>120,703</b>	<b>123,072</b>

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