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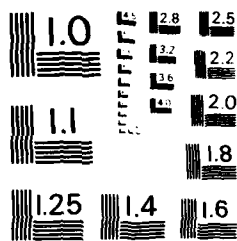
DEPARTMENT OF THE NAVY JUSTIFICATION OF ESTIMATES FOR  
FISCAL YEAR 1985 SU..(U) DEPARTMENT OF THE NAVY  
WASHINGTON DC FEB 84

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MICROCOPY RESOLUTION TEST CHART  
NATIONAL BUREAU OF STANDARDS - 1963-A

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**DEPARTMENT OF THE NAVY  
JUSTIFICATION OF ESTIMATES  
FOR FISCAL YEAR 1985**



**SUBMITTED TO CONGRESS FEBRUARY 1984**

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**NAVY STOCK FUND  
MARINE CORPS STOCK FUND**

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DEPARTMENT OF THE NAVY  
JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1985

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Department of the Navy  
NAVY STOCK FUND  
Appropriation Language

For the Navy Stock Fund; [\$632,869,000] \$563,907,000. (10 U.S.C. 2208; Department of Defense Appropriation Act, 1984).

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Navy Stock Fund  
Program and Financing (in Thousands of dollars)

01 Feb 84

Identification code	17-4911-0-4-051	1983 actual	1984 est	1985 est
<b>Program by Activities</b>				
<b>Direct Program:</b>				
20.	(Amounts entered in budget activity)(B	354,372	632,869	563,907
<b>Total direct program</b>				
	(Reduce amounts entered in budget activity	354,372	632,869	563,907
	Ships, ordnance and electronics repair	674,760	754,200	625,300
	Forms and printed matter	13,826	19,300	20,700
	Ships store and commissary store stock	800,900	865,400	949,000
	Profits from sale of ships' stores paid	23,044	22,400	23,500
	Ship overhaul material		275,000	290,000
	Special clearance account	504	1,000	1,000
	Fleet material support office-retail co	1,392,428	1,365,100	1,470,200
	Aviation consumable material	969,437	1,013,100	1,153,000
	Fuels and related items	2,497,304	2,232,900	2,180,200
	Ship depot level reparables	1,088,817	1,462,600	1,524,700
	Aviation depot level reparables			2,350,400
10.0001	<b>Total Obligations</b>	<b>7,441,020</b>	<b>8,011,000</b>	<b>10,766,000</b>
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.0001	Federal funds(-)	-5,598,886	-6,346,531	-9,069,393
13.0001	Trust funds(-)	-64,922	-71,300	-82,500
14.0001	Non-federal sources(-)	-901,495	-960,300	-1,042,200
22.4001	Not unobligated balance transferred	-521,000		
39.0001	<b>Budget authority</b>	<b>354,716</b>	<b>632,869</b>	<b>563,907</b>
<b>Budget authority:</b>				
40.0001	Appropriation	354,372	632,869	563,907
69.1001	Contract authority (Substantive law) (Stat	344		
43.0001	<b>Appropriation (adjusted)</b>	<b>354,716</b>	<b>632,869</b>	<b>563,907</b>
<b>Relation of obligations to outlays:</b>				
71.0001	Obligations incurred, not	875,717	632,869	563,907
72.4901	Obligated balance, start of year	2,170,731	2,171,075	2,171,075
72.9001	Obligated balance, start of year	384,252	662,363	784,432
74.4901	Obligated balance, end of year	-2,171,075	-2,171,075	-2,171,075
74.9801	Obligated balance, end of year	-662,363	-784,432	-895,739
90.0001	<b>Outlays</b>	<b>597,261</b>	<b>510,800</b>	<b>452,600</b>



Navy Stock Fund  
Object Classification (in Thousands of dollars)

01 Feb 04

Identification code	17-4911-0-4-051	1983 actual	1984 est.	1985 est.
<i>Reimbursable obligations:</i>				
22 2001	Transportation of things	13,959	31,453	45,042
22 5004	Other	197,865	260,437	996,183
22 6001	Supplies and materials	7,206,152	7,696,710	9,703,275
24 2001	Insurance claims and indemnities	23,044	22,400	23,500
29 9001	Total Reimbursable obligations:	7,441,020	8,011,000	10,768,000
99.9901	Total Obligations	7,441,020	8,011,000	10,768,000

Department of the Navy  
NAVY STOCK FUND  
Appropriated Funds Request  
(In Thousands of Dollars)

	<u>Peacetime</u>	<u>War Reserves</u>	<u>Total</u>
NAVY STOCK FUND			
Program Requirements FY 1986 .....	\$877,181	\$157,692	\$1,034,873
Program Requirements FY 1985 .....	\$488,100	\$ 75,807	\$ 563,907
Program Requirements FY 1984 .....	\$590,500	\$ 42,369	\$ 632,869
Program Requirements FY 1983 .....	\$230,000	\$124,372	\$ 354,372

General Statement

The Navy Stock Fund is a revolving fund established to provide secondary item material support to Navy combat forces and shore installations. The stock fund customers buy material using annual appropriated funds. These monies are then used by the stock fund to reinvest in material that is held in inventory to meet future customer demands. Beginning in FY 1983, Congress directed that inventory investment for support of new weapons systems, weapons systems with expanding populations and readiness or sustainability initiatives be financed by direct appropriations.

On 1 April 1981, Navy commenced a test of financing the procurement and repair of non-aviation Depot Level Repairable (DLR) components in the Navy Stock Fund. Prior to this time, procurement of these items was funded in either Weapons Procurement, Navy (WPN) or Other Procurement, Navy (OPN) and repair was funded in the Operation and Maintenance, Navy (O&MN) appropriation. Release of these items from the supply system was on a "free issue" basis. Under stockfunding a "buyer/seller" relationship is established and users of non-aviation DLRs pay for what they requisition. The purpose of the test was to determine if readiness would be improved via better material support and economies achieved due to the "buyer/seller" relationship. To date, the test has shown significant improvement in readiness. Stock funded non-aviation DLR material availability increased more than 30 percent from FY 1981 to FY 1983. During this same period non-stock funded aviation DLR material availability increased just over five percent. At the same time, increased carcass return rates from customers of stockfunded DLRs resulted in cost savings of over \$300 million. In an attempt to attain these same benefits in aviation DLR material support, the Navy requested expansion of the test from shipboard to aviation DLRs. After a special OSD DLR Task Force reviewed the stockfunding of DLRs, the Deputy Secretary of Defense approved the Navy's request to expand the test. Procurement of these items was previously funded in Aircraft Procurement, Navy (APN) and repair was funded as a single budget line item in the Operation and Maintenance appropriations. The Fiscal Year 1985 Navy budget incorporates all funding re-alignments for this test expansion. The expanded test is to begin in April 1985, and to continue through Fiscal Year 1988.

*This report includes the justification of the test and the results of the test. It is to be submitted to the President for FY 1985.*

The Navy manages both expense or consumable items and repairable items for ships and aircraft in the stock fund. Both of these categories of material require two levels of inventory. The first level is Peacetime Operating Stock (POS) supporting annual training and maintenance requirements. War Reserve Material (WRM) is the second level of inventory and provides the increment above peacetime inventory required to sustain the wartime force until production can meet wartime consumption.

The Navy Stock Fund WRM consists of two segments. The prepositioned segment is positioned either in forward areas, aboard ship or at places where it can readily be loaded to accompany troops to assure timely support of a designated force in the initial phase of a war or contingency. The second segment is to provide sustaining support and is commonly referred to as Other War Reserve Material (OWRM). Funds are being requested only for the Prepositioned War Reserve Material segment.

Department of the Navy  
NAVY STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1986 .....	\$877,181
Program Requirement FY 1985 .....	\$488,100
Program Requirement FY 1984 .....	\$590,500
Program Requirement FY 1983 .....	\$230,000

Narrative Statement

The Navy Stock Fund (NSF) Peacetime Inventory Augmentation request identifies spare parts inventory growth to support new weapons systems/aircraft being introduced into the fleet as well as modifications to existing weapon systems/aircraft and specific initiatives to improve fleet readiness.

The FY 1983 Program Requirement was totally expenditure based while the FY 1984 requirement reflected the transition from an expenditure to an obligation base. In accordance with Congressional direction, the FY 1985 Program Requirement is totally obligation based.

The FY 1985 Navy Stock Fund budget request for Peacetime Inventory Augmentation would finance new repair parts inventories to support new weapons systems and aircraft. The FY 1985 Navy investment in new hardware is substantial and is the foundation for the growth to a 600 ship Navy. The repair parts required to support this investment in hardware is vital to the readiness and sustainability of these equipments and aircraft.

FY 1985  
(In Millions of Dollars)

	<u>Shipboard</u>	<u>Aviation</u>	<u>Total</u>
FORCE MODERNIZATION	235.1	208.2	443.3
FORCE MODIFICATION	20.1	14.1	34.2
READINESS/SUSTAINABILITY	<u>10.6</u>	<u>0</u>	<u>10.6</u>
TOTAL REQUEST	265.8	222.3	488.1

The 17 percent decrease in the FY 1985 program from FY 1984 is related to the transition to a full obligation basis. The transition year (FY 1984) requirement included \$143 million in expenditures for prior year obligations. The FY 1985 requirement consists only of obligations. The FY 1986 requirement includes funding for a full year for aviation related reparables and other programs.

The justification of the requested funds for Peacetime Inventory Augmentation in FY 1985 follows:

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Department of the Navy  
NAVY STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 ..... \$443,300  
Program Requirement FY 1984 ..... \$509,200  
Program Requirement FY 1983 ..... \$230,000

Force Modernization

The requirement for Force Modernization is to finance the acquisition of repair parts required for the establishment of initial levels of stockage at all echelons of inventory held by the Navy Stock Fund. It includes any initial stockage related to the introduction of a new aircraft, weapon system, assembly, or to support the introduction of additional units of end items above current force levels.

The cost of repair parts to support these weapons systems/aircraft is based on the total cost of the hardware and the number of installations of this hardware requiring supply support. A breakdown by Weapons System and Aircraft of the repair parts supporting the FY 1985 Program Requirement follows:

FORCE MODERNIZATION (SHIPBOARD)

(In Millions of Dollars)

<u>Weapon System</u>	<u>Repair Parts Cost</u>	<u>Weapon System</u>	<u>Repair Parts Cost</u>
AN/UYK-44 Computer System	8.7	Deep Submergent Rescue Vehicle Equipment	1.7
AN/SPS-48E Radar System	6.8	AN/SLQ-17 Electronic Early Warning System	2.5
MK 15 MOD 11 Anti-Ship Missile Fire Control System	6.9	AN/BSC-1 Trident Electronic Communications Central Radio Room	1.1
Surface Processing Facility Radar Extension System	6.8	Nuclear Propulsion Equipment for Surface Ships	3.1
UYQ-21 Computer System	13.9		
AN/BQQ-5 Sonar System	9.1		

FORCE MODERNIZATION (SHIPBOARD) (continued)

<u>Weapon Systems</u>	<u>Repair Parts Cost</u>	<u>Weapon Systems</u>	<u>Repair Parts Cost</u>
AN/WLR-8 Electronic Counter Measures Receiving Set	1.3	Nuclear Propulsion Equipment for Submarines	9.3
AN/SQS-53B Sonar System	5.0	Non-standard Ship alteration material	5.3
AN/BQQ-6 Trident Sonar System	4.9	Trident Refit Facility, Kings Bay, GA. Load List	4.7
MARK 92 Fire Control System	4.7	Non-Weapons system related equipment such as pumps, valves, motors, compressors, etc.	20.1
TF-40B Gas Turbine Engine	4.2	AN/SLQ-33 Ship Deception System	2.1
AN/UYK 7 Computer System	10.4	AN/WSN-3A Electronic Suspended Gyro Navigation System	1.3
Deep Diving Research Submarine	1.4	Mine Neutralization System	2.5
AN/SLQ-32 Anti Ship Missile Defense System	2.9	AN/SQR-18A Variable Depth Sonar	1.2
AN/BLD-1 Submarine Experimental Direction Finding System	3.3	AN/SQR-17 Anti-Submarine Warfare System	2.0
AN/TSQ-131 Air Search Radar Control Central Sub-System	1.9	AN/UYK-43 Computer System	4.2
PT-530/UYQ Intelligence Processing Center Graphic Plotter	2.0	Miscellaneous Electronic Systems Under \$500K	29.7
ON-143(V)6 Radio/Computer Inter- connecting Link	1.6	Miscellaneous Ordnance Systems Under \$500K	17.0
AN/SPS-49 Surface Radar Tracking System	1.7	Miscellaneous Hull, Mechanical, Electrical Systems Under \$500K	6.1
AGM-65E Laser Guided Air-to-Ground Offensive Guided Missile	2.7		
Phoenix Tactical Guided Missile System	2.3		

FORCE MODERNIZATION (SHIPBOARD) (continued)

(In Millions of Dollars)

<u>Weapon Systems</u>	<u>Repair Parts Cost</u>	<u>Weapon Systems</u>	<u>Repair Parts Cost</u>
ELF Trident Radio Receiver	2.4	Navy Standard Teleprinter	1.1
Sparrow Air-to-Air Defensive Missile System	1.2	AN/MQN-1 Channel Finder System	2.8
T-62 Gas Turbine Engine Auxiliary Power Unit	1.6	Armored Box Launcher for the Cruise Missile System	4.4
AN/UYK-143 Computer Exterior Shell	1.4	Vertical Launch System for the Cruise Missile System	3.8
Total Shipboard Force Modernization			\$235.1

FORCE MODERNIZATION (AVIATION)

(In Millions of Dollars)

<u>Aircraft</u>	<u>Repair Parts Cost</u>	<u>Aircraft</u>	<u>Repair Parts Cost</u>
A6E	2.3	P3C	2.5
EA6B	1.6	E2C	2.3
AV8B	54.1	C2A	12.3
F14	5.2	E6A	.4
F/A 18	23.2	Support Equipment	15.9
CH53E	1.3	Targets	.4



FORCE MODERNIZATION (AVIATION) (continued)

(In Millions of Dollars)

<u>Aircraft</u>	<u>Repair Parts Cost</u>	<u>Aircraft</u>	<u>Repair Parts Cost</u>
	9.8	Training Devices	1.0
AHIT		Catapult and Arresting Gear	2.8
SH60B	73.1		
		Total Aviation Force Modernization	\$208.2
		Total Force Modernization	\$443.3

Department of the Navy  
NAVY STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items  
(In Thousands of Dollars)

Program Requirement FY 1985 ..... \$34,200  
Program Requirement FY 1984 ..... \$29,500  
Program Requirement FY 1983 ..... \$ 0

Force Modification

Force Modification requirements are necessary to finance the acquisition of repair parts to provide increases in inventory held by the Navy Stock Fund in support of programmed modifications to existing aircraft, weapon systems, and assemblies.

Shipboard modification requirements are based on weapon system cost and modification schedules while the aircraft modification requirement represents the investment in repair parts to support Modifications as described in the Aircraft Procurement, Navy (APN) appropriation request.

Breakout of the Force Modification requirements in the FY 1985 Program follows:

FORCE MODIFICATION (SHIPBOARD)

(In Millions of Dollars))

<u>Weapons System</u>	<u>Repair Parts Cost</u>
Periscope Modifications	1.8
LM 2500 Gas Turbine Engine Modifications	6.2
2" and Under Valve Replacement and Standardization	3.0
Modification Kits for MK 48 Torpedoes	1.4
Miscellaneous Electronic Systems Modifications	3.8

FORCE MODIFICATION (SHIPBOARD) (continued)

(In Millions of Dollars)

<u>Weapon Systems</u>	<u>Repair Parts Cost</u>
Miscellaneous Ordnance Systems Modifications	1.2
Miscellaneous Hull, Mechanical and Electrical Systems Modifications	2.7
Total Shipboard Force Modification	<u>\$20.1</u>

FORCE MODIFICATION (AVIATION)

(In Millions of Dollars)

<u>Aircraft</u>	<u>Repair Parts Cost</u>
Aircraft Modifications	<u>14.1</u>
Total Aviation Force Modification	<u>\$14.1</u>
Total Force Modification	<u>\$34.2</u>

Department of the Navy  
NAVY STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 ..... \$10,600  
Program Requirement FY 1984 ..... \$51,800  
Program Requirement FY 1983 ..... \$ 0

Readiness and Sustainability

The requirement for Readiness and Sustainability is to finance the acquisition of repair parts which increase current levels at any echelon of inventory held by the Navy Stock Fund for the purpose of increasing material readiness or sustainability. Initiatives include increased material stockage to improve approved, identifiable and quantifiable readiness indicators such as stock availability, operational availability, backorder rates, mission capable rates, casualty reports, etc.

A list of the Readiness and Sustainability initiatives requested in the FY 1985 Program follows:

READINESS/SUSTAINABILITY

(In Millions of Dollars)

<u>Weapon System</u>	<u>Repair Parts Cost</u>
Insurance Items to Support Mission Essential Equipment	2.4
Higher Safety Levels for Specific Critical Weapons Systems	8.2
	—
Total Readiness Initiatives	\$10.6

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Department of the Navy  
NAVY STOCK FUND  
War Reserves - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1986 .....	\$157,692
Program Requirement FY 1985 .....	\$ 75,807
Program Requirement FY 1984 .....	\$ 42,369
Program Requirement FY 1983 .....	\$124,372

Narrative Statement

The Navy Stock Fund provides for the procurement of War Reserve Material (WRM) stocks which will be held in inventory until such time as the stocks are issued to support and sustain operational force wartime requirements. Funding is provided by direct appropriation. Management of the overall stock fund program is facilitated by collecting all stock fund WRM requirements in a single appropriation. Stock Fund Categories are as follows:

- a. Consumable and depot level repairable ship, submarine, shore based, electronic and ordnance equipment, and subassembly components and repair parts.
- b. Consumable items used by Navy activities but managed by other service activities. The types of material include parts peculiar to combat and tactical vehicles managed by Army, aircraft material managed by the Air Force and clothing and textiles, construction, general, electronic and industrial material and subsistence managed by the Defense Logistics Agency.
- c. Consumable and depot level repairable aeronautical, photographic and catapult and arresting gear components, subassemblies and repair parts.
- d. Printed matter including forms, directives, placards, publications and manuals.

The justification of the requested funds for war reserves in FY 1985 follows:

Department of the Navy  
NAVY STOCK FUND  
War Reserves - Secondary Items  
(In Thousands of Dollars)

Program Requirement FY 1985 .....	\$11,420
Program Requirement FY 1984 .....	\$ 0
Program Requirement FY 1983 .....	\$25,337

Fleet Marine Forces Support

This Force consists of Fleet Marine Force Atlantic, Fleet Marine Force Pacific and the Fourth Division/Air Wing team which must be ready to deploy on extremely short notice. The material will be held at ports of embarkation from which the units are scheduled to deploy. All of the material accompanies the unit and is needed for support during the initial outbreak of hostilities. FY 1985 funds are requested as follows:

Retail supplies including clothing and subsistence:	\$3,700
Aeronautical material:	\$7,720

Department of the Navy  
NAVY STOCK FUND  
War Reserves - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 .....	\$55,201
Program Requirement FY 1984 .....	\$42,369
Program Requirement FY 1983 .....	\$82,035

Fleet Support

This special project provides support which accompanies the deployed fleet units in supply ships of the Mobile Logistics Support Force and material carried aboard aircraft carriers and by Marine Air Groups (MAGs) to support the difference between wartime and peacetime consumption for assigned aircraft. It also includes material placed ashore to meet the expanded repair efforts and resupply of fleet units. FY 1985 funds are requested as follows:

Ships, submarines, electronics and base repair parts:	\$28,740
Aeronautical material:	\$ 8,150
Retail supplies including clothing and subsistence:	\$18,311



Department of the Navy  
NAVY STOCK FUND  
War Reserves - Secondary Items  
(In Thousands of Dollars)

Program Requirement FY 1985 ..... \$ 4,186  
Program Requirement FY 1984 ..... \$     0  
Program Requirement FY 1983 ..... \$14,000

ADVANCED BASE FUNCTIONAL COMPONENT (ABFC)  
OPERATION PLAN (OPLAN) SUPPORT

This program provides for forward base support to Naval Forces. FY 1985 funds are requested as follows:

Ships, submarines, electronics and base repair parts:	\$ 424
Retail supplies:	\$3,758
Aeronautical material:	\$     4

Department of the Navy  
NAVY STOCK FUND  
War Reserves - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985	.....	\$5,000
Program Requirement FY 1984	.....	\$ 0
Program Requirement FY 1983	.....	\$3,000

Fleet Hospital Element

This material consists of expendable medical supplies to outfit hospitals in the combat area. FY 1985 funds are requested as follows:

Retail supplies:                \$5,000

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Department of the Navy  
UNITED STATES NAVY  
WAR RESERVE - SECONDARY ITEMS  
(In Millions of Dollars)

CATEGORY	STOCK FUNDED			PROCUREMENT FUNDED			TOTAL		
	FY 83	FY 84	FY 85	FY 83	FY 84	FY 85	FY 83	FY 84	FY 85
<u>Ships, Submarines, Electronics and Base Repair Parts</u>									
Requirement	676.5	709.4	742.5	-	-	-	676.5	709.4	742.5
Applicable Assets	266.3	340.4	390.0	-	-	-	266.3	340.4	390.0
Funding Requested	58.3	32.2	29.2	-	-	-	58.3	32.2	29.2
<u>Aeronautical Material</u>									
Requirement	1,136.0	1,191.2	1,246.7	3.3	99.5	99.7	1,139.3	1,290.7	1,346.4
Applicable Assets	337.3	373.6	400.4	.8	.8	.8	338.1	374.4	401.2
Funding Requested	19.0	4.7	15.8	0(*)	0(*)	19.4	19.0	4.7	35.2
<u>Retail Supplies</u>									
Requirement	576.7	604.7	632.9	-	-	-	576.7	604.7	632.9
Applicable Assets	187.9	246.4	263.6	-	-	-	187.9	246.4	263.6
Funding Requested	47.1	5.5	30.8	-	-	-	47.1	5.5	30.8
<u>Forms and Printed Matter</u>									
Requirement	.5	.5	.5	-	-	-	.5	.5	.5
Applicable Assets	.5	.5	.5	-	-	-	.5	.5	.5
Funding Requested	-	-	-	-	-	-	-	-	-
<u>Total Navy</u>									
Requirement	2,389.7	2,505.8	2,622.6	3.3	99.5	99.7	2,393.0	2,605.3	2,722.3
Applicable Assets	792.0	960.9	1,054.5	.8	.8	.8	792.8	961.7	1,055.3
Funding Requested (NSF)	124.4	42.4	75.8	0(*)	0(*)	0	124.4	42.4	75.8
Funding Requested (*)	36.5	2.5	0	-	-	19.4	36.5	2.5	19.4
Total	160.9	44.9	75.8	0(*)	0(*)	19.4	160.9	44.9	95.2

(\*) \$36.5 million FY 1983 funding was provided via APN-6 and \$2.5 million FY 1984 funding was provided via APN-6. Requirements and applicable assets that these funds relate to are included in the Stock Funded column.

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Department of the Navy  
MARINE CORPS STOCK FUND  
Appropriation Language

For the Marine Corps Stock Fund; [\$20,780,000.] \$34,908,000. (10 U.S.C. 2208; Department of Defense Appropriation Act, 1984).

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Marine Corps Stock Fund  
Program and Financing (in thousands of dollars)

01 Feb 84

Identification code	17-4913-0-4-051	1983 actual	1984 est	1985 est
Program by Activities				
Direct Program:				
20	(Amounts entered in budget activity)	11,812	20,780	34,908
Total direct program				
	(Reduce amounts entered in budget activity)	11,812	20,780	34,908
	Ordnance-tank-automotive	-11,812	-20,780	-34,908
	Engineer supplies and construction mate	16,968	26,400	30,711
	Communication-electronic	41,402	31,900	36,020
	General material	19,709	21,000	26,370
	Clothing and textiles	35,650	29,100	33,424
	Fuels and related items	47,944	56,400	64,323
	Subsistence-commissary	31,713	35,600	31,006
		200,680	201,700	226,622
10.0001	Total Obligations	394,474	404,100	452,270
Financing:				
Offsetting collections from:				
11.0001	Federal funds(-)	-250,079	-237,320	-264,162
14.0001	Non-federal sources(-)	-137,453	-146,000	-153,200
32.4901	Balance of contract authority withdrawn	4,870		
40.0001	Budget Authority (Appropriation)	11,812	20,780	34,908
Relation of obligations to outlays:				
71.0001	Obligations incurred, net	6,942	20,780	34,908
72.4901	Obligated balance, start of year	76,222	71,352	71,352
72.9801	Obligated balance, start of year	39,772	53,731	40,311
74.4901	Obligated balance, end of year	-71,352	-71,352	-71,352
74.9801	Obligated balance, end of year	-53,731	-40,311	-57,219
90.0001	Outlays	-2,146	34,200	18,300



Marine Corps Stock Fund  
Object Classification (in thousands of dollars)

01 Feb 84

Identification code	17-4913-0 4-051	1983 actual	1984 est.	1985 est.
	Reimbursable obligations:			
22 2001	Transportation of things	2,465	3,000	3,000
22 6001	Supplies and materials	392,009	401,100	449,270
29 9001	Total Reimbursable obligations:	394,474	404,100	452,270
91 9301	Total Obligations	394,474	404,100	452,270

Department of the Navy  
MARINE CORPS STOCK FUND  
Appropriated Funds Request

(In Thousands of Dollars)

		<u>Peacetime</u>	<u>War Reserve</u>	<u>Total</u>
Marine Corps Stock Fund	Program Requirements FY 1986 .....	\$7,534	\$63,364	\$70,898
	Program Requirements FY 1985 .....	\$3,507	\$31,401	\$34,908
	Program Requirements FY 1984 .....	\$ 0	\$20,780	\$20,780
	Program Requirements FY 1983 .....	\$ 0	\$11,812	\$11,812

General Statement

The Marine Corps Stock Fund is a working capital fund established for the purpose of financing inventories of stores, supplies, material and equipment. Such inventories include consumable, expense-type material and relatively minor items of equipment primarily in support of Marine Corps posts, camps and stations. Marine Corps Stock Fund customers buy material utilizing appropriated funds. These monies, in turn, are used by the stock fund to reinvest in material that is held in inventory to meet future customer demands. Direct appropriations, however, are requested for Marine Corps Stock Fund War Reserve Material and Peacetime Inventory Augmentation.

The Marine Corps Stock Fund inventories serve two purposes. One purpose is to support peacetime or everyday needs and is commonly referred to as Peacetime Operating Stock (POS). The second purpose, called War Reserve Material (WRM), is in addition to the peacetime inventory and is required to equip and sustain Marine Corps forces until such time as normal supply lines can be established. Beginning in FY 1983, Congress directed that inventory investment in support of new weapon systems, or weapon systems with expanding populations, be financed by direct appropriation. This includes peacetime operating stock requirements for the acquisition of stock funded material to support inventory increases for force modernization, weapon systems modifications, or readiness and sustainability initiatives.

The FY 1985 Marine Corps Stock Fund request for a Peacetime Inventory Augmentation would support Force Modernization. Specifically, these funds are for the establishment of initial wholesale stockage levels of consumable expense-type items for which the Marine Corps has been designated the Integrated Material Manager (IMM) for the Department of Defense (DOD) supply system. Such items are in support of new/additional end items of equipment entering the force structure. The FY 1986 requirement would fund similar programs for other equipment entering the Force.

The Peacetime Inventory Augmentation requirement in this submission addresses a requirement in FY 1985 of \$3,507 thousands.

The range of items in War Reserve Material (WRM) stock consists of repair parts necessary for repair/replacement of unserviceable components of end items; allowance items required to complete the initial outfitting of active force cadre units; the Table of Equipment (T/E) allowance for each Marine Corps Reserve unit which is offset by the training allowance held by that unit; and Meals Ready to Eat (Combat Rations) and associated fuel bars in support of the Maritime Prepositioning Ships (MPS) program. Further, projected combat losses for the approved period are an additive to the initial outfitting requirements.

This budget submission for War Reserve Material was developed by use of the above criteria and addresses a requirement in FY 1985 of \$31,401 thousands for the procurement of stock fund War Reserve Material (WRM) required to achieve a material support posture to provide war reserve asset levels and inventory objectives for combat-essential items consisting of supplies, minor items of equipment, parts used in the assembly or repair of items of equipment and Meals Ready to Eat with accompanying fuel bars. The FY 1986 War Reserve program is made up of similar requirements needed to achieve a higher support posture.

Department of the Navy  
MARINE CORPS STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1986	.....	\$ 7,534
Program Requirement FY 1985	.....	\$ 3,507
Program Requirement FY 1984	.....	\$ 0
Program Requirement FY 1983	.....	\$ 0

Narrative Statement

The FY 1985 Force Modernization requirements for stock fund Peacetime Inventory Augmentation material categories are as follows:

- a. Ordnance-Tank-Automotive: This requirement is for inventories of consumables to support new/additional motor vehicles and weapons entering the force.
- b. Engineer-Construction: This requirement is for inventories of consumables to support various engineer and construction equipment entering the force.
- c. Communications-Electronics: This requirement is for inventories of consumables to support communications and electronics equipment entering the force.
- d. General Property: This requirement is for inventories of consumables related to water purification unit/water distribution equipment entering the force.

Department of the Navy  
MARINE CORPS STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items  
Summary of Requirement

(In Thousands of Dollars)

<u>Material Category</u>	<u>FY 1983 Actual</u>	<u>FY 1984 Estimate</u>	<u>FY 1985 Estimate</u>
<u>Ordnance-Tank-Automotive</u>	.....	.....	1,006
<u>Engineer-Construction</u>	.....	.....	56
<u>Communications-Electronics</u>	.....	.....	2,412
<u>General Property</u>	.....	.....	33
Total Marine Corps	.....	.....	3,507

Department of the Navy  
MARINE CORPS STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 .....	\$ 1,006
Program Requirement FY 1984 .....	\$ 0
Program Requirement FY 1983 .....	\$ 0

Category: Ordnance-Tank-Automotive

Narrative Description

This category provides for the procurement of initial wholesale stockage levels of consumables in support of vehicles and weapons for which the Marine Corps is the Integrated Material Manager (IMM) for the Department of Defense (DOD) supply system.

Computation Methodology

All inventory augmentation requirements relate to the initial provisioning of new/additional end items and are based upon a requirement for an initial investment of 90 days plus a procurement leadtime.

Summary

The requested funds are for the establishment of initial wholesale stockage levels of consumables to support new/additional vehicles and weapons. Examples of the end items to be supported are as follows: Landing Assault Vehicle; Rocket Launcher; Truck, High Mobility Multi-Wheeled Vehicle; Landing Vehicle Tracked; Communications Utility Cargo Vehicle; and Logistics Vehicle Systems.

Department of the Navy  
MARINE CORPS STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 .....	\$	56
Program Requirement FY 1984 .....	\$	0
Program Requirement FY 1983 .....	\$	0

Category: Engineer-Construction

Narrative Description

This category provides for the procurement of initial wholesale stockage levels of consumables in support of new engineer and construction equipment.

Computation Methodology

All inventory augmentation requirements relate to the initial provisioning of new/additional end items and are based upon a requirement for an initial investment of 90 days plus a procurement leadtime.

Summary

The requested funds are for the establishment of initial wholesale levels of consumables to support new/additional engineer and construction equipment. Specifically, in FY 1985 the consumables procured will be in support of the Detection Set PSS-12.

Department of the Navy  
MARINE CORPS STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 .....	\$ 2.412
Program Requirement FY 1984 .....	\$ 0
Program Requirement FY 1983 .....	\$ 0

Category: Communications-Electronics

Narrative Description

This category provides for the procurement of initial wholesale stockage levels of consumables in support of new communications and electronics equipment.

Computation Methodology

All inventory augmentation requirements relate to the initial provisioning of new/additional end items and are based upon a requirement for an initial investment of 90 days plus a procurement leadtime.

Summary

The requested funds are for the establishment of initial wholesale levels of consumables to support new/additional communications and electronics equipment. Examples of the end items to be supported are as follows: Digital Communications Terminal; Position Location Reporting System; Tactical Air Operations Central - 1985; Modular Universal Laser Equipment; Antenna Coupler Group OE-33; Central Office Telephone; Unit Level Switching Telephone Terminal; Radio Set AN/PRC 105; and Tow Launcher.



Department of the Navy  
MARINE CORPS STOCK FUND  
Peacetime Inventory Augmentation - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 .....	\$	33
Program Requirement FY 1984 .....	\$	0
Program Requirement FY 1983 .....	\$	0

Category: General Property

Narrative Description

This category provides for the procurement of initial wholesale stockage levels of consumables in support of general property items.

Computation Methodology

All inventory augmentation requirements relate to the initial provisioning of new/additional end items and are based upon a requirement for an initial investment of 90 days plus a procurement leadtime.

Summary

The requested funds are for the establishment of initial wholesale levels of consumables to support new/additional general property items. Specifically, in FY 1985 the consumables procured will be in support of Water Purification Unit/Water Distribution Equipment.

Department of the Navy  
MARINE CORPS STOCK FUND  
War Reserve - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1986	.....	\$63,364
Program Requirement FY 1985	.....	\$31,401
Program Requirement FY 1984	.....	\$20,780
Program Requirement FY 1983	.....	\$11,812

Narrative Statement

The Marine Corps Stock Fund provides for the procurement of War Reserve Material (WRM) stocks which will be held in inventory until such time as the stocks are issued to support and sustain operational force capabilities. Funding is provided by direct appropriation. Management of the overall stock fund program is facilitated by collecting, in a single appropriation, all stock fund War Reserve Material (WRM) requirements. Requirements for stock fund War Reserve categories are as follows:

- a. Ordnance-Tank-Automotive: This requirement is for support of motor vehicles and weapons of the combat forces.
- b. Engineer-Construction: This requirement supports combat field fortifications and other engineer equipment of the combat forces.
- c. Communications-Electronics: This requirement is for communications and electronics equipment in the combat forces.
- d. General Property: This requirement is for prepositioned fuel bars to heat combat rations and minor consumable items in support of the combat forces.
- e. Clothing and Textiles: This requirement is for initial issue deficiencies of environmental clothing and equipment and equipage items and to provide sustainability for combat essential items.
- f. Summary: The War Reserve Material (WRM) requirements contained in this submission are essential to ensure the initial readiness and sustained wartime capability of the active Marine Amphibious Forces (MAFs) and the Reserve 4th Division/Wing Team.

Department of the Navy  
MARINE CORPS STOCK FUND  
War Reserve - Secondary Items  
Summary of Funding Requests

(In Thousands of Dollars)

	FY 1983 <u>Actual</u>	FY 1984 <u>Estimate</u>	FY 1985 <u>Estimate</u>
<u>System War Reserve</u>			
<u>Ordnance-Tank-Automotive</u>	586	3,983	6,492
<u>Engineer-Construction</u>	1,005	1,220	2,335
<u>Communications-Electronics</u>	573	1,317	2,134
<u>General Property</u>	602	1,300	1,785
<u>Clothing and Textiles</u>	1,794	12,960	12,891
<u>Subsistence (MPS)</u>	<u>7,252</u>	<u>.....</u>	<u>5,764</u>
Total Marine Corps	11,812	20,780	31,401

Department of the Navy  
MARINE CORPS STOCK FUND  
War Reserves - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985	.....	\$ 6,492
Program Requirement FY 1984	.....	\$ 3,983
Program Requirement FY 1983	.....	\$ 586

Category: Ordnance-Tank-Automotive

Narrative Description

This category provides for the procurement of centrally procured expense-type allowance items and spare parts in support of vehicles and weapons.

Computation Methodology

The combat consumption requirements for consumable spares are developed by applying tempered current usage data to the increase in the number of vehicles involved in combat operations. Requirements for allowance type items are from authorized allowance lists offset by the items held in support of current operations. In addition, combat sustainability is calculated for combat essential allowance items

Summary

The requested funds are for an incremental increase in War Reserve material to support vehicles and weapons necessary to accomplish the Marine Corps mission.

Department of the Navy  
MARINE CORPS STOCK FUND  
War Reserves - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985	.....	\$ 2,335
Program Requirement FY 1984	.....	\$ 1,220
Program Requirement FY 1983	.....	\$ 1,005

Category: Engineer-Construction

Narrative Description

This category provides for the procurement of centrally procured expense-type items in support of engineer equipment and construction material.

Computation Methodology

The combat consumption requirements for consumable spares are developed by applying tempered current usage data to the increase in the number of equipments engaged in a combat environment. Requirements for allowance type items are from authorized equipment allowance lists offset by the items in support of current operations. An additional combat sustainability quantity is calculated for combat essential allowance items.

Summary

The funds requested will provide an incremental improvement in materials necessary for the effective accomplishment of the Marine Corps' combat mission.

Department of the Navy  
MARINE CORPS STOCK FUND  
War Reserves - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 ..... \$ 2,134  
Program Requirement FY 1984 ..... \$ 1,317  
Program Requirement FY 1983 ..... \$ 573

Category: Communications-Electronics

Narrative Description

This category provides for the procurement and management of centrally procured expense type items in support of communications and electronics material.

Computation Methodology

The combat consumption requirements for consumable spares are developed by applying tempered current usage data to the increase in the number of equipments in combat. Requirements for allowance type items are from authorized allowance lists offset by the items in support of current operations. An additional combat sustainability quantity is calculated for combat essential allowance items.

Summary

The requested funds are considered the minimum necessary to enhance the capability to sustain operations until supply lines can be established.

Department of the Navy  
MARINE CORPS STOCK FUND  
War Reserves - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 ..... \$ 1,785  
Program Requirement FY 1984 ..... \$ 1,300  
Program Requirement FY 1983 ..... \$ 602

Category: General Property

Narrative Description

This category provides for the procurement and management of centrally procured expense-type items in support of general property material. In addition, in FY 1983 and FY 1985 funds are for the financing of fuel bars to sustain the combat forces.

Computation Methodology

The combat consumption requirements for consumable spares are developed by applying tempered current usage data to the increase in the number of equipments involved in combat. Requirements for allowance items are developed by use of approved allowance lists offset by the quantities held by the operating forces. Combat sustainability is also calculated for combat essential items. The requirement for fuel bars is based on the consumption of Meals Ready to Eat (MRE's) in support of the combat forces.

Summary

Funding for this requirement will ensure that consumable spares and allowance type items as well as fuel bars to heat MRE's are available in support of combat forces. The fuel bars portion of general property requires \$202,000 in FY 1983 and \$154,000 in FY 1985.

Department of the Navy  
MARINE CORPS STOCK FUND  
War Reserves - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 ..... \$12,891  
Program Requirement FY 1984 ..... \$12,960  
Program Requirement FY 1983 ..... \$ 1,794

Category: Clothing and Textiles

Narrative Description

This category provides for the procurement of expense-type clothing and textile items.

Computation Methodology

There are no consumable spares in this category. Examples of allowance type items in this commodity are individual clothing; organizational equipment and environmental clothing and equipment. Combat sustainability is also calculated for combat essential items as an additive to the requirement.

Summary

The requested funds will provide an incremental improvement in items necessary to outfit and sustain the combat forces.



Department of the Navy  
MARINE CORPS STOCK FUND  
War Reserves - Secondary Items

(In Thousands of Dollars)

Program Requirement FY 1985 .....	\$ 5,764
Program Requirement FY 1984 .....	\$ 0
Program Requirement FY 1983 .....	\$ 7,252

Category: Subsistence

Narrative Description

This subsistence category of the Marine Corps Stock Fund provides for the procurement of Meals Ready to Eat (MRE's), i.e., combat rations, to sustain the combat forces.

Computation Methodology

The inventory objective for Meals Ready to Eat is based on the requirement to preposition Meals Ready to Eat aboard the Maritime Prepositioning Ships (MPS) to sustain the combat forces.

Summary

Funding for this requirement is necessary to provide a mobility enhancement alternative to the use of scarce strategic lift assets required for the early introduction of credible, sustainable forces in order to respond to any potential world-wide contingency.

Department of the Navy  
HEADQUARTERS, UNITED STATES MARINE CORPS  
WAR RESERVE - SECONDARY ITEMS

(In Millions of Dollars)

CATEGORY	STOCK FUNDED			PROCUREMENT FUNDED			TOTAL		
	FY 83	FY 84	FY 85	FY 83	FY 84	FY 85	FY 83	FY 84	FY 85
<u>Ordnance- Tank Automotive</u>									
Requirement	65.7	61.5	19.5	5.9	9.7	10.2	71.6	71.2	89.7
Applicable Assets	9.5	10.4	15.4	5.4	6.2	8.8	14.9	16.6	24.2
Funding Requested	.6	4.0	6.5	-	2.6	.9	.6	6.6	1.4
<u>Engineer-Construction</u>									
Requirement	29.7	30.6	33.0	2.8	6.0	6.3	32.5	36.6	39.3
Applicable Assets	10.5	11.0	12.3	2.0	2.7	4.1	12.5	13.7	16.4
Funding Requested	1.0	1.2	2.3	-	1.4	.4	1.0	2.6	2.7
<u>Communications-Electronics</u>									
Requirement	30.1	31.0	33.5	40.8	41.2	43.5	70.9	72.2	77.0
Applicable Assets	10.3	11.2	12.7	9.1	14.1	29.3	19.4	25.3	42.0
Funding Requested	.5	1.3	2.1	-	15.2	4.5	.5	16.5	6.6
<u>General Property*</u>									
Requirement	26.6	26.7	28.9	-	-	-	26.6	26.7	28.9
Applicable Assets	11.7	12.2	13.8	-	-	-	11.7	12.2	13.8
Funding Requested	.6	1.3	1.8	-	-	-	.6	1.3	1.8
<u>Clothing and Textiles</u>									
Requirement	186.4	191.5	200.9	-	-	-	186.4	191.5	200.9
Applicable Assets	73.0	76.5	89.5	-	-	-	73.0	76.5	89.5
Funding Requested	1.8	13.0	12.9	-	-	-	1.8	13.0	12.9

Department of the Navy  
HEADQUARTERS, UNITED STATES MARINE CORPS  
WAR RESERVE - SECONDARY ITEMS (continued)

(In Millions of Dollars)

CATEGORY	STOCK FUNDED			PROCUREMENT FUNDED			TOTAL		
	FY 83	FY 84	FY 85	FY 83	FY 84	FY 85	FY 83	FY 84	FY 85
<u>Subsistence</u>									
Requirement	21.3	14.0	14.1	-	-	-	21.3	14.0	14.1
Applicable Assets	-	7.3	7.3	-	-	-	-	7.3	7.3
Funding Requested	7.3	-	5.8	-	-	-	7.3	-	5.8
<u>Total Marine Corps</u>									
Requirement	359.8	361.3	390.0	49.5	56.9	60.0	409.3	418.2	449.9
Applicable Assets	115.0	128.6	151.0	16.5	23.0	42.2	131.5	151.6	193.2
Funding Requested	11.8	20.8	31.4	-	19.2	5.8	11.8	40.0	37.2

\* Includes fuel bars for Maritime Prepositioning Ships (MPS)-- Requirement \$.6 million and \$.4 million in FY 1983 and FY 1985 respectively; Applicable Assets \$.2 million in FY 1985; and Funding Requested \$.2 million and \$.2 million in FY 1983 and FY 1985 respectively.

Total MPS (Included in Subsistence and General Property above)

Requirement	21.9	14.4	14.5	-	-	-	21.9	14.4	14.5
Applicable Assets	-	7.5	7.5	-	-	-	-	7.5	7.5
Funding Requested	7.5	-	5.9	-	-	-	7.5	-	5.9

Department of the Navy  
NAVY STOCK FUND  
Financial Condition (In Thousands of Dollars)

Identification Code: 17-4911-0-4-051	1982 Actual	1983 Actual	1984 Estimate	1985 Estimate
<u>Assets:</u>				
Selected Asstes:				
Fund Balance with Treasury.....	384,252	662,363	784,432	895,739
Accounts Receivable (net).....	117,176	77,246	77,246	77,246
Inventories (net).....	7,724,619	9,809,439	10,443,965	17,861,879
Other assets.....	<u>119,045</u>	<u>819,891</u>	<u>819,891</u>	<u>819,891</u>
Total Assets.....	8,345,092	11,368,939	12,125,534	19,654,755
<u>Liabilities:</u>				
Selected Liabilities:				
Accounts Payable and Accrued Liabilities.....	761,575	747,290	870,316	870,930
Other Liabilities.....	<u>-470,869</u>	<u>-187,383</u>	<u>-187,383</u>	<u>-187,383</u>
Total Liabilities.....	290,707	559,907	682,933	683,547
<u>Government Equity:</u>				
Selected Equities:				
Unexpended budget authority:				
Undelivered orders.....	2,467,370	2,842,953	3,395,227	5,685,513
Unfinanced budget authority:				
Unfilled customer orders.....	-637,221	-722,163	-1,275,394	-3,454,987
Contract authority.....	-2,170,731	-2,171,075	-2,171,075	-2,171,075
Invested Capital.....	<u>8,394,966</u>	<u>10,859,318</u>	<u>11,493,844</u>	<u>18,911,758</u>
Total Government Equity.....	8,054,385	10,809,032	11,442,601	18,971,208

Department of the Navy  
NAVY STOCK FUND  
Financial Condition (continued) (In Thousands of Dollars)

Identification Code: 17-4911-0-4-051	1983 Actual	1984 Estimate	1985 Estimate
Analysis of Changes in Government Equity:			
Paid-in capital:			
Opening balance.....	5,113,107	5,785,179	6,418,748
Transactions:			
Appropriations.....	354,372	632,869	563,907
Appropriation Transfers.....	521,000	.....	.....
Net change in capitalized inventory.....	<u>-203,000</u>	<u>700</u>	<u>6,964,700</u>
Closing balance.....	5,785,179	6,418,748	13,947,355
Retained Income or Loss (-):			
Opening balance.....	2,941,278	5,023,854	5,023,854
Transactions: Net operating income or loss	2,082,576	.....	.....
Closing balance.....	<u>5,023,854</u>	<u>5,023,854</u>	<u>5,023,854</u>
Total Government Equity (end of year).....	10,809,032	11,442,601	18,971,208

Department of the Navy  
NAVY STOCK FUND  
Revenue and Expense (In Thousands of Dollars)

<u>Identification Code: 17-4911-D-4-051</u>	<u>1983 Actual</u>	<u>1984 Estimate</u>	<u>1985 Estimate</u>
Operating Income or Loss (-):			
Revenue: Sale of goods.....	6,480,361	6,824,900	8,024,500
Expense:			
Purchases of goods (at cost).....	6,794,926	7,127,040	7,395,150
Transportation.....	13,959	31,453	45,042
Inventory Increases (-) or Decreases.....	-2,288,120	-633,826	-453,214
Other expenses.....	<u>-122,980</u>	<u>300,233</u>	<u>1,037,522</u>
Total Expenses.....	<u>4,397,785</u>	<u>6,824,900</u>	<u>8,024,500</u>
Net Operating Income or Loss (-).....	2,082,576	.....	.....

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Department of the Navy  
MARINE CORPS STOCK FUND  
Financial Condition (In Thousands of Dollars)

Identification Code: 17-4913-0-4-051	1982 Actual	1983 Actual	1984 Estimate	1985 Estimate
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Assets:

<u>Selected Assets:</u>				
Fund Balance with Treasury.....	39,772	53,731	40,311	57,219
Accounts Receivable (net).....	12,660	12,510	12,510	12,510
Inventories (net).....	<u>275,997</u>	<u>293,479</u>	<u>377,600</u>	<u>423,800</u>
Total Assets.....	328,429	359,720	430,421	493,529

Liabilities:

<u>Selected Liabilities:</u>				
Accounts Payable and Accrued				
Liabilities.....	31,709	76,827	64,122	75,684
Other Liabilities.....	<u>-18,716</u>	<u>-35,459</u>	<u>-35,459</u>	<u>-35,459</u>
Total Liabilities.....	12,993	41,368	28,663	40,225

Government Equity:

<u>Selected equities:</u>				
<u>Unexpended budget authority:</u>				
Undelivered orders.....	125,344	122,258	111,663	128,571
<u>Unfinanced budget authority:</u>				
Unfilled customers orders.....	-9,683	-26,033	-16,153	-27,715
Contract authority.....	-76,222	-71,352	-71,352	-71,352
Invested Capital.....	<u>275,997</u>	<u>293,479</u>	<u>377,600</u>	<u>423,800</u>
Total Government Equity.....	315,436	318,352	401,758	453,304



Department of the Navy  
MARINE CORPS STOCK FUND  
Financial Condition (continued) (In Thousands of Dollars)

Identification Code: 17-4913-0-4-051	1983 Actual	1984 Estimate	1985 Estimate
Analysis of Changes in Government Equity:			
Paid-in Capital:			
Opening balance.....	473,735	480,854	564,260
Transactions:			
Appropriations.....	11,812	20,780	34,908
Net change in capitalized inventory.....	<u>-4,693</u>	<u>62,626</u>	<u>16,638</u>
Closing Balance.....	480,854	564,260	615,806
Retained Income or loss (-):			
Opening Balance.....	-158,299	-162,502	-162,502
Transactions: Net operating income or loss	<u>-4,203</u>	<u>.....</u>	<u>.....</u>
Closing Balance.....	<u>-162,502</u>	<u>-162,502</u>	<u>-162,502</u>
Total Government Equity (end of year).....	318,352	401,758	453,304

Department of the Navy  
MARINE CORPS STOCK FUND  
Revenue and Expense (In Thousands of Dollars)

Identification Code: 17-4913-0-4-051	1983 Actual	1984 Estimate	1985 Estimate
Operating Income or Loss (-):			
Revenue: Sale of goods.....	371,181	393,200	405,800
Expense:			
Purchase of goods (at cost).....	395,088	474,320	449,000
Transportation.....	2,465	3,000	3,000
Other Expenses.....	-4,687	.....	.....
Inventory Increases (-) or Decreases.....	-17,482	-84,120	-46,200
Total Expenses.....	375,384	393,200	405,800
Net Operating Income or Loss (-).....	-4,203	.....	.....

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2-8



END

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