

Department of the Navy
Operation and Maintenance, Marine Corps
1B1B Maritime Prepositioning
FY 2005 President's Budget Submission
Exhibit OP-5

I. Description of Operations Financed:

This sub-activity group finances the Maritime Prepositioning Forces (MPF) program and the Aviation Logistics Support Ships (TAVB). The O&M funding provided for MPF and TAVB finances training and exercise costs as well as the cost of maintaining the equipment and supplies in a ready-to-operate status. Marine Corps Logistics Bases support all aspects of maintenance cycle operations for the Prepositioning programs. Maintenance cycle operations include maintenance operations support, facility lease, port operations, stevedoring costs, receipt and preparation for shipment cost, and contractor maintenance. Additionally, support costs, transportation costs, and exercise costs are centrally administered by Headquarters Marine Corps. These funds provide for contractor support, for TAD funds which support HQMC sponsored trips and conferences, for transportation of Prepositioning equipment and supplies, and for the Marine Forces exercise costs associated with the Prepositioning programs.

Aviation Logistics Support Ship (TAVB) funding provides for the movement of the aviation Intermediate Maintenance Activity (IMA) to support the rapid deployment of the Marine Corps fixed wing and rotary wing aircraft units. There are two TAVB ships, one on each coast, that are maintained in a Ready Reserve Fleet-5 status by the Maritime Administration. Funding provides for one TAVB to participate in an exercise each year.

II. Force Structure Summary:

MPF gives the Combatant Commanders a multi-dimensional capability in the areas of mobility, readiness, and global responsiveness. The MPF program involves 16 ships, organized into three squadrons. Maritime Prepositioning Squadron One (MPSRON-1) operates in the Mediterranean Sea, MPSRON-2 in the Indian Ocean, and MPSRON-3 in the Western Pacific.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

			FY 2004		
	FY 2003	Budget		Current	FY 2005
	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
	174,685	76,996	76,341	75,341	72,128

B. Reconciliation Summary

	<u>Change</u>	<u>Change</u>
	<u>FY 2004/2004</u>	<u>FY 2004/2005</u>
Baseline Funding	76,996	75,341
Congressional Adjustments - Distributed	0	0
Congressional Adjustments – Undistributed	-182	0
Adjustments to Meet Congressional Intent	0	0
Congressional Adjustments - General Provisions	-473	0
Subtotal Appropriation Amount	76,341	0
Across-the-board Reduction (Rescission)	0	0
Emergency Supplemental Appropriations Act	52,000	0
Program Changes (Current Year to Current Year)	-1,000	0
Subtotal Baseline Funding	127,341	0
Less Emergency Supplemental Funding	-52,000	0
Reprogrammings	0	0
Price Change	0	2,656
Functional Transfers	0	0
Program Changes	0	-5,869
Normalized Current Estimate	75,341	0
Current Estimate	0	72,128

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C. Reconciliation of Increases and Decreases

1. FY 2004 President Budget Request.		76,996
2. Congressional Adjustment (Undistributed).		-182
a) Unobligated Balance	-182	
3. Congressional Adjustment (General Provision)		-473
a) Sec. 8126: Efficiencies/Revised Econ. Assumptions	-473	
4. FY 2004 Appropriated Amount.		76,341
5. FY 2004 Emergency Supplemental Appropriations Act (P.L. 108-106).		52,000
a) Supplemental funding for continuing operations in support of the Global War on Terrorism.	52,000	
6. Program Decreases FY 2004 (Emergent Requirements).		-1,000
a) Decrease to Management Reserve account to comply with Congressional direction.	-1,000	
7. Baseline Funding (subtotal).		127,341
8. Revised FY 2004 Current Estimate.		127,341
9. Less: Emergency Supplemental Funding.		-52,000
a) Supplemental funding for continuing operations in support of the Global War on Terrorism.	-52,000	
10. Normalized Current Estimate for FY 2004.		75,341
11. FY 2005 Price Change.		2,656
12. Program Growth in FY 2005.		6,622
a) Increase to Contract Maintenance based on labor rate renegotiation.	5,203	
b) Increase to MPF Training and Exercises due to Marine Forces becoming familiarized with MPF remix.	1,039	
c) Increase to Maintenance Cycle Operations for parts procurement for increasing equipment maintenance requirement.	288	
d) Increase to Preparation for Ship for costs related to inspection and procurement of materials to be uploaded.	92	

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13. One Time FY 2004 Costs.		-13
a) Civilian pay adjustment - extra work day.	-13	
14. Program Decrease in FY 2005.		-12,478
a) Decrease to Port Operations due to purchase of land and facilities.	-566	
b) Decrease to Blount Island Lease due to purchase of land and facilities.	-11,912	
15. FY 2005 Budget Request.		72,128

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IV. Performance Criteria and Evaluation Summary:

A. Maritime Prepositioning Forces (\$000)	FY 2003	FY2004	FY2005
Contract Maintenance	\$84,331	\$37,511	\$43,562
Maintenance Cycle Ops	\$32,428	\$8,195	\$8,598
Blount Island Lease	\$11,748	\$11,748	\$0
Port Operations	\$25,904	\$6,875	\$6,405
Stevedoring	\$11,077	\$3,966	\$5,275
Prep for Ship	\$4,281	\$1,532	\$1,645
MPF Training and Exercises	\$3,686	\$4,250	\$5,348
TAVB Training Costs (O&M, MC)	\$901	\$926	\$949
Operations Support (O&M, MC)	\$329	\$338	\$346
 MPF Total	 \$174,685	 \$75,341	 \$72,128

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V. Personnel Summary:

End Strength	FY 2003 ES	FY 2004 ES	Change FY 2004 to FY 2005	FY 2005 ES
Direct Hire, U.S.	57	49	0	49
TOTAL CIVPERS	57	49	0	49
Enlisted (USMC)	82	81	1	82
Officers (USMC)	19	19	0	19
TOTAL MILPERS	101	100	1	101
Workyears	FY 2003 WY	FY 2004 WY	Change FY 2004 to FY 2005	FY 2005 WY
Direct Hire, U.S.	43	48	0	48
TOTAL CIVPERS	43	48	0	48
Enlisted (USMC)	82	81	1	82
Officers (USMC)	19	19	0	19
TOTAL MILPERS	101	100	1	101

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VI. Summary of Price and Program Growth (OP-32):

	FY-03 Program Total	FY-04 Price Growth	FY-04 Program Growth	FY-04 Program Total	FY-05 Price Growth	FY-05 Program Growth	FY-05 Program Total
1B1B							
01 Civilian Personnel Compensation							
0101 Exec Gen & Spec Schedules	2,782	587	13	3,382	67	-13	3,436
TOTAL 01 Civilian Personnel Compensation	2,782	587	13	3,382	67	-13	3,436
03 Travel							
0308 Travel of Persons	1,238	16	1,255	2,509	35	0	2,544
TOTAL 03 Travel	1,238	16	1,255	2,509	35	0	2,544
04 WCF Supplies & Materials Purchases							
0411 Army Managed Purchases	9,056	408	-7,859	1,605	-24	0	1,581
0412 Navy Managed Purchases	454	-83	-308	63	4	0	67
0414 Air Force Managed Purchases	112	9	-101	20	0	0	20
0415 DLA Managed Purchases	48,536	-1,408	-39,135	7,993	72	0	8,065
0416 GSA Managed Supplies and Materials	1,999	26	-1,681	344	5	0	349
0417 Local Proc DoD Managed Supp & Materials	1,568	20	-1,318	270	4	0	274
0491 WCF Passthroughs: Fuel	708	0	-588	120	0	0	120
TOTAL 04 WCF Supplies & Materials Purchases	62,433	-1,028	-50,990	10,415	61	0	10,476
05 STOCK FUND EQUIPMENT							
0507 GSA Managed Equipment	263	3	-136	130	2	0	132
TOTAL 05 STOCK FUND EQUIPMENT	263	3	-136	130	2	0	132

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VI. Summary of Price and Program Growth (OP-32):

	FY-03 Program Total	FY-04 Price Growth	FY-04 Program Growth	FY-04 Program Total	FY-05 Price Growth	FY-05 Program Growth	FY-05 Program Total
06 Other WCF Purchases (Excl Transportation)							
0640 Depot Maintenance Marine Corps	1,778	132	-910	1,000	-25	825	1,800
TOTAL 06 Other WCF Purchases (Excl Transportation)	1,778	132	-910	1,000	-25	825	1,800
07 Transportation							
0719 MTMC Cargo Operations (Port Handling)	33	7	5,312	5,352	1,782	0	7,134
TOTAL 07 Transportation	33	7	5,312	5,352	1,782	0	7,134
09 OTHER PURCHASES							
0914 Purchased Communications (Non WCF)	71	1	0	72	1	-73	0
0915 Rents	12,670	165	-952	11,883	166	-12,049	0
0920 Supplies & Materials (Non WCF)	6,914	90	-5,897	1,107	15	0	1,122
0921 Printing and Reproduction	0	0	141	141	2	0	143
0922 Equip Maintenance by Contract	84,331	1,096	-47,916	37,511	525	5,526	43,562
0925 Equipment Purchases	170	2	-88	84	1	-85	0
0937 Locally Purchased Fuel (Non-WCF)	183	2	-154	31	0	0	31
0987 Other Intragovernmental Purchases	246	3	-118	131	2	0	133
0989 Other Contracts	1,573	20	0	1,593	22	0	1,615
TOTAL 09 OTHER PURCHASES	106,158	1,379	-54,984	52,553	734	-6,681	46,606
Total 1B1B Maritime Prepositioning	174,685	1,096	-100,440	75,341	2,656	-5,869	72,128