

Department of the Navy  
Operation and Maintenance, Navy  
1A1A Mission and Other Flight Operations  
FY 2005 President's Budget Submission  
Exhibit OP-5

**I. Description of Operations Financed:**

Mission and Other Flight Operations includes all Navy and Marine Corps Tactical Air (TACAIR) and Anti-Submarine Warfare (ASW) forces, shore-based fleet air support, operational testing and evaluation, operation and maintenance of White House helicopters, and miscellaneous items such as transportation of squadron equipment and travel/Temporary Active Duty (TAD) during deployment workup. Funding provides flying hours to maintain an adequate level of readiness enabling Navy and Marine Corps aviation forces to perform their primary mission as required in support of national objectives. In FY 2005, the Department will continue to measure aviation readiness in terms of Status of Resources and Training System (SORTS). In order to provide adequately trained aircrews in accordance with the Fleet Response Plan (FRP), which is a 27 month cycle vice a 22 month cycle, Carrier Airwings (CVWs) need to maintain an average T-rating (the training component of SORTS) of T-2.5 across the Inter-Deployment Readiness Cycle (IDRC) in FY 2005. This average readiness level breaks down into the following components: T-1.7 while deployed, T-2.0 pre-deployment, and T-2.2 post-deployment. During the maintenance phase of training, readiness decreases to T-3.3. TACAIR/ASW funded hours are defined in terms of the average T-rating that will be achieved during the IDRC. This requirement encompasses training and support hours as well as operational hours required for major training exercises.

**II. Force Structure Summary:**

In FY 2003, there are 10 active carrier air wings, 2,465 crews, and 1,682 tactical primary authorized aircraft.

In FY 2004, there are 10 active carrier air wings, 2,336 crews, and 1,652 tactical primary authorized aircraft.

In FY 2005, there are 10 active carrier air wings, 2,290 crews, and 1,620 tactical primary authorized aircraft.

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

**III. Financial Summary (\$ in Thousands):**

**A. Sub-Activity Group Total**

		FY 2004			
<u>FY 2003</u>	<u>Budget</u>	<u>Appropriation</u>	<u>Current</u>	<u>FY 2005</u>	<u>Estimate</u>
<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
3,809,995	3,262,507	3,206,485	3,073,311	3,002,769	

**B. Reconciliation Summary**

	<u>Change</u>	<u>Change</u>
	<u>FY 2004/2004</u>	<u>FY 2004/2005</u>
Baseline Funding	3,262,507	3,073,311
Congressional Adjustments - Distributed	1,000	0
Congressional Adjustments - Undistributed	-31,378	0
Adjustments to Meet Congressional Intent	0	0
Congressional Adjustments - General Provisions	-25,644	0
Subtotal Appropriation Amount	3,206,485	0
Emergency Supplemental Carryover	0	0
FY 2004 Emergency Supplemental Appropriations Act (P.L. 108-106)	437,358	0
Program Changes (Current Year to Current Year)	-133,174	0
Subtotal Baseline Funding	3,510,669	0
Reprogrammings	0	0
Price Change	0	79,108
Functional Transfers	0	-80,193
Program Changes	0	-69,457
Less: Emergency Supplemental Funding	-437,358	0
Normalized Current Estimate	3,073,311	0
Current Estimate	0	3,002,769

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

**C. Reconciliation of Increases and Decreases**

<b>1. FY 2004 President Budget Request.</b>		<b>3,262,507</b>
<b>2. Congressional Adjustment (Distributed).</b>		<b>1,000</b>
a) CAST 70 Tester	1,000	
<b>3. Congressional Adjustment (Undistributed).</b>		<b>-31,378</b>
a) Southwest Asia Contingency Operations	-7,959	
b) Unobligated Balances	-23,419	
<b>4. Congressional Adjustment (General Provision).</b>		<b>-25,644</b>
a) Sec. 8101: Reduce IT Development Cost Growth	-1,418	
b) Section 8094: Management Improvements	-9,340	
c) Sec. 8126: Efficiencies/Revised Economic Assumptions	-14,886	
<b>5. FY 2004 Appropriated Amount.</b>		<b>3,206,485</b>
<b>6. FY 2004 Emergency Supplemental Appropriations Act (P.L. 108-106).</b>		<b>437,358</b>
a) Supplemental funding for flying hours in support of contingency operations	437,358	
<b>7. Program Decreases FY 2004 (Technical Adjustments).</b>		<b>-135</b>
a) Programs previously budgeted in mission budget lines determined to fit the definition of the functional areas of the Base Operations model were realigned to Base Operations (BSS1)	-135	
<b>8. Program Increases FY 2004 (Emergent Requirements).</b>		<b>141,143</b>
a) Increase in consumable and depot level reparable (DLR) demand. Demand is higher than planned mostly due to wear and tear to the aircraft used in support of the Global War on Terrorism (GWOT)	119,281	
b) Increase to non-flight support requirements such as squadron and staff TAD	21,862	
<b>9. Program Decreases FY 2004 (Emergent Requirements).</b>		<b>-274,182</b>
a) Transfer of KC-130J Contractor Logistics Support (CLS) to Aircraft Depot Maintenance (1A5A). CLS is more appropriately budgeted in the depot maintenance account vice the flying hour program	-13,532	
b) Reduction of 57,677 Navy TACAIR hours in accordance with FRP training requirements. The Fleet Response Plan (FRP) construct is a 27 month vice a 22 month Inter-Deployment Readiness Cycle (IDRC), which translates to an extended training cycle. An extended training cycle allows for a higher average T-rating during the fiscal year, while the required deployed readiness levels are maintained	-260,650	
<b>10. Baseline Funding (subtotal).</b>		<b>3,510,669</b>

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

<b>11. Revised FY 2004 Current Estimate.</b>		<b>3,510,669</b>
<b>12. Less: Emergency Supplemental Funding.</b>		<b>-437,358</b>
a) Removal of supplemental funding from the baseline	-437,358	
<b>13. Normalized Current Estimate for FY 2004.</b>		<b>3,073,311</b>
<b>14. FY 2005 Price Change.</b>		<b>79,108</b>
<b>15. FY 2005 Transfers Out.</b>		<b>-80,193</b>
a) Transfer of Navy/Marine Corps Intranet funding from readiness accounts to Combat Support Forces (1C6C)	-80,193	
<b>16. Program Growth in FY 2005.</b>		<b>57,056</b>
a) Increase in cost per hour primarily due to higher usage of consumables and DLRs in the maintenance of aging aircraft	49,001	
b) Net increase in rotary wing hours (+4,271) due to the addition of new MH-60 aircraft	8,055	
<b>17. One Time FY 2004 Costs.</b>		<b>-1,014</b>
a) CAST 70 Tester	-1,014	
<b>18. Program Decrease in FY 2005.</b>		<b>-125,499</b>
a) Reduction in S-3B hours due to decommissioning of aircraft. FY 2005 decommissionings result in a reduction of 13 PAA and 4,989 flight hours	-27,871	
b) Reduction in P-3 hours due to decommissioning of aircraft. FY 2005 decommissionings result in a reduction of 2.5 PAA and 10,231 flight hours	-40,399	
c) Reduction in F-14 hours due to decommissioning of aircraft. FY 2005 decommissionings result in a reduction of 18 PAA and 6,458 flight hours	-57,229	
<b>19. FY 2005 Budget Request.</b>		<b>3,002,769</b>

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

**IV. Performance Criteria and Evaluation Summary :**

Activity: Flying Hour Program

Activity Goal: To operate, to maintain, and to deploy aviation forces that support the National Military Strategy.

Description of Activity: The Flying Hour Program funds the following activities: (1) day to day operational activities or air operations; (2) organizational and intermediate level maintenance; (3) institutional training; unit training and operational training; and (4) engineering and logistical support.

	FY 2003 Budgeted	FY 2003 Actual	FY 2004 Budgeted	FY 2004 Estimate	FY 2005 Estimate
<b>PROGRAM DATA</b>					
Total Aircraft Inventory (TAI) (End of FY) <sup>1/</sup>	2393	2452	2262	2269	2237
Fighter/Attack	977	954	915	921	905
Rotary Wing	895	940	878	888	891
Patrol/Warning	228	243	219	199	205
Other	293	315	250	261	236
Primary Aircraft Authorized (PAA) (End of FY) <sup>1/</sup>	2008	1991	1921	1937	1892
Fighter/Attack	816	807	775	772	758
Rotary Wing	802	802	786	802	794
Patrol/Warning	194	178	179	179	176
Other	196	204	181	184	164
Backup Aircraft Inventory (BAI) (End of FY) <sup>2/</sup>	289	437	253	238	256
Fighter/Attack	101	147	104	114	110
Rotary Wing	81	119	71	66	71
Patrol/Warning	34	65	34	17	23
Other	73	106	44	41	52
Attrition Reserve (AR) (End of FY) <sup>2/</sup>	96	24	88	94	89
Fighter/Attack	60	0	36	35	37

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

	FY 2003 Budgeted	FY 2003 Actual	FY 2004 Budgeted	FY 2004 Estimate	FY 2005 Estimate
Rotary Wing	12	19	21	20	26
Patrol/Warning	0	0	6	3	6
Other	24	5	25	36	20
<sup>1/</sup> TAI/PAA include only Mission and Other Flight Operations Aircraft					
<sup>2/</sup> BAI/AR include all aircraft in these categories					
Flying Hours	769,838	791,249	740,967	671,549	656,340
Percent Executed	n/a	103%	n/a	n/a	n/a
Flying Hours (\$000)	\$3,012,792	\$3,478,389	\$3,105,062	\$2,813,551	\$2,818,297
Percent Executed	n/a	115%	n/a	n/a	n/a
Tac Fighter Wing Equivalents	10	10	10	10	10
Crew Ratio (Average)	1.45	1.45	1.47	1.41	1.41
Fighters	1.37	1.37	1.38	1.39	1.38
Other	1.49	1.49	1.52	1.43	1.43
OPTEMPO (Hrs/Crew/Month)	22.4	22.1	20.8	19.3	19.2
Fighters	21.9	22.0	20.3	19.4	19.3
Other	22.7	22.2	21.0	19.2	19.1
Navy Average T-rating	T-1.75	T-2.02	T-2.2	T-2.6	T-2.5

Department of the Navy  
Operation and Maintenance, Navy  
1A1A Mission and Other Flight Operations  
FY 2005 President's Budget Submission  
Exhibit OP-5

Explanation of Performance Variances:

Prior Year: Subsequent to the FY 2003 President's Budget, the Department of the Navy did a thorough review of the Training & Readiness (T&R) Manual and determined that training requirements were excessive. The FY 2004 President's Budget request updated the FY 2003 hours per crew per month (H/C/M) requirement to 20.8, and the average T-rating to be sustained was T-2.2. Actual OPTEMPO was much higher than planned due to flight operations in support of GWOT.

Current Year: The FY 2004 President's Budget represented the pre-Fleet Response Plan readiness posture, under which a lower average T-rating was required. Under the FRP construct, the IDRC is lengthened, less operational hours are required, and readiness during the maintenance phase is lower, thus creating a higher average T-rating and a lower H/C/M requirement.

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

**V. Personnel Summary :**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>Change</b>	<b>FY 2005</b>
<b>End Strength</b>	<b>ES</b>	<b>ES</b>	<b>FY 2004 to</b>	<b>ES</b>
			<b>FY 2005</b>	
Direct Hire, U.S.	457	410	-12	398
Direct Hire, Foreign National	4	4	0	4
Indirect Hire, Foreign National	12	12	0	12
<b>TOTAL CIVPERS</b>	<b>473</b>	<b>426</b>	<b>-12</b>	<b>414</b>
Active Military				
Officers	4,526	4,864	-165	4,699
Enlisted	28,595	28,424	-1,096	27,328
Reservists on Full-Time Active Duty				
Officers	8	8	0	8
Enlisted	226	241	-2	239
Unit Reservists				
Officers	78	66	7	73
Enlisted	135	359	-44	315
<b>TOTAL MILPERS</b>	<b>33,568</b>	<b>33,962</b>	<b>-1,300</b>	<b>32,662</b>
	<b>FY 2003</b>	<b>FY 2004</b>	<b>Change</b>	<b>FY 2005</b>
<b>Workyears</b>	<b>WY</b>	<b>WY</b>	<b>FY 2004 to</b>	<b>WY</b>
			<b>FY 2005</b>	
Direct Hire, U.S.	445	403	-12	391
Direct Hire, Foreign National	4	4	0	4
Indirect Hire, Foreign National	12	12	0	12
<b>TOTAL CIVPERS</b>	<b>461</b>	<b>419</b>	<b>-12</b>	<b>407</b>

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

Active Military				
Officers	4,601	4,695	87	4,782
Enlisted	28,152	28,510	-604	27,906
Reservists on Full-Time Active Duty				
Officers	8	8	0	8
Enlisted	226	234	6	240
Unit Reservists				
Officers	73	72	-2	70
Enlisted	120	247	90	337
TOTAL MILPERS	33,180	33,766	-423	32,343

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

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

	<b>FY-03 Program Total</b>	<b>FY-04 Price Growth</b>	<b>FY-04 Program Growth</b>	<b>FY-04 Program Total</b>	<b>FY-05 Price Growth</b>	<b>FY-05 Program Growth</b>	<b>FY-05 Program Total</b>
1A1A							
01 Civilian Personnel Compensation							
0101 Exec Gen & Spec Schedules	22,414	898	-1,710	21,602	441	-802	21,241
0103 Wage Board	1,097	47	141	1,285	18	-4	1,299
0104 Foreign Nat'l Direct Hire (FNDH)	115	21	15	151	4	2	157
0105 FNDH Separation Liability	5	1	-2	4	0	0	4
0107 Civ Voluntary Separation & Incentive Pay	35	0	-35	0	0	0	0
TOTAL 01 Civilian Personnel Compensation	23,666	967	-1,591	23,042	463	-804	22,701
03 Travel							
0308 Travel of Persons	159,105	2,068	-81,629	79,544	1,114	2,313	82,971
TOTAL 03 Travel	159,105	2,068	-81,629	79,544	1,114	2,313	82,971
04 WCF Supplies & Materials Purchases							
0401 DFSC Fuel	431,226	35,051	-83,976	382,301	7,427	-14,402	375,326
0402 Military Dept WCF Fuel	22,461	-3,007	-8,627	10,827	590	-202	11,215
0412 Navy Managed Purchases	357,448	28,210	-186,330	199,328	-6,542	15,878	208,664
0415 DLA Managed Purchases	577,160	-16,737	-199,745	360,678	3,246	-33,640	330,284
0416 GSA Managed Supplies and Materials	1,661	22	-1,020	663	9	-6	666
0417 Local Proc DoD Managed Supp & Materials	402	5	-407	0	0	0	0
TOTAL 04 WCF Supplies & Materials Purchases	1,390,358	43,544	-480,105	953,797	4,730	-32,372	926,155

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

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

	<b>FY-03 Program Total</b>	<b>FY-04 Price Growth</b>	<b>FY-04 Program Growth</b>	<b>FY-04 Program Total</b>	<b>FY-05 Price Growth</b>	<b>FY-05 Program Growth</b>	<b>FY-05 Program Total</b>
05 STOCK FUND EQUIPMENT							
0503 Navy WCF Equipment	1,988,683	119,280	-291,687	1,816,276	70,765	-42,324	1,844,717
0506 DLA WCF Equipment	1,614	-47	335	1,902	17	12	1,931
0507 GSA Managed Equipment	8,061	105	-5,542	2,624	37	-5	2,656
TOTAL 05 STOCK FUND EQUIPMENT	1,998,358	119,338	-296,894	1,820,802	70,819	-42,317	1,849,304
06 Other WCF Purchases (Excl Transportation)							
0610 Naval Air Warfare Center	2,967	-68	-1,387	1,512	36	-10	1,538
0611 Naval Surface Warfare Center	71	1	-72	0	0	0	0
0612 Naval Undersea Warfare Center	0	0	97	97	3	-1	99
0613 Naval Aviation Depots	3,690	85	-1,896	1,879	58	-336	1,601
0614 Spawar Systems Center	6,462	117	-6,579	0	0	0	0
0615 Navy Information Services	67	0	-67	0	0	0	0
0633 Defense Publication & Printing Service	177	-3	0	174	5	-2	177
0635 Naval Public Works Ctr (Other)	218	-1	-118	99	3	-3	99
0637 Naval Shipyards	2,471	-89	60	2,442	310	-198	2,554
0671 Communications Services	2,315	0	-2,315	0	0	0	0
0679 Cost Reimbursable Purchases	954	12	-966	0	0	0	0
TOTAL 06 Other WCF Purchases (Excl Transportation)	19,392	54	-13,243	6,203	415	-550	6,068

Department of the Navy  
 Operation and Maintenance, Navy  
 1A1A Mission and Other Flight Operations  
 FY 2005 President's Budget Submission  
 Exhibit OP-5

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

	<b>FY-03 Program Total</b>	<b>FY-04 Price Growth</b>	<b>FY-04 Program Growth</b>	<b>FY-04 Program Total</b>	<b>FY-05 Price Growth</b>	<b>FY-05 Program Growth</b>	<b>FY-05 Program Total</b>
07 Transportation							
0771 Commercial Transportation	56	1	-57	0	0	0	0
TOTAL 07 Transportation	56	1	-57	0	0	0	0
09 OTHER PURCHASES							
0901 Foreign Nat'l Indirect Hire (FNIH)	20	2	17	39	0	0	39
0914 Purchased Communications (Non WCF)	342	5	-11	336	5	0	341
0915 Rents	1,010	13	-1,013	10	1	-1	10
0917 Postal Services (USPS)	0	0	48	48	1	0	49
0920 Supplies & Materials (Non WCF)	3,138	41	-1,351	1,828	25	442	2,295
0921 Printing and Reproduction	303	4	-287	20	1	0	21
0922 Equip Maintenance by Contract	170	3	-96	77	1	0	78
0923 FAC maint by contract	357	5	-323	39	1	0	40
0925 Equipment Purchases	4,992	65	-4,892	165	2	-10	157
0926 Other Overseas Purchases	188	3	-152	39	1	-1	39
0929 Aircraft Rework by Contract	4,500	59	819	5,378	75	1,420	6,873
0987 Other Intragovernmental Purchases	62,747	381	18,226	81,354	47	-77,974	3,427
0989 Other Contracts	124,244	1,616	-30,455	95,405	1,335	490	97,230
0998 Other Costs	17,049	222	-12,086	5,185	72	-286	4,971
TOTAL 09 OTHER PURCHASES	219,060	2,419	-31,556	189,923	1,567	-75,920	115,570
Total 1A1A Mission and Other Flight Operations	3,809,995	168,391	-905,075	3,073,311	79,108	-149,650	3,002,769