

## RESERVE COMPONENTS

	(\$ in Millions)						
	FY 2001 <u>Actual</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2002 <u>Estimate</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2003 <u>Estimate</u>
Army Reserve	1,601.3	+46.3	+104.7	1,752.3	+86.3	+84.7	1,923.3
Navy Reserve	1,015.2	+4.2	-22.4	997.0	+15.1	+153.8	1,165.9
Marine Corps Reserve	146.6	+2.5	-5.9	143.2	+3.7	+38.6	185.5
Air Force Reserve	1,943.1	+95.6	-32.8	2,005.9	+113.2	+71.9	2,191.0
Army National Guard	3,413.6	+85.4	+234.7	3,733.7	+184.2	+218.9	4,136.8
Air National Guard	<u>3,608.7</u>	<u>+177.7</u>	<u>+165.7</u>	<u>3,952.1</u>	<u>+230.0</u>	<u>-31.1</u>	<u>4,151.0</u>
<b>Total</b>	<b>11,728.5</b>	<b>+411.7</b>	<b>+444.0</b>	<b>12,584.2</b>	<b>+632.5</b>	<b>+536.8</b>	<b>13,753.5</b>

The Operation and Maintenance (O&M) appropriations provide funding for operating the Reserve Components' forces and maintaining their assigned equipment in a state of readiness to permit rapid deployment in the event of full or partial mobilization. Reserve Component personnel maintain adequate skill levels in highly technical specialties through training during weekend drills and active duty training. Concurrently, the Reserve Components contribute significant support to a variety of Active mission areas. The FY 2003 budget request of \$13,753.5 million for the Reserve Forces includes price growth of \$632.5 million and net program increase of \$536.8 million (4.3 percent) above the FY 2002 funding level. Summary program data for the Reserve Components is displayed below.

### Reserve Forces Program Data

	FY 2001		FY 2002		FY 2003
	<u>Actual</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Estimate</u>
Selected Reserve End Strength	868,534	-4,576	863,958	+600	864,558
Civilian Personnel Full-Time Equivalents (FTEs)	76,326	-134	76,192	-168	76,024
Military Technicians (MEMO)	(63,762)	(+637)	(64,399)	(+220)	(64,619)
Ship Inventory (End FY )	25	-	25	+1	26
Steaming Hours (000)	48	-6	42	+16	58
Total Aircraft Inventory (TAI)	3,648	-182	3,466	-50	3,416
Primary Authorized Aircraft (PAA)	4,012	-158	3,854	-10	3,844
Flying Hours (000)	855	+150	1,005	-10	995

## RESERVE COMPONENTS

### ARMY RESERVE

**Program/Price Growth.** The FY 2003 budget request for the Army Reserve increases by \$171.0 million from the FY 2002 level. This increase includes \$86.3 million for price growth and a net program increase of \$84.7 million (4.8 percent).

**Program Discussion.** The Army Reserve end strength remains at 205,000 in FY 2003, consistent with the end strength goal established by the Quadrennial Defense Review. Program increases include \$63.1 million for OPTEMPO due to increased requirements for supplies and flying hours that support Army Reserve units as they train to meet current deployment timelines; \$14.8 million for facilities sustainment, restoration, and modernization to slow facility deterioration; \$14.4 million for an increased Military Technician authorization; \$12.7 million for professional and skill progression training for the Army School System to achieve 85 percent Duty Military Occupational Skill Qualification by FY 2005; \$7.9 million for information technology staff management headquarters and operating expenses; \$5.5 million for support to the national committee for the Employer Support of the Guard and Reserve (ESGR); \$5.3 million for Regional Training Sites; \$5.0 million to support the electronic business technologies and standards to include smart cards, electronic data interchange, and implementation of Public Key Infrastructure for digital signatures and encryption capabilities; \$4.5 million for furnishings for newly constructed facilities, \$4.6 million for recruiting and advertising; \$2.7 million for medical and dental readiness; and \$2.1 million to support post deployment infrastructure sustainment of the Reserve Component Automation System (RCAS) Other net increases total \$1.5 million. Program decreases occur in real property services (\$23.1 million); in depot level maintenance (\$14.3 million); in environmental and pollution funding (\$12.3 million); and in telecommunication services (\$9.7 million). The additional 17 Army Reserve centers are the result of scheduled leased and newly constructed buildings, while the FY 2002 decrease reflects property disposal under the Facility Reduction Program. The increase in aircraft reflects the activation of two general support aviation companies during FY 2002.

### Army Reserve Program Data

	<u>FY 2001</u>		<u>FY 2002</u>		<u>FY 2003</u>
	<u>Actual</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Estimate</u>
<b>Total Selected Reserve End Strength</b>	205,628	-628	205,000	-	205,000
<b>Civilian Personnel (FTEs)</b>	10,783	+141	10,924	-18	10,906
<b>Technicians (MEMO)</b>	(6,859)	(+299)	(7,158)	(+48)	(7,206)
<b>Total Aircraft Inventory (TAI)</b>	134	+6	140	+8	148
<b>Primary Authorized Aircraft (PAA)</b>	134	+6	140	+8	148
<b>Flying Hours (000)</b>	34	+9	43	+3	46
<b>Major Installations</b>	6	-	6	-	6
<b>Reserve Centers</b>	809	-23	786	+17	803

## RESERVE COMPONENTS

### NAVY RESERVE

**Program/Price Growth.** The budget request increases by \$168.9 million from the FY 2002 level, and includes \$15.1 million for price growth and a net program increase of \$153.8 million (15.4 percent).

**Program Discussion.** The Navy Reserve selected reserve end strength increase of 1,500 in FY 2003 reflects increased manning levels for antiterrorism/force protection and Mobile Inshore Undersea Warfare Units. Civilian personnel full-time equivalents decrease slightly to 1,455. Program increases include \$82.3 million for the continued fielding and transformation to the Navy Marine Corps Intranet (NMCI) system, with particular emphasis on connecting the drilling Selected Reservists; \$31.8 million for equipment and associated maintenance for combat support forces; \$21.7 million for ship depot maintenance and depot operations support which funds 95 percent of the ship depot maintenance requirement; \$20.1 million for aviation depot engine and airframe maintenance to fund the CNO goal of 90 percent of the requirement for non-deployed squadrons; \$13.6 million for increased ship inventory and OPTEMPO; a net increase of \$9.4 million for the flying hour program for Aviation Depot Level Repairables (AVDLRs) and aviation contract maintenance (\$37.2 million) offset by a decrease for historical underexecution (\$-27.8 million); \$2.5 million for facilities sustainment, restoration, and modernization; and a net increase of \$0.4 million for various other program changes. Program decreases include a \$20.2 million decrease in ship and aircraft depot maintenance associated with completed availabilities and a \$7.8 million net decrease in base support which includes an increase to fund physical readiness equipment, bachelor quarters furniture, and realignment of grounds maintenance to properly reflect execution (\$4.0 million) and savings for strategic sourcing initiatives (\$-11.8 million). An increase of 1 Navy tactical aircraft is reflected in FY 2003. Also, a net increase of 1 battle force ship in FY 2003 represents the net of a transfer into the Reserve Battle Force of three more capable Guided Missile Frigates (FFGs) from the Active Force, and a decrease of two battle force ships due to decommissionings.

#### Navy Reserve Program Data

	<u>FY 2001</u>		<u>FY 2002</u>		<u>FY 2003</u>
	<u>Actual</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Estimate</u>
<b>Total Selected Reserve End Strength</b>	87,913	-1,613	86,300	+1,500	87,800
<b>Civilian Personnel (FTEs)</b>	1,877	-344	1,533	-78	1,455
<b>Primary Authorized Aircraft (PAA)*</b>	407	-	407	+1	408
<b>Flying Hours (000)</b>	151	+24	175	-8	167
<b>Ship Inventory</b>	25	-	25	+1	26
<b>Steaming Hours (000)</b>	48	-6	42	+16	58
<b>Reserve Centers</b>	154	-1	153	-	153
<b>Major Installations</b>	5	-	5	-	5

\* Total Aircraft Inventory is included under active Navy.

## RESERVE COMPONENTS

### MARINE CORPS RESERVE

**Program/Price Growth.** The budget request increases by \$42.3 million from the FY 2002 level, and includes \$3.7 million for price growth and a net program increase of \$38.6 million (27.0 percent).

**Program Discussion.** The FY 2003 request supports manpower levels of 39,558 military end strength and 151 civilian full-time equivalents. Program increases include \$26.6 million for the Navy Marine Corps Intranet (NMCI) to which the Marine Corps Reserve began transitioning in FY 2002; a net increase of \$8.4 million for depot maintenance for combat vehicles, increased maintenance for aging equipment, depot level reparables and depot maintenance end items and ordnance; \$3.6 million for increased requirements for base support; and \$2.1 million for operating forces training. The program decreases by \$2.1 million for facilities sustainment, restoration, and modernization program requirements.

#### Marine Corps Reserve Program Data

	<b>FY 2001</b>		<b>FY 2002</b>		<b>FY 2003</b>
	<b><u>Actual</u></b>	<b><u>Change</u></b>	<b><u>Estimate</u></b>	<b><u>Change</u></b>	<b><u>Estimate</u></b>
<b>Total Selected Reserve End Strength</b>	39,810	-252	39,558	-	39,558
<b>Civilian Personnel (FTEs)</b>	150	-2	148	+3	151
<b>Primary Authorized Aircraft (PAA)*</b>	185	+1	186	-	186
<b>Flying Hours (000)</b>	44	+5	49	-2	47
<b>Divisions</b>	1	-	1	-	1
<b>Training Centers</b>	188	-	188	-	188

\* Total Aircraft Inventory is included under active Navy.

Note: Marine Corps Reserve flying hours are funded by the O&M, Navy Reserve appropriation.

## RESERVE COMPONENTS

### AIR FORCE RESERVE

**Program/Price Growth.** The FY 2003 budget request for the Air Force Reserve increases by \$185.1 million from the FY 2002 level. This increase includes an increase of \$113.2 million for price growth and a net program increase of \$71.9 million (3.6 percent).

**Program Discussion.** The FY 2003 budget request supports 74 flying units and a manpower level of 75,600 military end strength and 14,160 civilian full-time equivalents. The FY 2003 budget includes an increase of \$43.9 million in Air Operations to support the transfer of a KC-135R wing to the Air Force Reserve Command (\$10.7 million) and to support an increase in C-17 and C-5 Associate flight crews (\$33.2 million); \$8.4 million for real property maintenance; \$24 million for base support increases in the areas of utilities, communications, and protective vests for deployed personnel; \$6.5 million for recruiting and advertising; and a net increase of \$2 million for other miscellaneous programs. These increases are offset by a \$12.9 million program decrease in depot maintenance.

Depot maintenance has been funded at 90.2 percent of requirements and the flying hour program is funded at 92 percent of the requirement. The civilian end strength decline in FY 2003 is due to A-76 conversions. The increase in the Selected Reserve end strength meets the increased demand for Reserve personnel by the Air Force Material Command, the Air Education and Training Command, and the various intelligence activities.

#### Air Force Reserve Program Data

	<b>FY 2001</b>		<b>FY 2002</b>		<b>FY 2003</b>
	<b><u>Actual</u></b>	<b><u>Change</u></b>	<b><u>Estimate</u></b>	<b><u>Change</u></b>	<b><u>Estimate</u></b>
<b>Total Selected Reserve End Strength</b>	74,869	-169	74,700	+900	75,600
<b>Civilian Personnel (FTEs)</b>	14,525	-188	14,337	-177	14,160
<b>Technicians (MEMO)</b>	(9,959)	(-144)	(9,815)	(+92)	(9,907)
<b>Total Aircraft Inventory (TAI)</b>	445	+18	463	-11	452
<b>Primary Authorized Aircraft (PAA)</b>	398	+5	403	+8	411
<b>Flying Hours (000)</b>	135	+3	138	+4	142
<b>Major Installations</b>	13	-	13	-	13

## RESERVE COMPONENTS

### ARMY NATIONAL GUARD

**Program/Price Growth.** The FY 2003 budget request for the Army National Guard increases by \$403.1 million from the FY 2002 level. The total increase includes an increase of \$184.2 million for price growth and a net program increase of \$218.9 million (5.9 percent).

**Program Discussion.** The FY 2003 budget provides for the training and operations for end strength of 350,000. Major program changes include a \$101.5 million increase for ground OPTEMPO to fund critical requirements for modernization and force structure changes; \$60.4 million for Air OPTEMPO to support 9.0 hours per aircrew per month; \$49.3 million for base operations critical requirements; \$29.0 million to fully fund military technician increases; \$5.5 million for the Reserve Component Automation System (RCAS); \$11.3 million for the Army National Guard Continuing Education Program which supports tuition assistance for institutional training; \$8.3 million for critical environmental projects; \$7.3 million for base communications to support the Standard Army Management Information System (STAMIS); \$4.2 million for disability compensation costs; \$1.1 million for supplies and services for the Total Army School System (TASS); and \$5.0 million for various other program increases. One-time congressional adds in FY 2002 result in a program decrease of \$64.0 million.

#### Army National Guard Program Data

	<b>FY 2001</b>		<b>FY 2002</b>		<b>FY 2003</b>
	<b><u>Actual</u></b>	<b><u>Change</u></b>	<b><u>Estimate</u></b>	<b><u>Change</u></b>	<b><u>Estimate</u></b>
<b>Total Selected Reserve End Strength</b>	351,829	-1,829	350,000	-	350,000
<b>Civilian Personnel (FTEs)</b>	25,122	+17	25,139	+54	25,193
<b>Technicians (MEMO)</b>	(24,403)	(+229)	(24,632)	(+64)	(24,696)
<b>Total Aircraft Inventory (TAI)/PAA</b>	1,708	-154	1,554	-18	1,536
<b>Flying Hours (000)</b>	190	+88	278	-1	277
<b>Training Locations</b>	283	-	283	-	283
<b>Divisions</b>	8	-	8	-	8
<b>Brigades</b>	15	-	15	-	15

## RESERVE COMPONENTS

### AIR NATIONAL GUARD

**Program/Price Growth.** The FY 2003 budget request for the Air National Guard (ANG) increases by \$198.9 million from the FY 2002 level. This change includes a price increase of \$230 million and a net program decrease of \$31.1 million (-0.8 percent).

**Program Discussion.** The FY 2003 budget request supports 86 flying units, 315,894 flying hours, and 24,159 civilian full-time equivalents. The net program decrease in the FY 2003 request includes one-time FY 2002 Congressional adjustments (\$-12.2 million), and the one-time FY 2002 increase to satisfy a cash shortfall associated with the higher cost of spare parts for aircraft engines (\$-22.0 million). Program increases include \$70.7 million for facilities sustainment, restoration, and modernization; \$22.2 million for transition costs to support the conversion to C-17 aircraft from C-141 aircraft; \$16.9 million for the unit conversion to eight (8) KC-135E air refueling aircraft from F-16s; \$16.9 million for contractor logistics support for the F-15 Distributed Mission Trainer (DMT) (\$5.8 million) and C-38 and C-40 aircraft (\$11.1 million); \$15.5 million for depot maintenance to fund 95 percent of requirements; and \$4.4 million for defensive information operations to protect against cyber attacks on critical defense related infrastructure. Program reductions are the result of the decision to consolidate the Air Force's B-1 bomber forces which results in the loss of 2 ANG bomber units and 16 aircraft (\$-95.2 million); the unit conversion from fifteen (15) F-16C/D tactical fighters to KC-135 aircraft and the completion of mandated safety modifications which results in a reduced number of scheduled time changes on F-16 engines (\$-40.1 million); and a reduction in Nuclear, Biological, Chemical equipment funds as a result of the significant increase in FY 2002 to alleviate some of the shortfall in both individual and unit level protective supplies and equipment (\$-11.4 million). Other miscellaneous program changes result in a net program increase of \$3.2 million. The reduction of 1,800 end strength affects various supply, finance, personnel, safety, contracting and transportation positions.

#### Air National Guard Program Data

	<u>FY 2001</u>		<u>FY 2002</u>		<u>FY 2003</u>
	<u>Actual</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Estimate</u>
<b>Total Selected Reserve End Strength</b>	108,485	-85	108,400	-1,800	106,600
<b>Civilian Personnel (FTEs)</b>	23,869	+242	24,111	+48	24,159
<b>Technicians (MEMO)</b>	(22,541)	(+253)	(22,794)	(+16)	(22,810)
<b>Total Aircraft Inventory (TAI)</b>	1,361	-52	1,309	-29	1,280
<b>Primary Authorized Aircraft (PAA)</b>	1,180	-16	1,164	-9	1,155
<b>Flying Hours (000)</b>	301	+21	322	-6	316
<b>Major Installations</b>	2	-	2	-	2
<b>Other Operating Locations</b>	176	+3	179	-2	177