

**Department of Defense**  
**Military Retirement Fund**  
**CONSOLIDATED BALANCE SHEET**  
**As of December 31, 2008 and 2007**

	<u>2009 Consolidated</u>	<u>2008 Consolidated</u>
<b>1. ASSETS (Note 2)</b>		
A. Intragovernmental:		
1. Fund Balance with Treasury (Note 3)	\$ 21,450,192.74	\$ (3,592,598.60)
2. Investments (Note 4)	298,643,186,713.12	262,419,236,864.19
5. Total Intragovernmental Assets	<u>\$ 298,664,636,905.86</u>	<u>\$ 262,415,644,265.59</u>
C. Accounts Receivable, Net (Note 5)	23,752,517.11	25,835,894.38
<b>2. TOTAL ASSETS</b>	<u>\$ 298,688,389,422.97</u>	<u>\$ 262,441,480,159.97</u>
<b>3. STEWARDSHIP PROPERTY, PLANT &amp; EQUIPMENT (Note 10)</b>		
<b>4. LIABILITIES (Note 11)</b>		
A. Intragovernmental:		
3. Other Liabilities (Note 15 & 16)	1,634,743.63	831,678.59
4. Total Intragovernmental Liabilities	<u>\$ 1,634,743.63</u>	<u>\$ 831,678.59</u>
C. Military Retirement and Other Federal Employment Benefits (Note 17)	1,154,221,977,042.94	1,028,874,463,649.09
F. Other Liabilities (Note 15 & Note 16)	192,027.24	196,709.44
<b>5. TOTAL LIABILITIES</b>	<u>\$ 1,154,223,803,813.81</u>	<u>\$ 1,028,875,492,037.12</u>
<b>6. COMMITMENTS AND CONTINGENCIES (NOTE 16)</b>		
<b>7. NET POSITION</b>		
C. Cumulative Results of Operations - Earmarked Funds	(855,535,414,390.84)	(766,434,011,877.15)
<b>8. TOTAL NET POSITION</b>	<u>\$ (855,535,414,390.84)</u>	<u>\$ (766,434,011,877.15)</u>
<b>9. TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 298,688,389,422.97</u>	<u>\$ 262,441,480,159.97</u>

Department of Defense  
Military Retirement Fund  
**CONSOLIDATED STATEMENT OF NET COST**  
For the periods ended December 31, 2008 and 2007

	<u>2009 Consolidated</u>	<u>2008 Consolidated</u>
<b>1. Program Costs</b>		
A. Gross Costs	\$ 12,492,185,604.67	\$ 11,255,060,047.11
B. (Less: Earned Revenue)	(57,978,033,069.61)	(55,424,199,911.05)
C. Net Program Costs	<u>\$ (45,485,847,464.94)</u>	<u>\$ (44,169,139,863.94)</u>
<b>4. Net Cost of Operations</b>	<u>\$ (45,485,847,464.94)</u>	<u>\$ (44,169,139,863.94)</u>

Department of Defense  
 Military Retirement Fund  
**CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION**  
 For the periods ended December 31, 2008 and 2007

	<u>2009 Earmarked Funds</u>	<u>2009 All Other Funds</u>
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
1. Beginning Balances	\$ (901,021,261,855.78)	\$ 0.00
3. Beginning balances, as adjusted	(901,021,261,855.78)	0.00
7. Net Cost of Operations (+/-)	(45,485,847,464.94)	0.00
8. Net Change	45,485,847,464.94	0.00
9. Cumulative Results of Operations	(855,535,414,390.84)	0.00
16. Net Position	(855,535,414,390.84)	0.00

Department of Defense  
 Military Retirement Fund  
**CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION**  
 For the periods ended December 31, 2008 and 2007

	<u>2009 Eliminations</u>	<u>2009 Consolidated</u>
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
1. Beginning Balances	\$ 0.00	\$ (901,021,261,855.78)
3. Beginning balances, as adjusted	0.00	(901,021,261,855.78)
7. Net Cost of Operations (+/-)	0.00	(45,485,847,464.94)
8. Net Change	0.00	45,485,847,464.94
9. Cumulative Results of Operations	0.00	(855,535,414,390.84)
16. Net Position	0.00	(855,535,414,390.84)

Department of Defense  
 Military Retirement Fund  
**CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION**  
 For the periods ended December 31, 2008 and 2007

	<u>2008 Earmarked Funds</u>	<u>2008 All Other Funds</u>
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
1. Beginning Balances	\$ (810,603,151,741.09)	\$ 0.00
3. Beginning balances, as adjusted	(810,603,151,741.09)	0.00
7. Net Cost of Operations (+/-)	(44,169,139,863.94)	0.00
8. Net Change	44,169,139,863.94	0.00
9. Cumulative Results of Operations	(766,434,011,877.15)	0.00
16. Net Position	(766,434,011,877.15)	0.00

Department of Defense  
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**CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION**  
 For the periods ended December 31, 2008 and 2007

	<u>2008 Eliminations</u>	<u>2008 Consolidated</u>
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
1. Beginning Balances	\$ 0.00	\$ (810,603,151,741.09)
3. Beginning balances, as adjusted	0.00	(810,603,151,741.09)
7. Net Cost of Operations (+/-)	0.00	(44,169,139,863.94)
8. Net Change	0.00	44,169,139,863.94
9. Cumulative Results of Operations	0.00	(766,434,011,877.15)
16. Net Position	0.00	(766,434,011,877.15)

**Department of Defense**  
**Military Retirement Fund**  
**COMBINED STATEMENT OF BUDGETARY RESOURCES**  
**For the periods ended December 31, 2008 and 2007**

	<u>2009 Combined</u>	<u>2008 Combined</u>
<b>BUDGETARY FINANCING ACCOUNTS</b>		
<b>BUDGETARY RESOURCES:</b>		
3. Budget authority		
3.A. Appropriation	77,990,000,000.00	55,912,720,369.05
3.E. Subtotal	<u>77,990,000,000.00</u>	<u>55,912,720,369.05</u>
5. Temporarily not available pursuant to Public Law	(65,498,588,344.61)	(44,775,012,408.50)
<b>7. Total Budgetary Resources</b>	<u><u>\$ 12,491,411,655.39</u></u>	<u><u>\$ 11,137,707,960.55</u></u>

Department of Defense  
 Military Retirement Fund  
**COMBINED STATEMENT OF BUDGETARY RESOURCES**  
 For the periods ended December 31, 2008 and 2007

	<u>2009 Combined</u>	<u>2008 Combined</u>
<b>Status of Budgetary Resources:</b>		
8. Obligations incurred:		
8.A. Direct	\$ 12,491,411,655.39	\$ 11,137,707,960.55
8.C. Subtotal	<u>12,491,411,655.39</u>	<u>11,137,707,960.55</u>
<b>11. Total status of budgetary resources</b>	<u><u>\$ 12,491,411,655.39</u></u>	<u><u>\$ 11,137,707,960.55</u></u>
<b>Change in Obligated Balance:</b>		
12. Obligated balance, net		
12.A. Unpaid obligations, brought forward, October 1	3,359,247,411.86	3,530,196,239.21
12.C. Total unpaid obligated balance	<u>3,359,247,411.86</u>	<u>3,530,196,239.21</u>
13. Obligations incurred net (+/-)	\$ 12,491,411,655.39	\$ 11,137,707,960.55
14. Less: Gross outlays	(12,377,526,024.31)	(11,113,926,550.67)
18. Obligated balance, net, end of period		
18.A. Unpaid obligations	<u>3,473,133,042.94</u>	<u>3,553,977,649.09</u>
18.C. Total, unpaid obligated balance, net, end of period	<u>3,473,133,042.94</u>	<u>3,553,977,649.09</u>
<b>Net Outlays</b>		
<b>19. Net Outlays:</b>		
19.A. Gross outlays	12,377,526,024.31	11,113,926,550.67
19.C. Less: Distributed Offsetting receipts	(51,125,000,000.00)	(46,187,000,000.00)
<b>19.D. Net Outlays</b>	<u><u>\$ (38,747,473,975.69)</u></u>	<u><u>\$ (35,073,073,449.33)</u></u>