

Department of Defense  
 Military Retirement Fund  
**CONSOLIDATED BALANCE SHEET**  
 As of June 30, 2011 and 2010

	<u>2011 Consolidated</u>	<u>Restated 2010 Consolidated</u>
<b>1. ASSETS (Note 2)</b>		
A. Intragovernmental:		
1. Fund Balance with Treasury (Note 3)	\$ 212,053,852.64	\$ 366,460,166.10
2. Investments (Note 4)	380,008,667,872.01	326,790,641,767.90
5. Total Intragovernmental Assets	<u>\$ 380,220,721,724.65</u>	<u>\$ 327,157,101,934.00</u>
C. Accounts Receivable, Net (Note 5)	47,728,303.84	44,116,648.19
<b>2. TOTAL ASSETS</b>	<u>\$ 380,268,450,028.49</u>	<u>\$ 327,201,218,582.19</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)	1,910,110.16	1,662,874.39
4. Total Intragovernmental Liabilities	<u>\$ 1,910,110.16</u>	<u>\$ 1,662,874.39</u>
C. Military Retirement and Other Federal Employment Benefits (Note 17)	1,262,707,341,290.72	1,177,657,801,562.56
F. Other Liabilities (Note 15 & Note 16)	181,051.06	186,070.71
<b>5. TOTAL LIABILITIES</b>	<u>\$ 1,262,709,432,451.94</u>	<u>\$ 1,177,659,650,507.66</u>
<b>6. COMMITMENTS AND CONTINGENCIES (NOTE 16)</b>		
<b>7. NET POSITION</b>		
C. Cumulative Results of Operations - Earmarked Funds	(882,440,982,423.45)	(850,458,431,925.47)
<b>8. TOTAL NET POSITION</b>	<u>\$ (882,440,982,423.45)</u>	<u>\$ (850,458,431,925.47)</u>
<b>9. TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 380,268,450,028.49</u>	<u>\$ 327,201,218,582.19</u>

**Department of Defense**  
**Military Retirement Fund**  
**CONSOLIDATED STATEMENT OF NET COST**  
**For the periods ended June 30, 2011 and 2010**

	<u>2011 Consolidated</u>	<u>2010 Consolidated</u>
<b>1. Program Costs</b>		
A. Gross Costs	\$ 38,186,699,965.38	\$ 38,417,812,095.72
Military Retirement Benefits	38,186,699,965.38	38,417,812,095.72
	<hr/>	<hr/>
B. (Less: Earned Revenue)	(96,671,378,900.01)	(86,716,792,575.91)
C. Net Cost before Losses/(Gains) from Actuarial Assumption Changes for Military Retirement Benefits	<hr/> (58,484,678,934.63)	<hr/> (48,298,980,480.19)
<b>2. Net Cost of Operations</b>	<hr/> <u>\$ (58,484,678,934.63)</u>	<hr/> <u>\$ (48,298,980,480.19)</u>

Department of Defense  
 Military Retirement Fund  
**CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION**  
 For the periods ended June 30, 2011 and 2010

	<u>2011 Earmarked Funds</u>	<u>2011 All Other Funds</u>
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
1. Beginning Balances	\$ (940,925,661,358.08)	\$ 0.00
3. Beginning balances, as adjusted	<u>(940,925,661,358.08)</u>	<u>0.00</u>
7. Net Cost of Operations (+/-)	(58,484,678,934.63)	0.00
8. Net Change	<u>58,484,678,934.63</u>	<u>0.00</u>
9. Cumulative Results of Operations	(882,440,982,423.45)	0.00
16. Net Position	<u>(882,440,982,423.45)</u>	<u>0.00</u>

Department of Defense  
 Military Retirement Fund  
**CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION**  
 For the periods ended June 30, 2011 and 2010

	<u>2011 Eliminations</u>	<u>2011 Consolidated</u>
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
1. Beginning Balances	\$ 0.00	\$ (940,925,661,358.08)
3. Beginning balances, as adjusted	<u>0.00</u>	<u>(940,925,661,358.08)</u>
7. Net Cost of Operations (+/-)	<u>0.00</u>	<u>(58,484,678,934.63)</u>
8. Net Change	<u>0.00</u>	<u>58,484,678,934.63</u>
9. Cumulative Results of Operations	<u>0.00</u>	<u>(882,440,982,423.45)</u>
16. Net Position	<u>0.00</u>	<u>(882,440,982,423.45)</u>

Department of Defense  
 Military Retirement Fund  
**CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION**  
 For the periods ended June 30, 2011 and 2010

	<u>2010 Earmarked Funds</u>	<u>2010 All Other Funds</u>
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
1. Beginning Balances	\$ (898,757,412,405.66)	\$ 0.00
3. Beginning balances, as adjusted	<u>(898,757,412,405.66)</u>	<u>0.00</u>
7. Net Cost of Operations (+/-)	(48,298,980,480.19)	0.00
8. Net Change	<u>48,298,980,480.19</u>	<u>0.00</u>
9. Cumulative Results of Operations	(850,458,431,925.47)	0.00
16. Net Position	<u>(850,458,431,925.47)</u>	<u>0.00</u>

Department of Defense  
 Military Retirement Fund  
**CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION**  
 For the periods ended June 30, 2011 and 2010

	<u>2010 Eliminations</u>	<u>2010 Consolidated</u>
<b>CUMULATIVE RESULTS OF OPERATIONS</b>		
1. Beginning Balances	\$ 0.00	\$ (898,757,412,405.66)
3. Beginning balances, as adjusted	<u>0.00</u>	<u>(898,757,412,405.66)</u>
7. Net Cost of Operations (+/-)	0.00	(48,298,980,480.19)
8. Net Change	<u>0.00</u>	<u>48,298,980,480.19</u>
9. Cumulative Results of Operations	0.00	(850,458,431,925.47)
16. Net Position	<u>0.00</u>	<u>(850,458,431,925.47)</u>

**Department of Defense**  
**Military Retirement Fund**  
**COMBINED STATEMENT OF BUDGETARY RESOURCES**  
**For the periods ended June 30, 2011 and 2010**

	<u>2011 Combined</u>	<u>2010 Combined</u>
<b>BUDGETARY FINANCING ACCOUNTS</b>		
<b>BUDGETARY RESOURCES:</b>		
3. Budget authority		
3.A. Appropriation	99,262,000,000.00	101,655,000,000.00
3.E. Subtotal	<u>99,262,000,000.00</u>	<u>101,655,000,000.00</u>
<b>7. Total Budgetary Resources</b>	<u>\$ 99,262,000,000.00</u>	<u>\$ 101,655,000,000.00</u>

Department of Defense  
 Military Retirement Fund  
**COMBINED STATEMENT OF BUDGETARY RESOURCES**  
 For the periods ended June 30, 2011 and 2010

	<u>2011 Combined</u>	<u>2010 Combined</u>
<b>Status of Budgetary Resources:</b>		
8. Obligations incurred:		
8.A. Direct	\$ 38,197,293,963.26	\$ 38,430,082,828.54
8.C. Subtotal	<u>38,197,293,963.26</u>	<u>38,430,082,828.54</u>
9. Unobligated balance:		
9.B. Exempt from apportionment	61,064,706,036.74	63,224,917,171.46
9.C. Subtotal	<u>61,064,706,036.74</u>	<u>63,224,917,171.46</u>
<b>11. Total status of budgetary resources</b>	<u>\$ 99,262,000,000.00</u>	<u>\$ 101,655,000,000.00</u>
<b>Change in Obligated Balance:</b>		
12. Obligated balance, net		
12.A. Unpaid obligations, brought forward, October 1	\$ 4,209,938,028.94	\$ 3,698,756,240.60
12.C. Total unpaid obligated balance	<u>4,209,938,028.94</u>	<u>3,698,756,240.60</u>
13. Obligations incurred net (+/-)	38,197,293,963.26	38,430,082,828.54
14. Less: Gross outlays	(38,162,879,701.48)	(37,927,132,506.58)
18. Obligated balance, net, end of period		
18.A. Unpaid obligations	4,244,352,290.72	4,201,706,562.56
18.C. Total, unpaid obligated balance, net, end of period	<u>4,244,352,290.72</u>	<u>4,201,706,562.56</u>
<b>Net Outlays</b>		
<b>19. Net Outlays:</b>		
19.A. Gross outlays	38,162,879,701.48	37,927,132,506.58
19.C. Less: Distributed Offsetting receipts	(61,404,000,000.00)	(58,619,000,000.00)
<b>19.D. Net Outlays</b>	<u>\$ (23,241,120,298.52)</u>	<u>\$ (20,691,867,493.42)</u>