



# Army FY06/07 Budget Overview



*A Campaign Quality Army with a Joint Expeditionary Mindset*



*Our Army at War...Relevant and Ready*

**MG Edgar E. Stanton III**  
**Director of the Army Budget**



# *Your Army*

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- ❖ STRATEGIC GOAL.....Remain Relevant and Ready today and tomorrow to Accomplish our mission in an uncertain 21<sup>st</sup> Century Security Environment
  
- ❖ MISSION.....Provide necessary Forces and Capabilities to the Combatant Commanders in Support of the National Security and Defense Strategies.



# Army FY 06/07 Budget Themes



- ❖ Transform and improve Army capabilities
  - Restructure to a modular design.
  - Rebalance active and reserve.
  - Stabilize units.
- ❖ Improve effectiveness and identify efficiencies.
- ❖ Recruit and retain the all-volunteer force.
- ❖ Accelerate promising technology to improve force protection and enhance fighting capability.
- ❖ Repair, reset and recapitalize equipment.

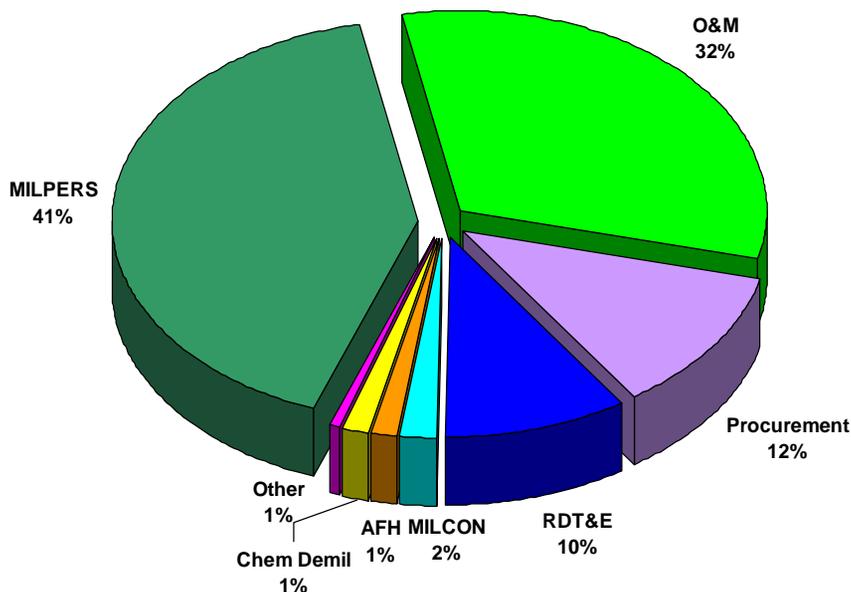
This budget expands Army capabilities and provides a force ready for deployment. It sets the foundation from which the Army will win the Global War on Terrorism. Supplemental appropriations will fund the cost of the war.



# Army Budget Authority (\$B)



Category	FY04	FY05	FY05	FY06	FY07
	Actuals*	Pres Bud	Appn	Pres Bud	
MILPERS	\$ 48.3	\$ 39.4	\$ 39.1	\$ 41.4	\$ 43.3
O&M	62.0	32.6	31.7	31.8	33.1
Procurement	14.5	10.4	13.0	11.8	13.5
RDT&E	10.2	10.4	10.5	9.7	10.3
MILCON	2.0	2.1	2.5	1.9	2.3
AFH	1.4	1.6	1.6	1.4	1.1
Other	1.7	0.7	0.5	0.6	6.4 **
Sub Total	\$ 140.1	\$ 97.2	\$ 98.9	\$ 98.6	\$ 110.0
Chem Demil	1.4	0.0	1.4	1.4	1.4
Total	\$141.5	\$97.2	\$100.3	\$100.0	\$111.4



\*Includes Supplemental Funding

\*\* Includes \$5B for Army Modular Force



# ***FY 06 Army Budget Request (\$M)***



MILPERS	\$41,413.7
Military Personnel, Army	31,105.3
Reserve Personnel, Army	3,966.2
National Guard Personnel, Army	6,342.2
OPERATIONS & MAINTENANCE	\$31,813.7
O&M, Army	25,316.6
O&M, Army Reserve	1,987.4
O&M , Army National Guard	4,509.7
RDA	\$21,489.2
Aircraft Procurement, Army	2,800.9
Missile Procurement, Army	1,270.9
Other Procurement, Army	4,302.6
Procurement of Ammunition, Army	1,720.9
Weapons & Tracked Combat Vehicles	1,660.1
Research, Development, Test & Evaluation	9,733.8
Military Construction / Army Family Housing	\$3,275.6
Environmental Restoration, AWCF	\$608.2
TOTAL	<u><u>\$98,600.4</u></u>



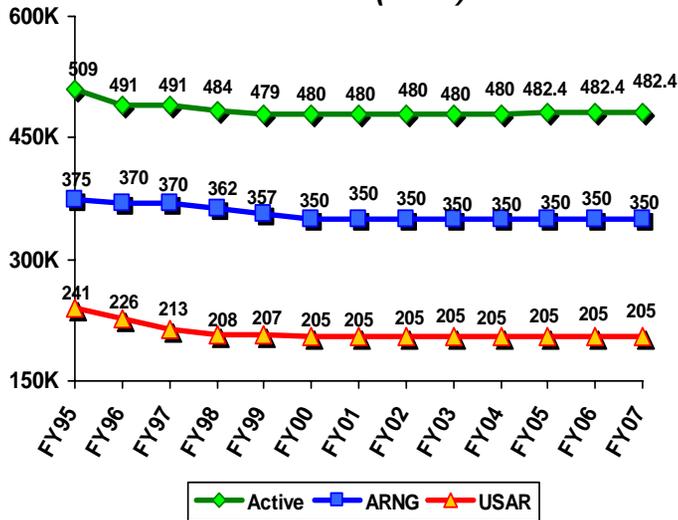
# Military Personnel Summary



## Man the Force

- ❖ Funds the Active Force to 482.4K End Strength
- ❖ Supports the Reserve Component (RC) at 555K End Strength
- ❖ Reflects an average pay raise of 3.1% in FY 06
- ❖ Maintains zero out of pocket expenses for Housing
- ❖ Continues Residential Communities Initiative

Personnel End Strength FY95-FY07  
(000s)



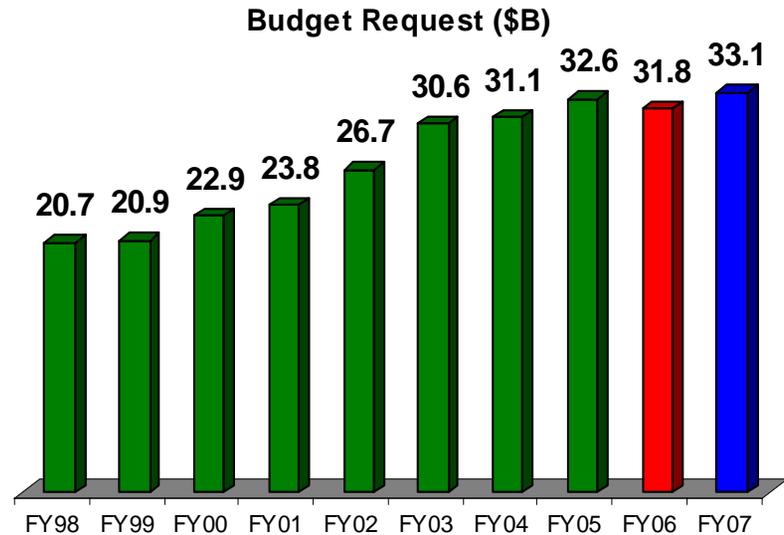
Approp.	FY06	FY07
MPA Funding	\$28.4B	\$29.3B
NGPA Funding	\$5.1B	\$5.6B
RPA Funding	\$3.2B	\$3.5B
Retiree Health Care	\$4.7B	\$5.0B
MILPERS	\$41.4B	\$43.4B



# Operation & Maintenance Summary



- ❖ Supports Execution of the Combined Arms Training Strategy for Air & Ground OPTEMPO
- ❖ Funds Army's Depot Maintenance Program
- ❖ Funds Base Support at 72% and Facilities Sustainment at 91%
- ❖ Supports Ongoing Kosovo Operations, But Relies On Supplemental For OIF/OEF
- ❖ Supports Modularity Through the Military-To-Civilian Conversions Initiative
- ❖ Trains Soldiers, Units and Leaders to Succeed in the Current Operational Environment



Approp.	FY06	FY07
<b>OMA</b>	<b>\$ 25.3B</b>	<b>\$ 26.1B</b>
<b>OMNG</b>	<b>\$ 4.5B</b>	<b>\$ 4.8B</b>
<b>OMAR</b>	<b><u>\$ 2.0B</u></b>	<b><u>\$ 2.2B</u></b>
<b>TOTAL</b>	<b>\$ 31.8B</b>	<b>\$ 33.1B</b>



# Missiles

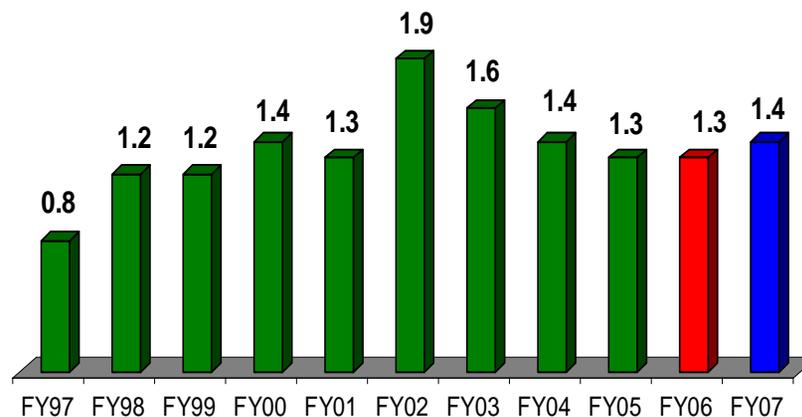


## Program Highlights

	<u>FY06</u>	<u>FY07</u>
➤ Funds Patriot Programs (PAC-3 & MODS)	\$567M	\$564M
➤ Procures High Mobility Artillery Rocket System (HIMARS) Launcher	\$175M	\$227M
➤ Procures Guided Multiple Launch Rocket System Rockets (GMLRS)	\$125M	\$210M
➤ Procures Hellfire	\$80M	-
➤ Procures Javelin	\$72M	\$78M



Budget Request (\$B)





# Ammunition



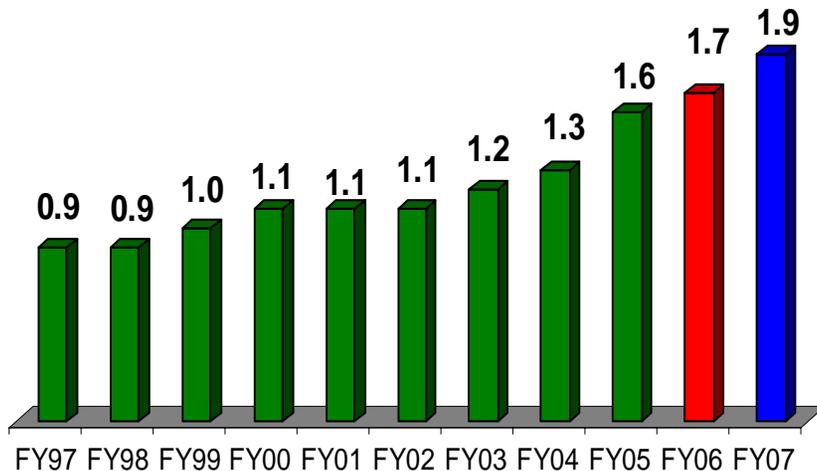
## Program Highlights

- Funds Overall training ammunition to 82% in FY06 (Small Arms at 100%)
- Procures Modest War Reserves
- Funds Production Base
- Transportation, Testing

	<u>FY06</u>	<u>FY07</u>
Funds Overall training ammunition to 82% in FY06 (Small Arms at 100%)	\$1,317M	\$1,423M
Procures Modest War Reserves	\$227M	\$334M
Funds Production Base	\$145M	\$163M
Transportation, Testing	\$32M	\$30M

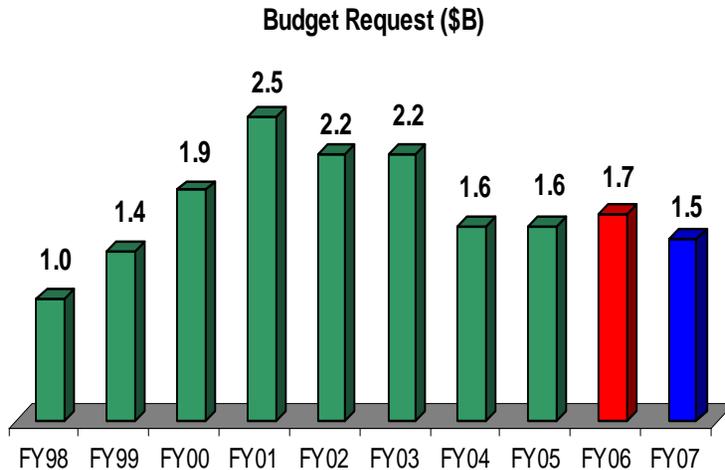
• Gradual increase due to current operations and increased training requirements.

Budget Request (\$B)





# Weapons/Tracked Combat Vehicles



- **Program Highlights**

- **Procures 240 Strykers for SBCT 6, fields SBCT 5, Sustains SBCT 4**
- **Funds M1 Abrams engine & other Modifications**
- **Procures LW 155M Howitzer**
- **Continues small arms Mods/M240**

<u>FY06</u>	<u>FY07</u>
<b>\$875M</b>	<b>\$726M</b>
<b>\$443M</b>	<b>\$369M</b>
<b>\$47M</b>	<b>\$131M</b>
<b>\$68M</b>	<b>\$34M</b>

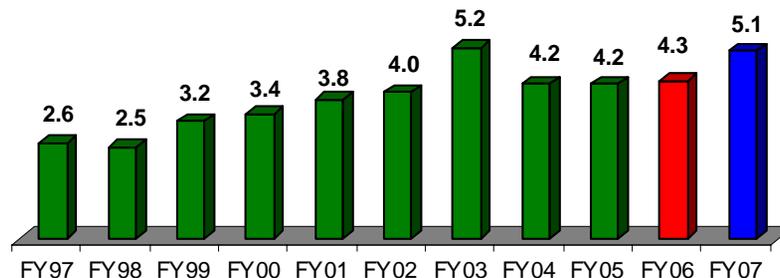


# Other Procurement, Army (OPA 1/3)

(Tac & Support Veh)/ (Other Support Equip)



Budget Request (\$B)



- **Program Highlights**

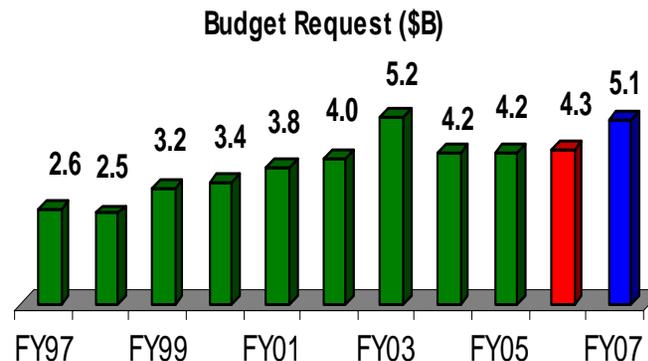
- Procures HMMWV (UAH & Hvy chassis)
  - Medium Tactical Vehicles
  - Heavy Tactical Vehicles
  - Non System Training Devices

	<u>FY06</u>	<u>FY07</u>
	\$224M	\$331M
	\$451M	\$634M
	\$207M	\$292M
	\$184M	\$250M



# Other Procurement, Army (OPA2/4)

## (Comms & Elect/Initial Spares)



### • Program Highlights

	<u>FY06</u>	<u>FY07</u>
➤ Procures SINCGARS Radios	\$ 55.5M	—
➤ Buys Force XXI Battle Command Brigade and Below (FBCB2)	\$146.1M	\$137.4M
➤ Buys Unmanned Aerial Vehicles (UAVs)	\$ 46.0M	\$ 56.2M
➤ Funds Warfighter Info Network –Tactical (WIN-T)	\$122.4M	\$108.1M
➤ Procures Family of improved HF Radios [MBITR (PRC-148) & PRC-150]	\$ 28.0M	\$ 14.9M



# Aircraft



- Program Highlights

- Funds Apache upgrades/conversions
- Procures 41 Black Hawk Aircraft in FY06 & 45 in FY07
- Funds CH-47 Aircraft, "F" models & engines
- Utilizes funds from Comanche termination

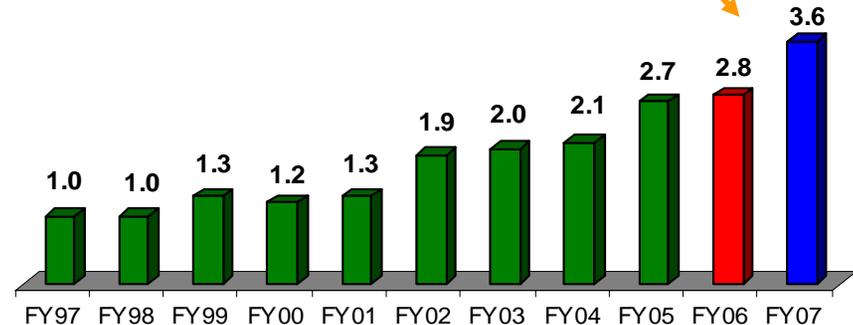
	<u>FY06</u>	<u>FY07</u>
Funds Apache upgrades/conversions	\$684M	\$820M
Procures 41 Black Hawk Aircraft in FY06 & 45 in FY07	\$510M	\$666M

Funds CH-47 Aircraft, "F" models & engines	\$651M	\$588M
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- FY06 to FY07 Increase:
  - Ramp up Armed Recon Helo (ARH) \$102M (Kiowa Warrior replacement)
  - Ramp up Light Utility Helo (LUH) \$129M

Budget Request (\$B)

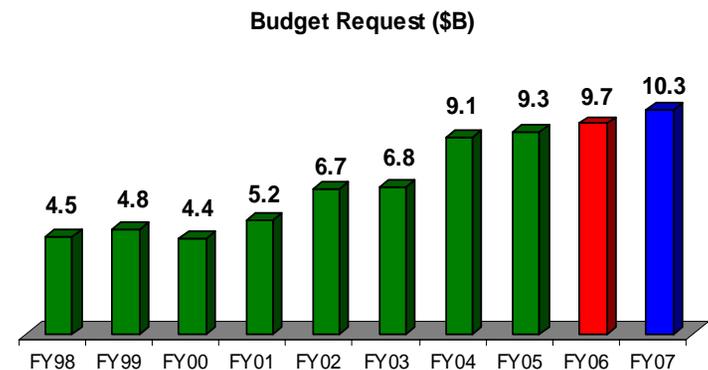
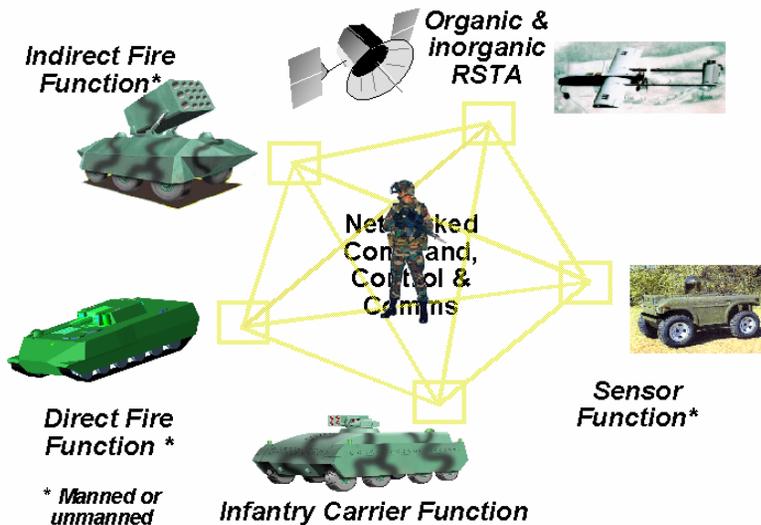




# Research, Development, Test, and Evaluation



- ❖ Creates The Army Of The Future... Continues System Development & Demonstration For Future Combat Systems
- ❖ Supports Future Non Line Of Sight (NLOS) Fires
- ❖ Continues Excalibur Design
- ❖ Sustains Science & Technology
- ❖ Funds Joint Tactical Radio System (JTRS restructure)
- ❖ Funds Warfighter Information Network-Tactical (WIN-T) development
- ❖ Enables Apache Block III Acquisition Strategy





# Military Construction



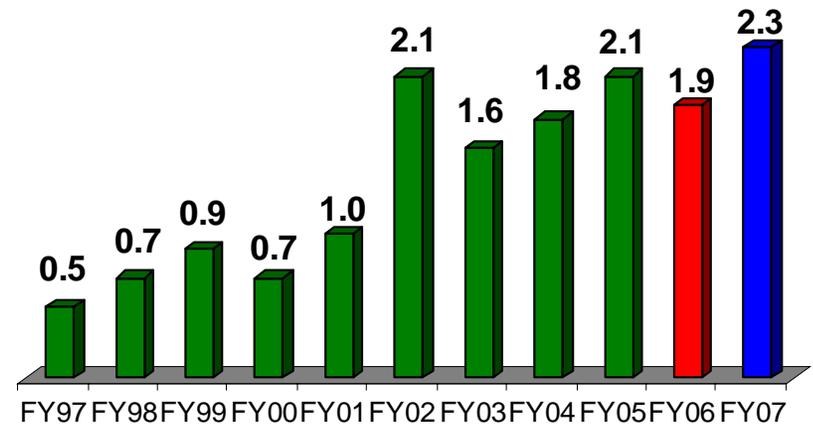
## Improves Facilities Across the Army...

- ❖ Funds Top Priority - Whole Barracks Modernization
- ❖ Funds Facilities for Training, Maintenance, Deployment, & Infrastructure Revitalization
- ❖ Funds Reserve Component Readiness Facilities
- ❖ Funds Facilities for Stryker BCT (included above)

	<u>FY06</u>	<u>FY07</u>
	\$716M	\$726M
	\$763M	\$974M
	\$433M	\$630M
	[\$221M]	[\$ 76M]



Budget Request (\$B)

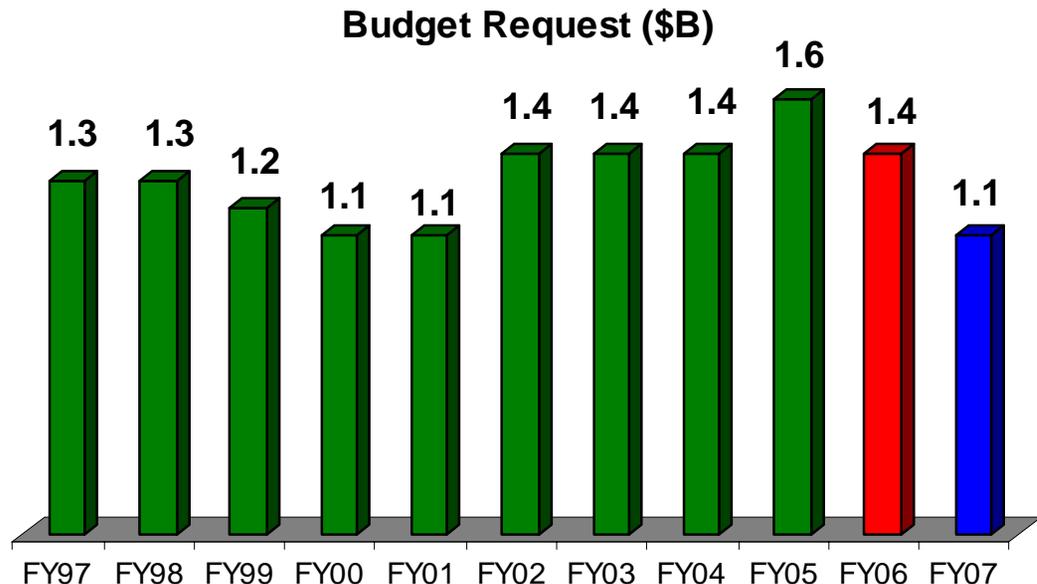




# Army Family Housing



	<u>FY06</u>	<u>FY07</u>
❖ Upgrades 5,747 Family Housing Units		
AFH Construction (1,821 units in FY06 / 1,945 in FY07)	\$394M	\$456M
RCI Privatization (3,926 units in FY06 / 1,001 in FY07)	\$138M	\$ 22M
❖ Operates and Maintains 58,000 Army controlled Family Housing units in U.S. and Overseas	\$813M	\$639M





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