

DEPARTMENT OF THE NAVY
FAMILY HOUSING - 2005 BUDGET ESTIMATE
OPERATION AND MAINTENANCE

(\$000)
FY 2005 Program \$550,569
FY 2004 Program \$699,978

Purpose and Scope

a. **Operation.** This portion of the program provides for expenses in the following sub-accounts:

Management. Includes direct and indirect expenses incident to the administration of the family housing program such as housing office personnel and operations, administrative support, training, travel, programming and studies, and community liaison. All housing referral costs are also included, although the housing referral program assists personnel in locating housing in the private community, and is not related to the operation or management of military family housing units.

Services. Includes direct and indirect expenses incident to providing basic support services such as refuse collection and disposal, fire and police protection, pest control, custodial services for common areas, snow removal and street cleaning.

Furnishings. Includes the procurement for initial issue or replacement of household equipment (primarily stoves and refrigerators) and, in limited circumstances, furniture; the control, moving and handling of furnishings inventories; and the maintenance and repair of such items.

Miscellaneous. Includes work or services performed for the benefit of family housing occupants, including mobile home hook-ups and disconnections, for which reimbursement will be received; payments to the U. S. Coast Guard for Navy occupancy of Coast Guard housing; and United Kingdom accommodation charges.

b. **Utilities.** Includes all utility services provided to family housing, such as electricity, gas, fuel oil, water and sewage. Excludes telephone services.

c. **Maintenance.** This portion of the program supports the upkeep of family housing real property, as follows:

Maintenance/Repair of Dwelling. Includes service calls, change of occupancy rehabilitation, routine maintenance, preventative maintenance, and interior and exterior painting.

Exterior Utilities. Includes maintenance, repair and replacement of electrical, gas, water, sewage and other utility distribution systems located within family housing areas, and the portion of activity utility rates attributable to distribution system maintenance when separately identified.

Other Real Property. Includes maintenance and repair of any other family housing real property, such as grounds, surfaced areas and family housing community facilities.

Alterations and Additions. Includes major repairs and minor incidental improvements to dwellings or other real property performed under the authority of 10 USC 2805. Larger scope or higher dollar value items are funded in the construction program.

Reimbursable Collections. This program includes collections received from rental of Navy family housing to foreign national, civilian and Coast Guard personnel; collections for rental of mobile home spaces; collections for burden sharing by the Government of Japan, and collections for occupant-caused damages.

Program Summary

Authorization is requested for an appropriation of \$550,569,000. This amount, together with estimated reimbursements of \$21,328,000, will fund the Fiscal Year 2005 program of \$571,897,000.

A summary of the funding program for Fiscal Year 2005 follows (in thousands):

	<u>Appropriation Request</u>				<u>Reimburse-</u> <u>ments</u>	<u>Total</u> <u>Program</u>
	<u>Operations</u>	<u>Utilities</u>	<u>Maintenance</u>	<u>Total</u>		
Navy	\$133,894	100,153	191,670	425,717	18,828	444,545
Marine Corps	\$ 27,066	37,073	60,713	124,852	2,500	127,352
Total DON	\$160,960	137,226	252,383	550,569	21,328	571,897

JUSTIFICATION:

The Department of Navy family housing budget requests the minimum essential resources needed to provide military families with adequate housing either through the private community or in government quarters. Navy and Marine Corps installations are generally located in the high cost, coastal areas. Accordingly, the over inflated cost of adequate housing in these areas cause many of our military families to reside in facilities that lack even the minimal amenities expected in a home. Therefore, increased emphasis is being placed on the proper funding of the family housing Operations and Maintenance program.

The Fiscal Year 2005 estimated program was formulated utilizing the Office of Management and Budget's published inflationary factors and foreign currency exchange rates.