



***Air Force FY00/01  
President's Budget  
Highlights***

**January 1999**

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# OVERVIEW

The FY00/01 President's Budget, recognizing that people are the most important element in addressing recent trends in readiness, funds a 4.4% military pay increase for FY00, a reform of pay tables and of the military retirement system, as well as recruiting and retention incentives that will help the Air Force find and keep the best people. In addition, the budget provides program increases of \$2.5 billion in FY00 and approximately \$20 billion additional across the FYDP which enables us to focus on the most urgent readiness issues. We increase funds for readiness training of combat forces, including training exercises and ranges, spare parts, aircraft and missile maintenance, training facilities and equipment, and maintenance of existing force structure. The budget also maintains key Air Force modernization programs such as the F-22, C-17, Airborne Laser, Evolved Expendable Launch Vehicle, and other programs which remain essential to our future readiness. The increases are made possible through a combination of lower inflation rates and fuel prices, reduced military construction funding based on advance appropriation of construction projects, and new funding recommended by the President. While there is more to be done, particularly in the infrastructure and modernization areas, this budget forcefully addresses the critical near-term requirements. As a result, we have supported both our most immediate readiness needs and our rapid transition to an **Expeditionary Air Force**. The Figure below shows the overall real growth this budget provides normalized for construction advanced appropriation, contingencies, and transfers.

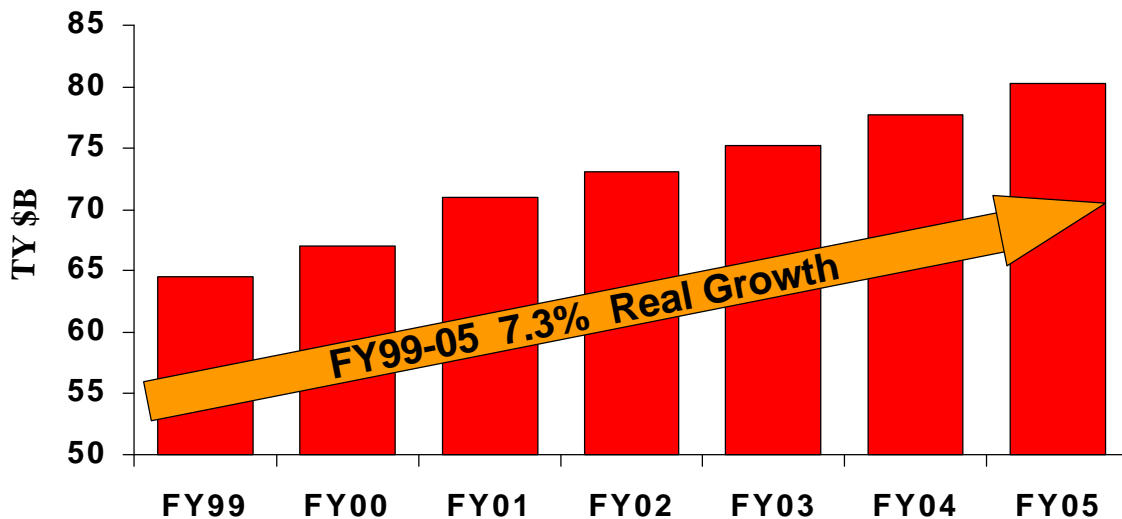


Figure 1

The budget maintains focus on our long-term **Global Engagement** goals. Global Engagement addresses the range of Air Force activities -- operations, infrastructure, and personnel -- to provide a comprehensive map to shape the Air Force for the 21<sup>st</sup> Century. Global Engagement is based on six core competencies: **Air and Space Superiority, Global Attack, Precision Engagement, Rapid Global Mobility, Information Superiority, and Agile Combat Support**. These competencies stem from the speed, global range, precision, flexibility, unparalleled access, and awareness afforded by aerospace forces. Global awareness and command/control bring the competencies together to provide aerospace power to the Joint Force Team.

In the pages that follow, we summarize the Air Force budget in two ways. First, we provide a broad overview in terms of our core competencies. Second, we provide additional detail organized in the traditional appropriation and program structure. Unless otherwise indicated, figures and tables are in millions of then-year dollars and depict only “Blue Air Force” Total Obligation Authority (TOA), which excludes funds in the Air Force budget for the National Foreign Intelligence Program (NFIP), Special Operations Command (SOCOM), and the Defense Health Program (DHP). The Figure below shows the balance of the overall Air Force budget:

### Air Force Budget

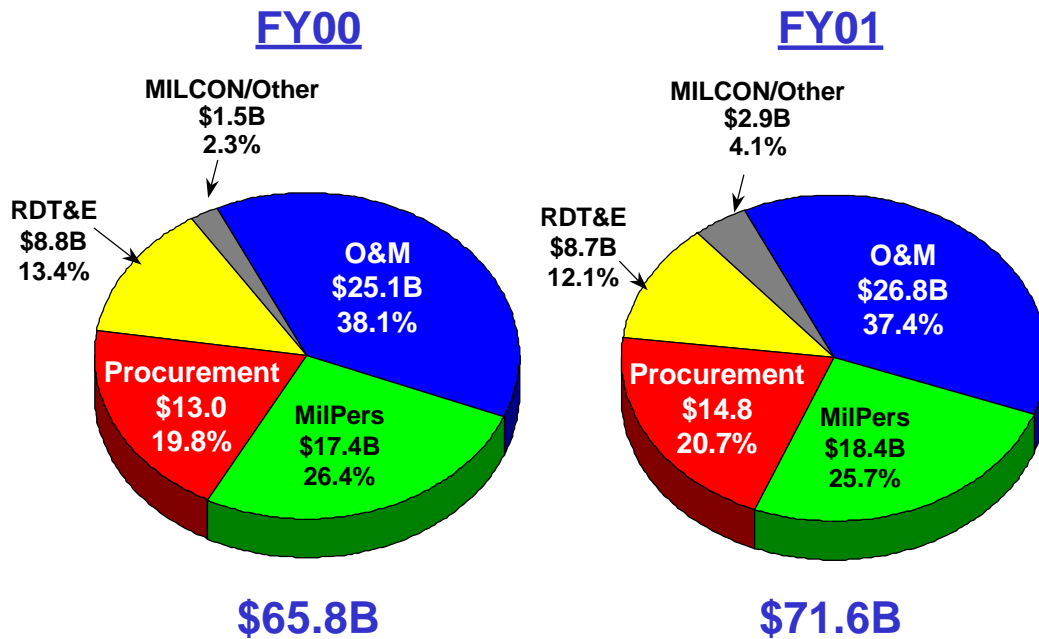


Figure 2

# SECTION I

## HIGHLIGHTS BY CORE COMPETENCIES

Our core competencies represent a combination of professional knowledge, airpower expertise, and technological know-how. When properly applied, these competencies provide superior military capabilities. A particular core competency is not necessarily unique to the Air Force. Other services possess similar capabilities in many areas, but speed, flexibility, and the global nature of its reach and perspective distinguish the Air Force's execution of its core competencies. Within the Air Force, core competencies provide a bridge between doctrine and the programming and acquisition processes. Each core competency illuminates part of the strategic vision that guides decisions and sets the course for the Air Force of the 21<sup>st</sup> Century. Figure 3 shows the breakout of Blue Air Force TOA among the core competencies.

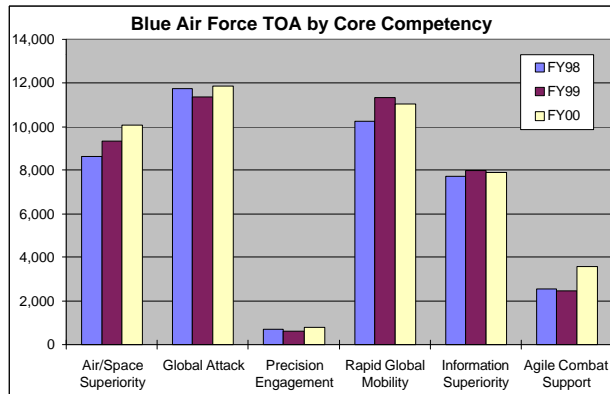


Figure 3

### **Air and Space Superiority**

Superiority in air and space prevents adversaries from interfering with air, space, or surface operations, and

assures freedom of action for our forces and those of our allies. Figure 4 summarizes Air and Space Superiority funding by appropriation.

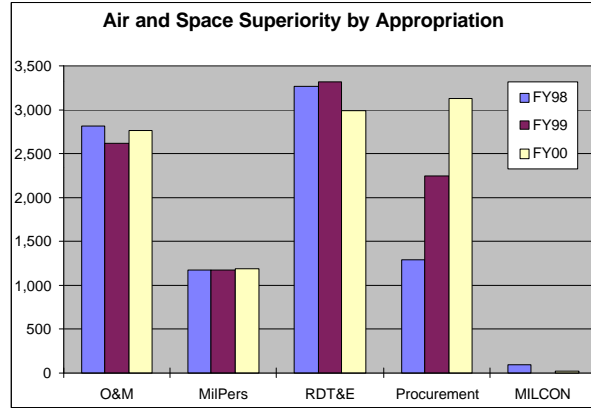


Figure 4

### **Air Superiority**

Air Superiority is the control of operations in the air to allow US and Allied forces to use this medium to freely position, maneuver, employ, and engage, while denying the same ability to our adversaries. Air Superiority programs include the F-15, F-22, Advanced Medium Range Air-to-Air Missile (AMRAAM), AIM-9X missile, air defense forces, Airborne Laser (ABL), Manned Destructive Suppression of Enemy Air Defenses, and combat search and rescue.

### **Space Superiority**

Space Superiority is the control of operations in space, allowing US and Allied forces free and effective use of all media, while denying the same ability to adversaries. To meet this objective, the Air Force provides communication, weather, warning, and navigation satellites plus related spacelift and satellite command and control systems. Major space superiority programs include the Space Based Infrared System (SBIRS), Defense Support Program

(DSP), MILSTAR, Global Positioning System (GPS), National Polar Orbiting Environmental Satellite System (NPOESS), Evolved Expendable Launch Vehicle (EELV), Titan, and Minuteman.

### **Global Attack/Precision Engagement**

Global Attack and Precision Engagement are the Air Force's contribution to the nation's ability to project power around the globe and sustain a credible nuclear deterrence force. Core programs include all bombers, F-15E, F-16, Joint Strike Fighter (JSF), and conventional munitions.

#### **Global Attack**

Global Attack is the Air Force's ability to attack rapidly anywhere on the globe at any time through the entire spectrum of warfare. Power projection and presence capabilities are a complimentary mix of long-range and theater aircraft, based in the US and at forward locations. Figure 5 summarizes Global Attack funding by appropriation.

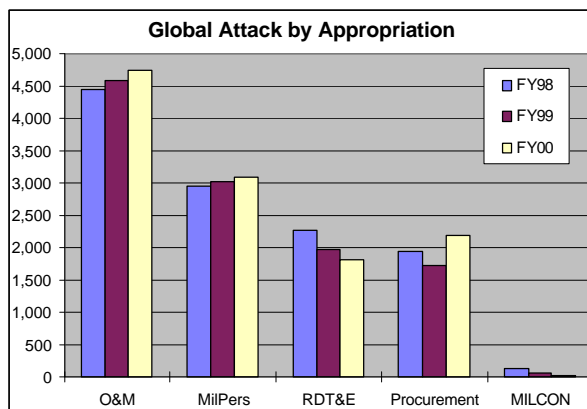


Figure 5

#### **Precision Engagement**

*Joint Vision 2010* defines Precision Engagement as the capability "that enables our forces to locate the objective or target, provide responsive command and control, generate the desired effect, assess our level of success, and retain the flexibility to re-engage with precision when required." Precision Engagement is grounded in the joint definition. Its essence lies in the ability to apply selective force against specific targets and achieve discrete and discriminate effects. Figure 6 summarizes Precision Engagement funding by appropriation.

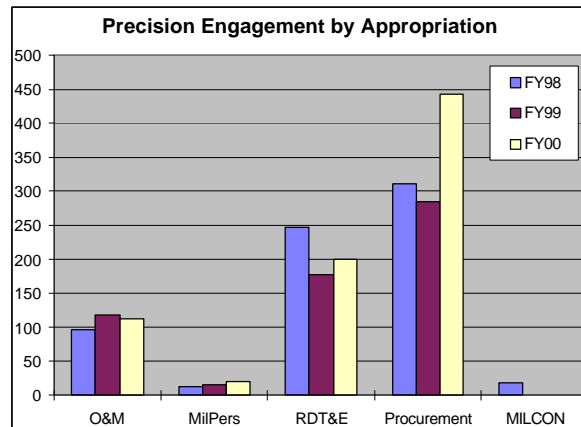


Figure 6

#### **Rapid Global Mobility**

Rapid Global Mobility provides the nation its global reach and underpins its role as a global power. The ability to move rapidly to any spot on the globe ensures that tomorrow, just as today, the nation can respond quickly and decisively to unexpected challenges to its interests. This competency includes strategic and theater airlift forces, aerial refueling, Operational Support Airlift, Aeromedical Evacuation, and Special Operations Forces assets and their supporting infrastructure. Figure 7 summarizes Rapid Global Mobility funding by appropriation.

## **Agile Combat Support**

Agile Combat Support is recognized as a core competency for its central role in enabling aerospace power to contribute to the objectives of a Joint Force Commander. Effective combat support operations allow combat commanders to improve the overall responsiveness, deployability, and sustainability of their forces. To provide Agile Combat Support, information technology must be leveraged to improve command and control, which is key to accurate and timely decisions. To achieve this Agile Combat Support, the Air Force is modernizing and integrating its combat support information systems into the Global Combat Support System (GCSS).

Logistics is a major element of Agile Combat Support. It consists of those programs which supply and maintain aerospace forces to prepare them to execute their missions and sustain them once they are engaged. This area includes responsibility for first and second destination transportation, service-wide logistics systems and computer support, vehicle procurement, base maintenance and support equipment, and Air Force Materiel Command infrastructure. The Air Force depot system will continue to reduce cycle times and streamline infrastructure. Competitive Sourcing & Privatization (CS&P) will help move the materiel required for deployed forces from "factory to flightline."

Agile Combat Support also provides vital infrastructure to support the Command, Control, Communications, Computers, and Information (C4I) needs of the active Air Force and Air Reserve

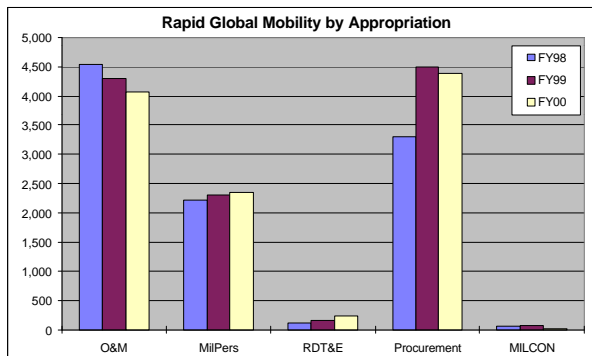


Figure 7

## **Information Superiority**

The Information Superiority core competency supports the ability to achieve joint dominant battlefield awareness through global awareness, communications, weather, intelligence, and navigation support. This core competency reflects the Air Force's commitment to providing full spectrum dominance by modernizing and sustaining our intelligence, surveillance and reconnaissance systems, command and control/battle management systems, and developing offensive and defensive information warfare capabilities. Figure 8 summarizes Information Superiority funding by appropriation.

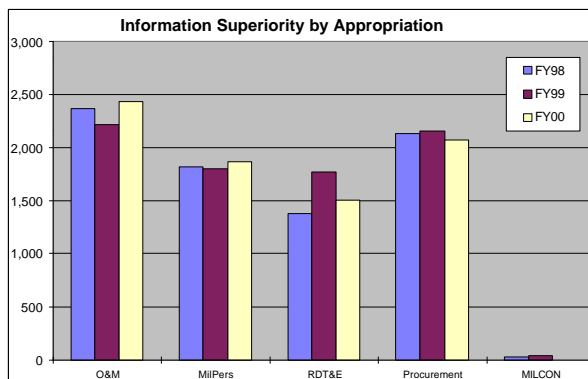


Figure 8



Components (ARC). This infrastructure includes all base-level communications, base-level computer services, long-haul communications, and deployable tactical communications. In addition, this area includes air traffic control, audio visual services, and C4I engineering and installation work. Figure 9 summarizes Agile Combat Support funding by appropriation.

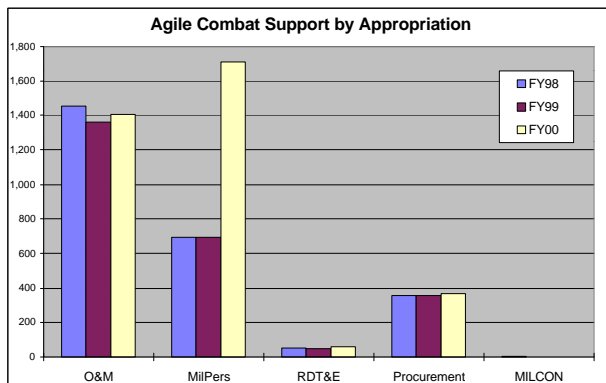


Figure 9

**Foundation**

People are the heart of the Air Force’s military capability, and people will continue to be the most important element of our success in capitalizing on change. Emphasis on creating an Air Force environment that fosters responsiveness and innovation and rewards adaptability will continue to be crucial as we move into the next century. Specifics may change, but the Air Force of the 21<sup>st</sup> Century will continue to place priority on the excellence of its men and women and achieving a good quality of life for Air Force members and their families.

The composition of the Air Force will change as the nature of aerospace power changes. The force will be smaller. More uniformed personnel will be operators, and a greater percentage will be from the ARC. Non-operational

support functions will increasingly be performed by Air Force civilians. The Air Force is also committed to competitively sourcing or privatizing many functions now performed internally. The FY00/01 program includes funding for CS&P initiatives that will help the Air Force achieve approximately \$3B in savings by FY05.

Personnel and training programs recruit and train quality people to prepare aerospace forces to execute their missions and sustain those forces once they are engaged. The Air Force continues to carefully balance accessions, education and training, readiness, and quality of life programs while focusing on people as our most critical asset. Figure 10 summarizes Air Force people programs by appropriation.

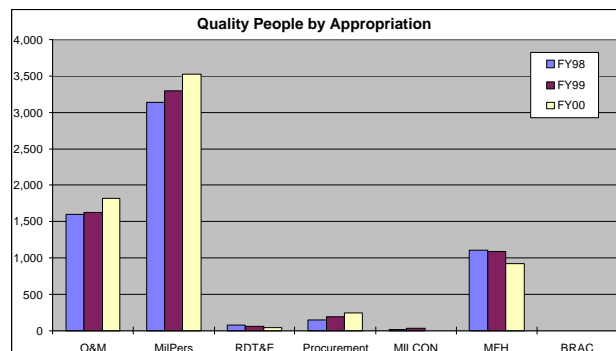


Figure 10

Effective installation support is essential to effectively performing our core competencies. It provides equipment, facilities, and infrastructure to support and sustain aerospace forces as they execute their mission. Installation support programs include military family housing, real property maintenance, environmental programs, base realignment and closure, and cross-cutting programs such as Base Operating Support and Military Construction.

Figure 11 summarizes Air Force infrastructure programs by appropriation.

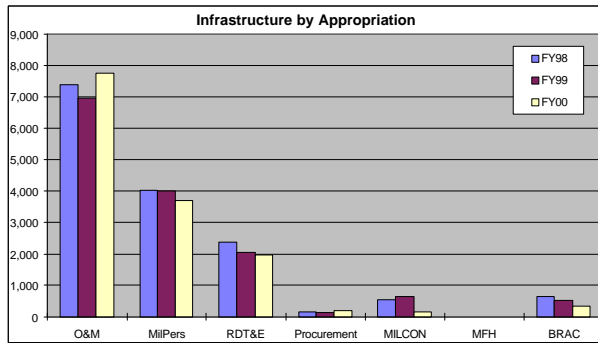


Figure 11

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## SECTION II

### HIGHLIGHTS BY APPROPRIATION

This section discusses the FY00/01 budget in terms of Congressional appropriations. Figure 12 summarizes Air Force resources by appropriation. The chart combines all procurement appropriations into a single category. Air National Guard (ANG) and Air Force Reserve (AFR) funding is included along with active force appropriations in Operation and Maintenance (O&M), Military Personnel (MilPers), and Military Construction (MILCON).

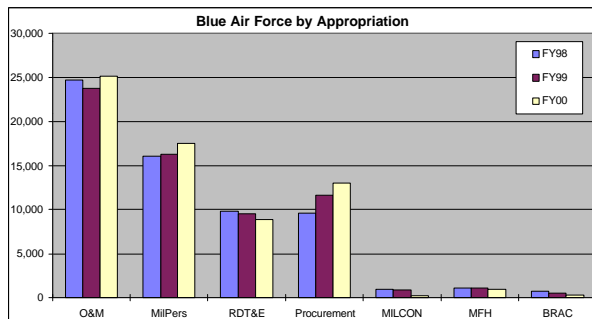


Figure 12

### **Operation and Maintenance**

O&M finances the cost of operating and maintaining the Air Force (excluding military pay). Three appropriations comprise Air Force O&M: active forces (3400), AFR (3740), and ANG (3840). O&M funds air, combat, space, and mobility operations. Funds are used for training, administrative, and service-wide activities. Specific items financed include: fuel and spare parts, civilian personnel expenses, supplies and equipment, utilities for real property, maintenance and repair of facilities, service contracts for repairing weapon

systems and facilities, and other personnel support programs. As such, the O&M account is generally referred to as the “backbone of readiness.”

O&M financial requirements are influenced by many activities, including number of aircraft and space launch vehicles, number of installations, military personnel strength and deployments, rates of operational activity, and scheduled weapon system maintenance. The FY00 O&M funding level sustains combat readiness while supporting our people. This includes FY00 O&M funding for operation of 20 fighter wing equivalents, 86 major installations, 4,987 primary authorized aircraft, 1,842,244 flying hours, 550 Intercontinental Ballistic Missiles, and worldwide space operations.

In order to address readiness concerns, a concerted effort was made to increase O&M funding. The FY00 budget supports the top unfunded priorities such as recruiting, retention, training, ranges, and Base Operating Support (BOS). Also, areas such as critical spare parts, aircraft and missile maintenance, training facilities and equipment, and maintenance of existing force structure, benefit in this budget. Increases in these areas will take care of critical near-term readiness needs and arrest the decline in current readiness trends. At the same time, in order to meet overall Air Force objectives, we carefully balanced O&M and modernization programs with the intent of arresting the migration of dollars from our modernization programs. The BOS funding level is commensurate with prior year actuals adjusted for civilian pay, contingencies and one-time requirements. C&P savings, achieved by reducing costs through increased

competition and expanded employee and private sector participation, are anticipated in the O&M accounts. Real Property Maintenance (RPM) is at the preventive maintenance level (PML), allowing only for day-to-day recurring maintenance (funding includes O&M and OSD Quality of Life Accounts). Real Property Services (RPS) are constrained by a 5 percent reduction for efficiencies, and Depot Purchased Equipment Maintenance (DPEM) is constrained at 88 percent of requirements, respectively. Figure 13 shows O&M funding broken out by core competency (see Table 3 for more detail on the active O&M budget).

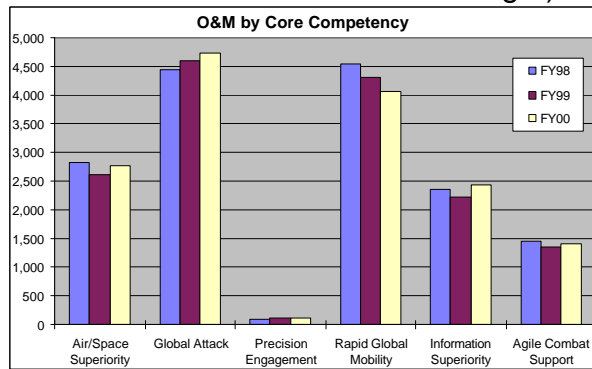


Figure 13

### ***Selected Programs***

**B-1:** B-1 squadrons increase by one in FY00 for stand-up of a dedicated flight instructor and academic training squadron at Dyess AFB, TX.

**Air Force Working Capital Fund (AFWCF):** Customer O&M accounts reflect rate adjustments necessary to recover losses and meet full costs in AFWCF business areas.

**Real Property Maintenance:** When combined with the OSD quality of life account our RPM continues at PML, which is calculated as 1 percent of plant replacement value and represents the

“must pay” requirements necessary to continue the existing life cycle of facilities and infrastructure. This funding level is a risk area because it further degrades our physical plant and will increase the backlog of maintenance and repair requirements. PML funding limits maintenance efforts and defers critical requirements such as major repair and replacement projects for infrastructure facilities, minor construction for mission beddowns, dormitory improvements, and facility demolition.

## **Military Personnel**

Military Personnel Appropriations (MilPers) for active forces (3500), AFR (3700), and ANG (3850) provide officer, enlisted, and cadet pay, allowances, subsistence, and Permanent Change of Station funds for the Air Force. The FY00 PB makes great strides in addressing the personnel needs of the Air Force. Proposed reforms of the military retirement system, military pay increases, and funding for critical recruiting and retention incentives will help toward finding and keeping the best people. The military pay raise is 4.4 percent in FY00 and 3.9 percent raise in FY01. Additionally, funding is included for Military Pay Table Reform and legislative initiatives such as Career Enlisted Flyer Incentive Pay, Restoration of tax exempt status for Death Gratuity Payment, Temporary Lodging Expense for first term enlisted, and Foreign Language Proficiency Pay. Figure 14 shows MilPers funding broken out by core competency (see Tables 4-6 for more detail on ANG, AFR and active MilPers funding).

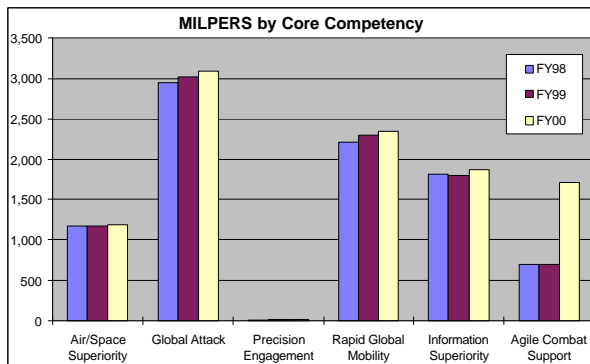


Figure 14

The Air Force plans an active duty endstrength reduction of 6,593 between FY98 and FY00. By FY00, endstrength will be down approximately 33 percent from FY90. This reduction is due to force structure drawdown, base closures approved by Congress, reduced infrastructure and overhead, management improvements, and competitive sourcing. The Air Force maintains limited early retirement programs in FY00/01 to preclude involuntary separations and continue shaping the force. Currently, we do not anticipate any requirements for the Voluntary Separation Incentive and Selective Separation Benefit programs. Figure 15 shows the downsizing in terms of endstrength (see Tables 7 and 8 for additional detail on military and civilian endstrength).

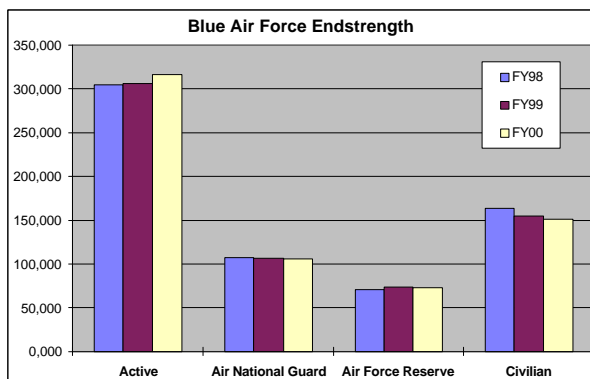


Figure 15

## Research, Development, Test and Evaluation

The FY00/01 RDT&E appropriation (3600) maintains the technology base, advance technology development, Program Definition and Risk Reduction (PDRR), and Engineering and Manufacturing Development (EMD) of future weapon systems. It also supports research of new capabilities for future weapon systems. The FY00/01 RDT&E funding levels are lower than FY99. Figure 16 shows the Air Force RDT&E funding profile by core competencies (see Tables 9 and 10 for additional detail).

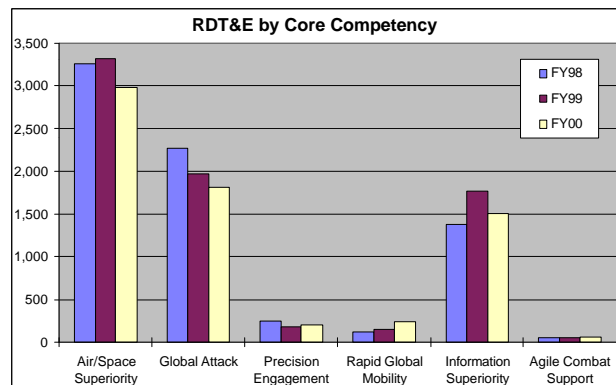


Figure 16

### **Selected Programs**

**F-22:** This program develops the next generation air superiority fighter. The FY00 program completes assembly of EMD aircraft 3 through 6 and related engine work, and continues assembly of EMD aircraft 7 through 9. Avionics development continues with first flight of the avionics test aircraft, avionics software testing, and integration.

**Space-Based Infrared System (SBIRS):** This system will provide initial warning of a ballistic missile attack on the US and its allies, support theater and national

missile defense systems, and collect technical intelligence for theater commanders. The FY00 funding continues SBIRS High EMD and SBIRS Low Flight Demonstration System/Low Altitude Demonstration System, and program definition for SBIRS Low space and ground segment development. The budget supports a first launch for SBIRS High in FY04 and SBIRS Low in FY06.

**MILSTAR Satellite Communications:**

This joint service program develops and acquires extremely high frequency satellites and terminals. The FY00 program funds satellite 4 launch, continues to support on-orbit operations for satellites 1 through 3, delivers satellite 5, and begins satellite 6 integration and testing.

**Evolved Expendable Launch Vehicle (EELV):**

EELV will be a more affordable space launch system, replacing the current fleet of medium to heavy-lift class of expendable launch vehicles. The goal of EELV is to reduce launch costs by at least 25 percent. The FY00 program funds two contractors to continue development on two families of EELVs and associated launch site infrastructure modifications. The first government EELV launch is scheduled for FY02.

**Global Positioning System (GPS):**

GPS provides precise, worldwide position, velocity, and timing information to an unlimited number of users. FY00 funding continues GPS Space and Control and User Equipment segment support and GPS IIR deployment. The FY 00 program continues GPS IIF satellite development and control segment evolution to a distributed architecture and upgrades to

accommodate new GPS IIR satellite capabilities.

**National Polar-orbiting Operational Environmental Satellite System (NPOESS):**

The NPOESS constellation will provide military commanders and civilian agencies with timely, high quality weather information to effectively employ weapon systems and protect national resources. This constellation will provide the nation's single source of global weather data for operational use. FY00 funding continues PDRR and critical sensor development. The first NPOESS satellite will be available for launch in FY08.

**Joint Strike Fighter (JSF):**

The JSF program will develop and field an affordable, highly common family of next generation strike fighter aircraft for the Air Force, Navy, Marine Corps, and our allies. Current program emphasis is on facilitating the evolution of fully validated and affordable joint operational requirements, and demonstrating cost leveraging technologies and concepts to lower risk prior to entering EMD in FY01.

**Airborne Laser (ABL):**

The ABL will acquire, track, and kill theater ballistic missiles while they are in the boost phase. FY00 funding continues the PDRR Phase I contract effort for design, fabrication, integration, and test of the ABL weapon system. FY00 program includes the North Oscura Peak Tests, Critical Design Review, and the Laser Module Airworthiness Demonstration.

**B-1B:**

The FY00 program continues the Conventional Mission Upgrade Program which will improve B-1B lethality through integration of advanced conventional

weapons and enhance survivability through upgrades to the electronic countermeasures system. This includes the Conventional Weapons Upgrade program which improves B-1B effectiveness by integrating advanced weapons and the Defensive Systems Upgrade Program which provides electronic countermeasure improvements needed to support B-1B conventional operations at medium to high altitudes in low to medium threat environments. In addition, a B-1B software module will be added to the Air Force Mission Support System to provide improved B-1B mission planning capabilities.

**F-16:** The F-16 satisfies the need for modernization of Air Force and Allied multi-mission tactical fighters with full air-to-air and air-to-surface combat capabilities. Improvements include completion of the Mid-Life Update program, the Modular Mission Computer, Block 30 GPS integration, smart weapons integration, and engine design improvements. Development efforts are complemented by comprehensive operation flight program upgrades. The Common Configuration Integration Program will modify all Block 40 and Block 50 F-16 aircraft with Link 16.

**ICBM:** This program combines several related efforts to identify and correct maintainability, reliability, responsiveness, and supportability issues of the Minuteman III system. FY00 program funds various studies and tests focused on reducing life-cycle cost, improving nuclear safety and surety, supporting international arms control agreements, and ensuring continued ICBM viability. Three modernization programs are funded including the

Propulsion Replacement Program (PRP), the Propulsion System Rocket Engine (PSRE) Life Extension Program, and the Environmental Control System (ECS) Replacement Program. PRP will remanufacture all three Minuteman III solid fuel stages and will complete EMD in FY00. The PSRE Life Extension program will refurbish and replace as necessary components of the Minuteman post-boost vehicle and will begin EMD in FY00.

**Science and Technology (S&T):** Air Force S&T consists of Basic Research, Applied Research, and Advanced Technology Development. The FY00 budget continues to support development of technologies that will keep aging Air Force aircraft flying, exploit space, develop infrared countermeasures for large aircraft, and advance uninhabited aerial vehicle technology.

**Test and Evaluation (T&E):** T&E funding supports test infrastructure including aircraft, people, facilities, and ranges for classified and unclassified DoD programs. These programs support fighters, bombers, airlift, missiles, space systems, C4I systems, and electronic warfare systems. The FY00 budget provides funding to modernize test capabilities including design and procurement of data acquisition and processing systems for Arnold Engineering Development Center's aging Propulsion Wind Tunnel, development of a multi-spectral man-in-the-loop capacity for the Guided Weapons Evaluation Facility, and several other infrastructure system and data processing upgrades. It also continues implementation of capabilities to support electronic warfare testing, including a common modeling



and simulation architecture, improved avionics ground test capabilities at the Air Force Flight Test Center for the F-22 and Joint Strike Fighter, and a realistic, open-air threat environment.

## **Aircraft Procurement**

The Aircraft Procurement Appropriation (3010) funds aircraft weapon systems, modifications, ground support equipment, aircraft industrial facilities, initial and replenishment spares, war consumables and miscellaneous aircraft items. Figure 17 breaks out aircraft procurement and modification by core competency (see Tables 11-13 for additional detail).

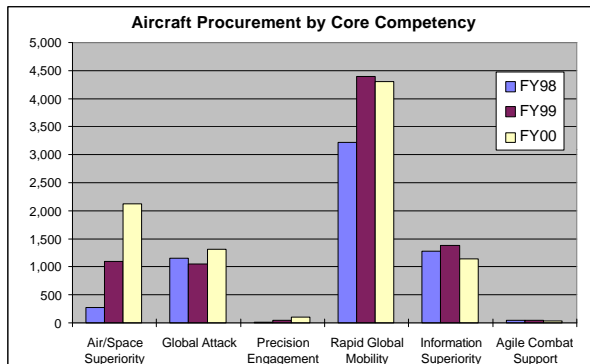


Figure 17

### ***Selected Systems***

**C-17:** The FY00 program procures 15 aircraft and associated equipment as part of the programmed 134 aircraft buy. The Air Force budget reflects a cost savings of \$1.025B over the FYDP for multiyear procurement of the final 80 aircraft of the initial 120 aircraft buy. The FY00 program also continues the Flexible Sustainment support concept, which looks to industry to provide maintenance and material management through

partnerships between industry and government depots.

**F-22:** The FY00 program begins Low Rate Initial Production with firm fixed price procurement contracts. The first six aircraft plus associated engines will be procured in FY00. The Air Force plans to buy a total of 339 F-22s with a maximum annual production quantity of 36.

**F-16:** The FY00 program funds ten new Block 50 aircraft. These aircraft will replace Block 30 aircraft that will be transferred to the ANG. The new aircraft will help offset the Air Force's Suppression of Enemy Air Defense shortfall and support the Expeditionary Air Force concept.

**JSTARS:** The FY00 program procures one additional JSTARS air vehicle, bringing the total procurement quantity to 14. Funding will also support the Computer Replacement Program which will replace the current general purpose computers, operator work stations, programmable signal processors, and radar control units/pulse compression units with commercial equivalents.

**B-2:** The FY00 program funds Interim Contractor Support, technical data, aircrew and maintenance training devices, and peculiar support equipment. The funded modifications include a Block 30 spares upgrade, post Block 30 updates, JASSM integration, and a new bomb rack.

**AWACS (E-3):** The FY00 program funds Block 30/35 Electronic Support Measures, Central Computer Memory Upgrade, Joint Tactical Information Distribution System, and GPS modifications. It continues the

Radar System Improvement Program (RSIP), which will increase radar reliability and maintainability, improve surveillance capability and electronic counter counter measures, and enhance the human-machine interface for airborne radar technicians. It also supports EXTEND SENTRY, a collection of user prioritized projects to correct long-standing operational deficiencies.

**KC-135:** PACER CRAG will upgrade 590 active and ARC aircraft in total, integrating new compass, radar, and GPS avionics. The Air Force will procure 175 PACER CRAG kits in FY00.

**JPATS (T-6):** JPATS is a joint Air Force/Navy program that will replace the services' aging fleets of primary trainer aircraft. The FY00 Air Force procurement program buys 21 aircraft plus associated support equipment and aircrew training devices.

**Predator:** The Predator is an uninhabited high performance, lightweight surveillance aircraft. The FY00 program procures one system and incorporates Pre-Planned Product Improvements (P3I) including ground control station communications, tactical control systems, and the Air Force Mission Support System.

**Spares:** The FY00 budget starts a pilot program for funding initial spares. The Interim Spares Support (ISS) service contract will be part of weapon system procurement funding. It will provide improved parts usage data and inventory control under contractor management. The contractor provides ISS by managing configuration, procurement, and delivery

of the parts necessary to meet program-specific performance measures.

## **Missile/Ammunition Procurement**

The Missile Procurement Appropriation (3020) provides financing for the construction, procurement, and modification of in-service strategic and tactical missiles, spacecraft, space launch vehicles, related equipment, and training devices, as well as the expansion of public and private plants, government-owned equipment, and installations. Figure 18 breaks out this appropriation by core competency (see Tables 14-16 for additional detail).

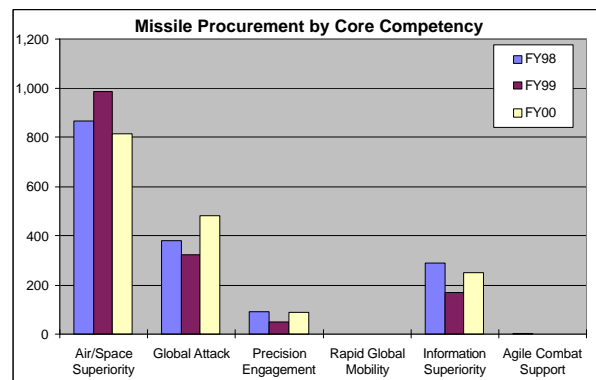


Figure 18

The Procurement of Ammunition Appropriation (3011) funds procurement and modification of munitions. Figure 19 breaks out this appropriation by core competency (see Table 17 for details).

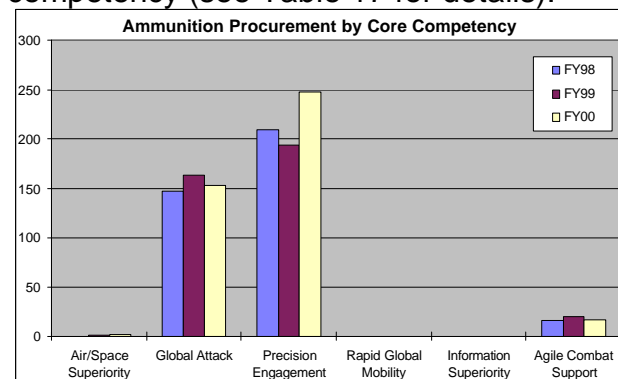


Figure 19

## **Selected Systems**

**Advanced Medium Range Air-to-Air Missile (AMRAAM):** Production of AMRAAM continues with the purchase of 210 missiles in FY00.

**Sidewinder (AIM-9X):** This new start modification of the AIM-9M short range missiles begins in FY00 and continues until all 5,000 missiles are completed.

**Joint Standoff Weapon (JSOW):** Production continues with the purchase of 193 JSOWs in FY00.

**Minuteman Modifications:** The Minuteman Guidance Replacement Program will transition from Low Rate Initial Production (LRIP) in FY00 with funding to procure 60 kits. The Propulsion Replacement Program, an FY00 new procurement start, begins LRIP in FY00 with the procurement of the first nine sets of Minuteman motors.

**Titan:** The Titan IV program provides heavy spacelift capability for MILSTAR, DSP, and other payloads. The Air Force rebaselined the program from 40 to 39 vehicles due to changes in user requirements. The new baseline meets user payload launch dates and constellation availability requirements while achieving \$2.3B in program savings through FY02. The FY00 program eliminates one spare flight shipset of the Solid Rocket Motor Upgrade. Starting in FY00 the Inertial Upper Stage funding is included in the Titan program.

**EELV:** EELV will procure commercial launch services to deliver National Mission Model spacecraft into their required orbit. The FY00 program funds launch services for the first EELV launch

in FY02. Two competing contractors are being maintained to provide Initial Launch Services to satisfy launch requirements through FY06. EELV is an FY00 procurement new start.

**Global Positioning System (GPS):** FY00 funds continue EELV integration, a new distributed network command and control architecture, and a Congressionally mandated backup command and control facility at Vandenberg AFB. Starting in FY00, GPS IIF satellites will be financed on an annual buy, rather than a multi-year procurement basis. An option to procure three GPS IIF satellites each year is planned to be exercised, with first buy starting in FY01. Twenty-four of a planned 30 GPS IIF satellites remain to be procured. The FY00 program begins GPS modernization and continues constellation sustainment efforts.

**Defense Support Program (DSP):** The FY00 program supports satellites currently on orbit as well as storage and launch activities for satellites 19 through 23.

## **Other Procurement**

The Other Procurement Appropriation (3080) provides for procurement of vehicular equipment, electronic and telecommunication equipment, other base maintenance and support equipment, and associated spares and repair parts. The FY00/01 program increased approximately \$200M annually over the FY99 funding level. Figure 20 breaks out Other Procurement by core competency (see Tables 18 and 19 for additional detail).

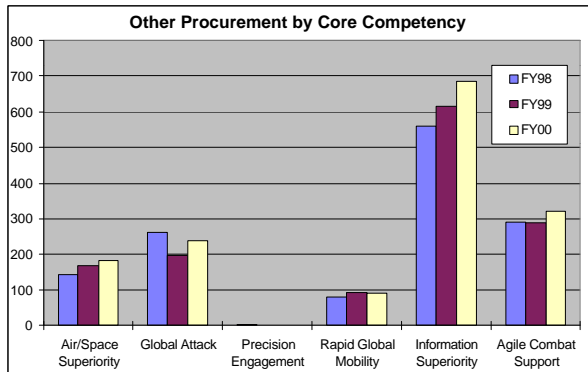


Figure 20

### ***Vehicular Equipment***

Procurement of 60K aircraft loaders continues toward an inventory objective of 318. In FY00 39 will be procured with six to follow in FY01. Next Generation Small Loader procurement also continues with the purchase of 13 loaders in FY00 and 34 in FY01.

### ***Electronics and Telecommunications***

Funding for Air Force electronics and telecommunications equipment continues the modernization of base-level information infrastructure. This includes increasing transmission system capacity, providing information protection tools, upgrading voice switching systems, and improving network management systems. FY00 funding continues modernization of spacelift ranges, improving tracking, telemetry, command/control, and communications systems. The FY00 funding also continues the National Airspace System, which will modernize air traffic control systems in cooperation with the Federal Aviation Administration.

### ***Support Equipment***

In Other Base Maintenance and Support Equipment, mobility equipment funding increased to procure replacement equipment for Harvest Falcon

housekeeping, industrial operations, and flightline kits. Medical/Dental Equipment funding will procure all information management hardware required for the Theater Medical Information Program.

## **Military Construction**

The Military Construction (MILCON) appropriations for active (3300), AFR (3730), and ANG (3830) provide for acquiring, constructing, installing, and equipping temporary or permanent public works, military installations, and facilities for the Air Force. The MILCON program is divided into Major Construction, Minor Construction, and Planning and Design. Major Construction projects support deployment of new weapon systems, revitalize existing facilities, correct facility deficiencies, and satisfy environmental compliance requirements. Minor Construction is for urgent, unforeseen requirements in support of mission changes and stricter environmental compliance regulations. Planning and Design funds are for projects expected to be authorized and appropriated in subsequent fiscal years. Figure 21 displays MILCON by core competency (see Figures 22 and 24, and Tables 4-5 and 20-22 for more detail).

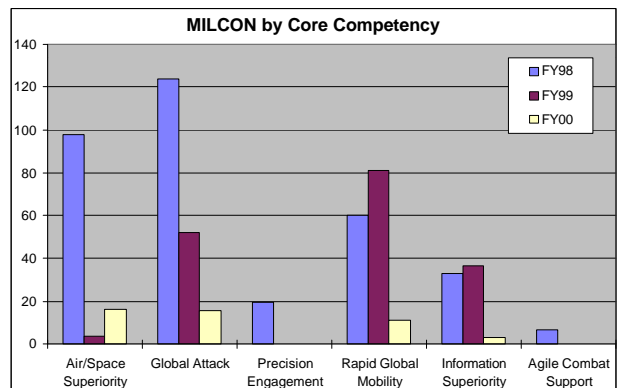


Figure 21

### **Major Construction**

The FY00 Major Construction program for new and current mission requirements is \$559.9M for the active Air Force, \$22.2M for the AFR, and \$66.4M for the ANG. Full authorization has been requested in the year of initial appropriation which equates to the total requirement. However, the projects are partially financed in FY00 with advance appropriations requested for the remaining project costs. The Air Force plans to award these projects using a single construction contract.

**New Mission:** New mission funding for FY00 active MILCON involves 17 projects totaling \$135.4M (FY00 \$40.4; FY01 \$89.0M) These projects include two C-17 projects, one B-2 project, three F-22 projects, one KC-135 project, one T-38C project, one JPATS project, and eight projects that support other beddowns. There are two FY00 new mission projects totaling \$5.4M (FY00 \$1.4M; FY 01 \$4.0) for the AFR. The ANG program funds four projects totaling \$13.3M (FY00 \$2.9M; FY01 \$10.4M).

**Current Mission:** Current mission funding for FY00 active MILCON involves 53 projects totaling \$424.5M (FY00 \$102.4M; FY01 \$303.9M). These include 19 operations and training facility projects, three maintenance and production facility projects, two research and development facility projects, three supply facility projects, two administrative facility projects, ten troop housing projects, seven community support projects, one utility project and six environmental projects. There are three FY00 current mission projects totaling \$16.8M (FY00 \$4.4M; FY01 \$12.0M) for

the AFR. The FY00 ANG program funds six projects totaling \$53.1 (FY00 \$11.5M; FY01 \$41.6M).

### **Minor Construction**

Minor Construction funding supports unforeseen construction projects not otherwise authorized by law. Projects are not defined until the year of execution. The active Air Force Minor Construction program of \$8.7M in FY00 is for construction projects ranging from \$500K to \$1.5M. The AFR funds \$4.5M in FY00, while the ANG funds \$2.0M in FY00.

### **Planning and Design**

The FY00 Planning and Design (P&D) program is \$28.0M for the active Air Force, \$1.9M for the AFR, and \$5.0M for the ANG. These funds support current and new mission projects. FY00 P&D is required to design facilities in the FY01/02 MILCON program and accomplish initial P&D for complex technical projects with long lead time that will be included in subsequent MILCON budgets.

### **Military Family Housing**

Military Family Housing (MFH) appropriations (7040 and 7045) provide for the construction of new MFH units, improvements to existing units, payment of debt and mortgage insurance, operation and maintenance of the Air Force housing inventory, and lease of housing units. The Air Force considers MFH a promising area for CS&P. Therefore, a wide range of Air Force housing projects are being considered as

promising candidates for competitive sourcing.

The Military Family Housing Construction appropriation in FY00 is funded using advance appropriations. However, full authorization is being requested in the year of initial appropriation (see Table 24 for more details).

### ***New Construction***

This program replaces MFH which does not meet contemporary community living standards. The MFH new construction program in FY00 is \$186.2M (FY00 \$50.4M; FY01 \$128.6M) and replaces 1,180 units.

### ***Post-Acquisition Construction***

The MFH Post-Acquisition Construction Program in FY00 of \$124.5M (FY00 \$34.3M; FY01 \$86.6M) revitalizes 1,325 units. This program improves the livability of older, obsolete family housing units, conserving energy and bringing utility systems up to current safety and efficiency standards. With the average age of housing units in the Air Force inventory over 36 years old, over 59,000 of these units require major repairs or replacement of deteriorated mechanical, electrical, or structural components.

### ***Planning and Design***

The FY00 MFH Planning and Design program is \$17.1M. These funds provide for preliminary development studies, one time multi-phase design, and Housing Community Plan developments. They also provide studies for site

adaptation and determination of type and design of units, working drawings, specifications, estimates, project planning reports, and drawings of the final design.

### ***Maintenance***

The MFH Maintenance program is \$415.8M in FY00 and supports approximately 110,000 units. This program funds all requirements for the upkeep of real property including day-to-day service calls, change of occupancy rehabilitation, preventive maintenance, interior and exterior painting, emergency repairs, and major project maintenance to keep MFH up to Air Force standards.

### ***Operations and Utilities***

The MFH Operations and Utility program is \$287.6M in FY00 and funds all operating expenses. These include assistance for military members seeking housing in the private sector, refuse collection, entomology and pest control, and snow removal. Utility costs include energy consumption by family housing units, sewage disposal, and operation of heating plants or utility systems solely supporting military family housing.

### ***Leasing***

The MFH Leasing Program is \$118.5M in FY00. It supports approximately 8,010 units worldwide. This program funds all domestic and foreign family housing leasing requirements. The cost for domestic leases may not exceed \$12K per unit per year, including the cost of utilities, maintenance and operation unless specifically approved by Congress. The

foreign lease threshold is \$20K per unit per year.

**Base Realignment and Closure**

To reduce the number of military installations in the US and ensure an impartial decision making process, Congress enacted the Defense Base Realignment and Closure Act of 1990. Under this law, three base closure rounds reduced the nation's defense infrastructure while maintaining readiness and meeting force structure requirements. FY00 funding requirements for all BRAC rounds are contained in the BRAC 95 request (see Table 25 for more details).

**BRAC 88/91**

Funding for BRAC 88/91 is \$49.0M in FY00.

**BRAC 93**

Funding for BRAC 93 is \$39.1M in FY00. By the end of FY01, seven of eight BRAC 93 installations will be in compliance with the Comprehensive Environmental Response Compensation and Liability Act. BRAC 95 environmental actions are summarized in Exhibit 1.

Base	Realign / Closure Year	Environ Remedies in Place
Homestead, FL	94	00
Griffiss, NY	95	Cont Work
K.I. Sawyer, MI	95	00
Plattsburgh, PA	95	99
March, CA	96	97
Newark, OH	96	98
Gentile, OH	97	00
O'Hare, IL	99	99

**Exhibit 1**

**BRAC 95**

The BRAC 95 budget for FY00 is \$235.5M. This funding predominantly supports the closure of McClellan AFB, CA and Kelly AFB, TX. The \$4.6M budgeted for MILCON in FY00 will be used exclusively for facilities required by these two depot closures. Of the \$191.0M in FY00 requested for O&M, approximately 75 percent will be used for installation privatization costs such as separation pays, lump sum settlements of annual leave, continuation of health benefits, early separation incentives, and unemployment benefits. BRAC 95 base realignments/closures are summarized in Exhibit 2.

Base	Realign / Closure Year
Bergstrom, TX	97
Eglin, FL	98
Hill, UT	97
Ontario, CA	98
Redcap, NY	97
Reese, TX	97
Roslyn, NY	00
Grand Forks, ND	98
O'Hare, IL	99
Onizuka, CA	00
Kelly, TX	01
McClellan, CA	01
Malmstrom, MT	01

**Exhibit 2**

# SECTION III

## AIR NATIONAL GUARD

of tactical airlift, 43 percent of (KC-135) air refueling capability, and 34 percent of general purpose fighters (see Tables 4, 26, and 28 for further information on ANG funding and aircraft).

The Air National Guard (ANG) receives funding from three separate appropriations: O&M, ANG (3840); National Guard Personnel, Air Force (3850); and Military Construction, ANG (3830). Figures 22 and 23 show total ANG funding by appropriation and core competency.

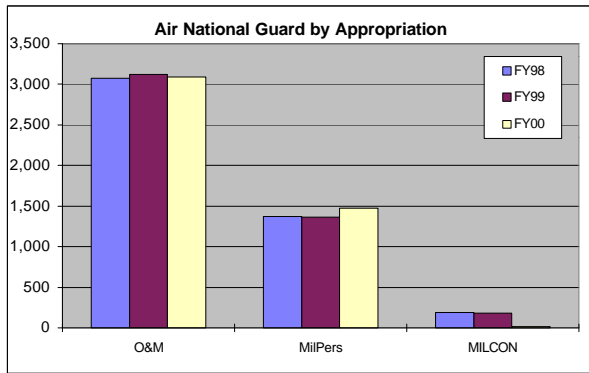


Figure 22

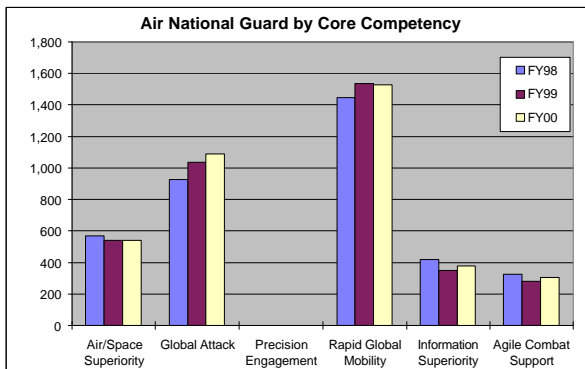


Figure 23

The FY00/01 budget supports a military strength of 106,678 in FY00. This includes 11,091 full-time Active Guard/Reserve personnel and 24,013 full-time military technicians. The ANG budget includes 1,028 aircraft that allow the ANG to provide 100 percent of the Air Force’s interceptor capability, 49 percent



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# SECTION IV

## AIR FORCE RESERVE

The Air Force Reserve (AFR) receives funding from three separate appropriations: O&M, AFR (3740); Military Personnel, AFR (3700); and Military Construction, AFR (3730). Figures 24 and 25 show total AFR funding by appropriation and core competency.

percent of the air rescue and medical airlift capability. Major changes to the AFR force structure include ongoing conversions from C-141B to C-17 associate aircraft, build-up of the AETC Instructor Pilot program, addition of a C-130 formal training unit, and an increase in full-time active duty positions at units transitioning to new missions (see Tables 5, 26, and 29 for further information on AFR funding and aircraft).

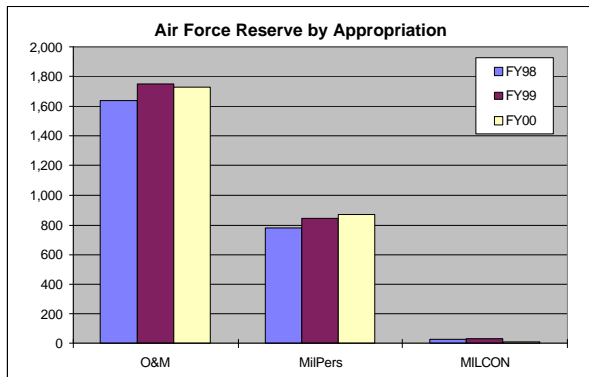


Figure 24

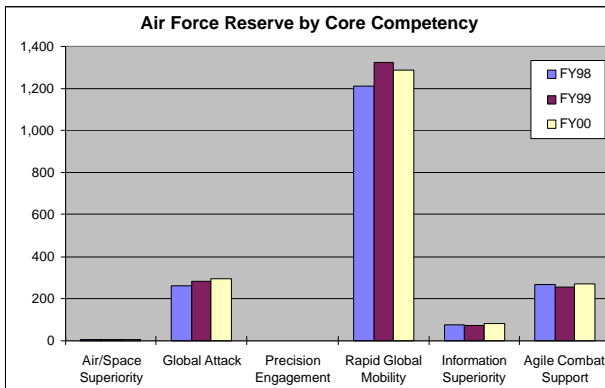


Figure 25

The FY00 budget supports a military strength of 73,708 in FY00. This includes 9,785 Air Reserve Technicians and 5,156 Title 5 civilians supporting 60 flying units and 389 aircraft. The AFR provides 100 percent of the Air Force’s weather reconnaissance, more than 50 percent of the strategic airlift, and 30

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## **SECTION V**

### **AIR FORCE WORKING CAPITAL FUNDS**

The Air Force Working Capital Funds (AFWCF) conducts business in three areas: the Depot Maintenance Activity Group (DMAG), the Supply Management Activity Group (SMAG), and the Information Services Activity Group (ISAG). Transportation WCF (TWCF) cash was merged with the AFWCF for reporting purposes effective 1 October 97.

Annual revenue for the AFWCF will exceed \$19.0B in FY99 and \$18.2B in FY00. Customers of the fund include Air Force appropriated accounts (including AFR and ANG), as well as Army, Navy, Foreign Military Sales customers, NASA, and non-federal entities. This budget reflects our most current projection for operating results in both FY99. In accordance with DoD policy, FY00 rates recover total costs and achieve a zero accumulated operating result. The budget also includes a number of significant initiatives to improve the efficiency and effectiveness AFWCF support to the warfighting customers. Tables 30 and 31 summarize the Air Force Activity Groups.

#### ***Depot Maintenance***

Depot Maintenance is in an extended period of turbulence caused by major structural change in the depots. Over one-third of the workload will be in competition or undergoing realignment during FY99. This budget assumes continuing public-private competitions and workload realignments as we comply with BRAC 95, which requires the

realignment of San Antonio Air Logistics Center (SA-ALC) and the closure of Sacramento Air Logistics Center (SM-ALC). The result of the public-private workload competition for the San Antonio propulsion business area will be announced in February 1999. The Sacramento workload package was awarded to a team of Ogden ALC and Boeing Corporation in October 1998; the competition savings over six years is \$258 million.

In accordance with DoD policy, DMAG's FY98 losses were recovered through a quarterly rate surcharge. The Air Force's omnibus reprogramming provided the customer funding for the surcharge. The FY98 losses were attributed to lower productivity and increased material consumption. Some of the productivity losses are tied to the workforce turmoil at SA-ALC and SM-ALC, while much of the material consumption growth was tied to increased repairs or higher parts consumption resulting from aging airframes and policy changes. An FY99 quarterly surcharge for \$131 million, from essentially the same causes, will be included in the FY 99 omnibus reprogramming. We expect some minor productivity gains in FY99 as competitions are completed and workloads are transitioned and realigned. These gains will grow in FY00 through reduced overhead and improved productivity after the initial workload transition period. FY00 prices are adjusted for these changes.

#### ***Supply Management***

Three SMAG wholesale divisions were consolidated into a single wholesale division, the Material Support Division

(MSD) beginning in FY 98. MSD's unit cost target grew in FY98 to allow for greater levels of material support to the warfighting customer. The MSD pricing methodology for FY99 was changed to improve accuracy, reduce corrections, and properly collect material costs. FY00 prices increase to provide greater customer support particularly for engines and aging aircraft.

than planned due to increased workload and efficiencies being achieved. The impact of these changes has been addressed in FY 00 operating results and customer prices.

### ***Information Services***

Due to the complexity of start-up operations and some changes in customer demands, the ISAG incurred a small loss in FY98. The FY00 rate adjustment recovers the loss. The central design activities are undergoing some realignment to streamline business processes and reduce overhead.

### ***Transportation***

Although the TWCF was merged with the AFWCF for accounting and reporting purposes effective 1 Oct 1997, USTRANSCOM is independently responsible for day-to-day TWCF management and operations. USTRANSCOM's budget supports three high priorities of readiness, modernization and process improvements, all in support of the concept of focused logistics as outlined by the Chairman, Joint Chiefs of Staff (CJCS) in Joint Vision 2010. To support the goal of full spectrum dominance, USTRANSCOM is investing in improvements to create an agile, responsive, multi-faceted transportation system designed to support the warfighting CINCs, while reducing costs through improved business practices and reengineering efforts. USTRANSCOM'S FY98 overall operating results were better

## SECTION VI

### GPRA

The Air Force currently has a robust strategic planning process that is consistent with and fully supportive of the Government Performance and Results Act (GPRA). The Air Force is now formalizing that process at the headquarters, major command, and unit levels. Once the process is fully implemented, the Air Force will have identified mission essential tasks at each level, strategic plans to improve the performance of those tasks, and performance measures with standards. “Excellence in All We Do” – an Air Force core value – will be further strengthened when we implement this three part system. At this point the Air Force will have successfully “operationalized quality.”

As the starting point for strategic planning, the Air Force identified its mission, vision, core values, and core competencies. These key items, which are summarized in this section, are discussed fully in our vision, *Global Engagement – A Vision for the 21<sup>st</sup> Century Air Force*.

#### ***Air Force Mission***

The Air Force mission is straight forward: **“To defend the United States through control and exploitation of air and space.”** Air Force men and women are committed to accomplishing this mission as part of our Nation’s joint force team.

#### ***Air Force Vision***

Our vision statement, **“Air Force people building the world’s most respected Air and Space force... global power and reach for America,”** helps us focus on the future.

#### ***Core Values***

Core values are essential to our existence as an institution. Our fundamental values of **Integrity First, Service Before Self, and Excellence in All We Do** form the bedrock of our force.

#### ***Core Competencies***

Our nation’s Air Force develops, trains, sustains and integrates the elements of air and space power to produce its core competencies. Speed, flexibility, and the global nature of its reach and perspective distinguish the Air Force’s execution of its core competencies.

**Air and Space Superiority:** Control over what moves through air and space delivers a fundamental benefit to joint forces. It prevents adversaries from interfering with operations of air, space, or surface forces, and assures freedom of action and movement.

**Global Attack:** The ability of the Air Force to attack rapidly anywhere on the globe at any time is unique. The military utility of air power, particular its speed, range, and flexibility prompted creation of the Air Force as a separate service following World War II.

**Precision Engagement:** For the Air Force the essence of precision engagement lies in the ability to support joint forces by applying selective force against specific targets and achieving

discrete and discriminate effects. The Air Force provides the Nation with reliable precision, an ability to deliver what is needed for the desired effect, but with minimum risk and collateral damage.

**Rapid Global Mobility:** The ability to provide global reach underpins the role of the United States as a global power. The ability to move rapidly to any spot on the globe ensures that tomorrow, just as today, our Nation can quickly and decisively respond to unexpected challenges to its interests.

**Information Superiority:** The ability of joint forces to achieve dominant battlefield awareness will depend heavily on the ability of the Air Force's air and space-based assets to provide global awareness, intelligence, weather, communications, and navigation support.

**Agile Combat Support:** Support is needed to enable air and space forces to contribute to the objectives of joint forces. Effective combat support operations allow combat commanders to improve the responsiveness, deployability, and sustainability of their forces.

### ***Air Force Goals***

We have a set of approved Air Force goals that directly support the DoD goals. Air Force goals provide simple, clear direction to all levels within the Air Force. They help us continue to build a force that can excel at the execution of our core competencies.

**Operational Performance:** Enabling the joint force commanders to respond to a full spectrum of crises by providing appropriately sized and ready forces to execute the Air Force mission in the most efficient manner possible is critical.

**Quality People:** We are committed to ensure a high quality force of dedicated professionals. We are also committed to providing an enhanced quality of life for our people and providing a strong sense of community.

**Modernization:** We are preparing for an uncertain future by pursuing a modernization program that implements the Revolution in Military Affairs through development of qualitatively superior warfighting capabilities.

### ***Performance Measures***

The Air Force uses a number of performance measures to assess progress in meeting each of its goals. A few examples will illustrate the scope and breadth of these measures. Our operational performance goal relies on measures such as the status of forces (C-rating) system and mission capable rates among others. Our goal to recruit and retain quality people uses numerous measures including number and quality of enlisted recruits, enlisted retention trends, and pilot retention trends. Progress toward meeting our modernization needs is measured by age of the aircraft fleet as well as the performance of key procurement programs in terms of cost and schedule.

Some of our activities are able to use measures more like those in a business. For example, at our Air Logistics Centers that provide depot maintenance and supply activities, we have specific targets for revenues, costs, and net operating results. We also establish targets for output. Depot output measures capture the percentage of workload that is delivered on time. Measures for supply activities include

stockage effectiveness (the percentage of anticipated customer demands satisfied through immediate off-the-shelf issues or backorders) and issue effectiveness (the percentage of customer needs met immediately from stock).

A forthcoming volume in our strategic plan will document all the major performance measures for each Air Force goal and objective. We have also begun reporting on the results of these performance measures in our Chief Financial Officer statements for FY98, and we will expand this reporting in subsequent CFO statements.



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## SUPPORTING TABLES

Table 1 Air Force Total Obligation Authority (TOA) (Then Year \$ in Billions)			
	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Air Force TOA	76.5	77.4	79.6
NFIP, SOCOM, and DHP	<u>13.7</u>	<u>13.8</u>	<u>13.8</u>
Air Force TOA (excluding NFIP, SOCOM, and DHP)	62.8	63.6	65.8

Table 2 Air Force Total Obligation Authority (TOA) by Appropriation (Then Year \$ in Billions)			
APPROPRIATION	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
<b>Military Family Housing</b>			
AF Controlled TOA	1.1	1.1	0.9
NFIP, SOCOM, & DHP	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	1.1	1.1	0.9
<b>Military Construction</b>			
AF Controlled TOA	0.9	0.9	0.2
NFIP, SOCOM, & DHP	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	0.9	0.9	0.2
<b>BRAC</b>			
AF Controlled TOA	0.7	0.5	0.3
NFIP, SOCOM, & DHP	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	0.7	0.5	0.3
<b>RDT&amp;E</b>			
AF Controlled TOA	9.8	9.5	8.8
NFIP, SOCOM, & DHP	<u>4.5</u>	<u>4.2</u>	<u>4.2</u>
TOTAL	14.3	13.7	13.0
<b>Procurement</b>			
AF Controlled TOA	9.6	11.6	13.0
NFIP, SOCOM, & DHP	<u>5.7</u>	<u>6.0</u>	<u>6.2</u>
TOTAL	15.3	17.6	19.2
<b>Military Personnel</b>			
AF Controlled TOA	16.0	16.3	17.4
NFIP, SOCOM, & DHP	<u>3.1</u>	<u>3.2</u>	<u>2.8</u>
TOTAL	19.1	19.5	20.2
<b>O&amp;M</b>			
AF Controlled TOA	24.7	23.8	25.1
NFIP, SOCOM, & DHP	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
TOTAL	25.2	24.3	25.6

\* Totals do not add due to rounding.

Table 3  
Operation and Maintenance - Active Forces  
(TOA - Then Year \$ in Millions)

BUDGET ACTIVITY (BA)	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
<b>BA 1 Operating Forces</b>			
Air Operations	8,022.1	7,433.6	7,896.7
Combat Related Operations	1,492.2	1,375.1	1,505.3
Space Operations	<u>1,133.1</u>	<u>1,130.6</u>	<u>1,148.1</u>
Total BA 1	10,647.4	9,939.3	10,550.1
<b>BA 2 Mobilization</b>			
Mobility Operations	<u>3,349.8</u>	<u>2,791.1</u>	<u>2,685.6</u>
Total BA 2	3,349.8	2,791.1	2,685.6
<b>BA 3 Training &amp; Recruiting</b>			
Accession Training	207.8	198.6	206.0
Basic Skills & Advanced Training	1,246.3	1,290.0	1,370.6
Recruiting & Other Training & Education	<u>232.8</u>	<u>235.6</u>	<u>291.7</u>
* Total BA 3	1,686.9	1,724.3	1,868.2
<b>BA 4 Administration &amp; Servicewide Support</b>			
Logistics Operations	2,407.7	2,607.5	2,753.0
Servicewide Activities	1,802.5	1,342.1	1,895.3
Security Programs	501.9	557.6	596.8
Support to Other Nations	<u>14.4</u>	<u>14.9</u>	<u>14.2</u>
* Total BA 4	<u>4,726.5</u>	<u>4,522.1</u>	<u>5,259.4</u>
* TOTAL	20,410.6	18,976.7	20,363.2

Table 4  
ANG Funding By Appropriation  
(TOA - Then Year \$ in Millions)

APPROPRIATION	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Operation & Maintenance, ANG	3,079.5	3,125.6	3,099.6
National Guard Personnel	1,382.9	1,378.1	1,486.5
Military Construction, ANG	<u>190.4</u>	<u>185.7</u>	<u>21.3</u>
TOTAL	4,652.8	4,689.4	4,607.4

Table 5  
AFR Funding by Appropriation  
(TOA - Then Year \$ in Millions)

APPROPRIATION	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Operation & Maintenance, AFR	1,640.5	1,753.1	1,728.4
Military Personnel, AFR	793.5	852.3	881.2
Military Construction, AFR	<u>30.2</u>	<u>34.4</u>	<u>12.2</u>
TOTAL	2,464.2	2,639.8	2,621.8

Table 6 Active Military Personnel (including NFIP, SOCOM, and DHP) (TOA - Then Year \$ in Millions)			
<b>BUDGET ACTIVITY</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Officer	5,724.0	5,806.8	5,949.9
Enlisted	9,486.2	9,672.3	10,177.4
Academy Cadets	35.7	37.6	38.3
Subsistence (Enlisted)	752.7	777.0	770.6
PCS	870.9	876.5	909.1
Other	<u>53.9</u>	<u>50.8</u>	<u>54.3</u>
Total Direct	16,923.3	17,221.0	17,899.6
Reimbursed	<u>236.7</u>	<u>205.2</u>	<u>212.5</u>
* TOTAL	17,160.0	17,426.2	18,112.1

Table 7 Active Military Endstrength			
<b>CATEGORY</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Officers	71,892	71,416	70,616
Enlisted	291,590	290,466	286,261
Academy Cadets	<u>3,988</u>	<u>4,000</u>	<u>4,000</u>
Total Active	367,470	365,882	360,877
NFIP, SOCOM, and DHP	<u>62,542</u>	<u>60,615</u>	<u>44,665</u>
TOTAL (excluding NFIP, SOCOM, and DHP)	304,928	305,267	316,212

Table 8 Selected Forces Summary			
<b>MANPOWER</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Active	304,928	305,267	316,212
ANG	107,364	106,166	105,853
AFR	70,997	73,137	72,714
Civilian	<u>163,202</u>	<u>154,868</u>	<u>151,142</u>
TOTAL (excluding NFIP, SOCOM, and DHP)	646,491	639,438	645,921

Table 9  
RDT&E  
(TOA - Then Year \$ in Millions)

<b>BUDGET ACTIVITY</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Basic Research	188.2	209.7	209.5
Applied Research	546.7	592.3	507.6
Advanced Development	460.6	465.6	465.7
Demonstration and Validation	1,109.1	1,231.1	1,076.9
Engineering & Mfg. Development	4,295.0	3,720.8	3,023.1
RDT&E Management Support	1,033.2	558.9	592.5
Operational Systems Development	<u>6,645.6</u>	<u>6,922.2</u>	<u>7,202.6</u>
* TOTAL	14,278.5	13,700.6	13,077.8

Table 10  
Selected RDT&E Programs  
(TOA - Then Year \$ in Millions)

<b>PROGRAM</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
F-22	2,010.7	1,571.0	1,222.2
Science and Technology	1,195.5	1,267.6	1,182.8
Space Based Infrared System (SBIRS)	551.4	731.6	557.7
Test and Evaluation	532.5	476.5	514.8
MILSTAR	609.7	546.5	361.3
Evolved Expendable Launch Vehicle (EELV)	88.0	259.1	324.8
Airborne Laser Program (ABL)	153.5	265.7	308.6
Joint Strike Fighter (JSF)	444.3	454.8	235.4
B-1B	202.5	194.5	203.5
B-2	434.9	131.0	201.8
C-17	101.8	118.2	170.7
Joint Air-To-Surface Standoff Missile (JASSM)	163.8	128.8	166.4
F-16	94.6	139.6	112.5
F-15E	120.7	103.9	112.7
Joint Surveillance Target Attack Radar System (JSTARS)	112.7	100.5	130.5
Advanced MILSATCOM	37.2	54.2	97.1
ICBM	186.8	108.5	67.4

Table 11  
Aircraft Procurement  
(TOA - Then Year \$ in Millions)

<b>BUDGET ACTIVITY</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Combat Aircraft	552.7	799.0	2,104.7
Airlift Aircraft	2,328.7	3,091.5	3,415.7
Trainer Aircraft	73.3	105.9	88.2
Other Aircraft	645.8	955.5	406.4
Modification of In-Service Aircraft	1,489.9	1,828.5	2,013.5
Aircraft Spares and Repair Parts	336.1	520.9	420.9
Aircraft Support Equipment and FAC	<u>685.6</u>	<u>891.3</u>	<u>852.7</u>
* TOTAL	6,112.0	8,192.6	9,302.1

Table 12  
Major Aircraft Procurement (without spares)  
(TOA - Then Year \$ in Millions)

<b>AIRCRAFT</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
C-17	2,130.9	2,891.0	3,385.1
F-22	73.3	769.1	1,852.1
B-2A	175.7	238.6	106.9
JPATS	73.3	105.9	88.2
E-8B (JSTARS)	320.6	495.5	280.2
Predator UAV	135.8	114.2	38.0

Table 13  
Major Aircraft Modifications  
(TOA - Then Year \$ in Millions)

<b>AIRCRAFT</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
KC-135	141.4	290.2	347.1
F-16	208.6	238.4	249.5
C-130	129.3	120.6	207.6
F-15	173.6	240.7	263.5
B-1B	109.1	91.4	130.4
E-3	120.9	112.5	124.1
C-17A	39.9	55.1	95.6
C-5	84.7	82.4	70.0
KC-10A	24.0	54.5	53.4
F-117A	24.9	25.6	34.6
A-10	21.2	31.0	24.4
B-2A	50.2	15.6	20.1

Table 14  
Missile Procurement  
(TOA - Then Year \$ in Millions)

<b>BUDGET ACTIVITY</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Ballistic Missiles	14.0	5.6	15.6
Other Missiles	199.6	174.6	181.6
Modification of In-Service Missiles	125.0	143.0	288.8
Spares and Repair Parts	32.9	37.9	18.0
Space and Other Support	<u>1,901.4</u>	<u>1,696.1</u>	<u>1,855.6</u>
* TOTAL	2,273.0	2,057.2	2,359.6

Table 15  
Major Missile Systems Procurement  
(TOA - Then Year \$ in Millions)

<b>MISSILE SYSTEMS</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Minuteman III Modifications	103.8	120.2	243.0
Joint Standoff Weapon (JSOW)	21.3	52.0	80.0
AMRAAM	101.9	92.2	97.3
AIM-9X	0.0	0.0	31.1

Table 16  
Major Space Systems Procurement  
(TOA - Then Year \$ in Millions)

<b>SPACE SYSTEMS</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Titan Space Boosters	418.1	540.5	431.3
Global Positioning System (GPS)	162.6	93.6	170.9
Defense Support Program	85.8	88.7	111.6
Evolved Expendable Launch Vehicle (EELV)	0.0	0.0	70.8
Medium Launch Vehicle	195.6	175.1	64.9
Inertial Upper Stages (merged w/Titan FY00-out)	35.2	43.3	0.0

Table 17  
Procurement of Ammunition  
(TOA - Then Year \$ in Millions)

PROGRAM	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Rockets	8.9	8.1	9.8
Cartridges	63.8	56.5	70.7
Practice Bombs	27.3	25.0	24.3
General Purpose Bombs	12.5	57.3	40.6
Sensor Fuzed Weapon	148.6	125.1	61.3
Joint Direct Attack Munition	39.2	46.0	125.6
Wind Corrected Munitions Dispenser	11.8	13.8	48.9
Other Miscellaneous Items	40.8	16.5	8.6
Flares	11.4	24.6	26.3
Small Arms	<u>7.7</u>	<u>5.5</u>	<u>3.4</u>
TOTAL	372.0	378.4	419.5

Table 18  
Other Procurement  
(TOA – Then Year \$ in Millions)

BUDGET ACTIVITY	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Vehicular Equipment	174.4	187.7	203.0
Communications and Electronics Equipment	857.7	784.4	963.2
Other Base Maintenance and Support Equipment	409.5	474.4	490.2
Spares and Repair Parts	<u>52.8</u>	<u>45.3</u>	<u>36.5</u>
TOTAL	1,494.4	1,491.8	1,692.9

Table 19  
Selected Other Procurement Programs  
(TOA – Then Year \$ in Millions)

PROGRAM	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
60k A/C Loader	80.6	91.2	81.2
Next Generation Small Loader(Ngsl)	0.0	0.0	9.8
National Airspace System	14.8	14.0	54.4
Theater Air Control System Improvement	36.2	26.8	37.9
Automatic Data Processing Equipment	37.0	34.3	71.2
Air Force Physical Security System	14.2	26.2	32.6
Base Level Data Auto Program	35.6	25.3	28.4
Theater Battle Mgt C2 System	42.7	44.1	47.6
Base Information Infrastructure	110.6	120.6	122.8
Af Satellite Control Network Space	22.2	22.9	33.6
Eastern/Western Range I&M Space	75.1	93.6	83.4
Milsatcom Space	17.8	27.4	46.3
Tactical C-E Equipment	30.8	27.1	49.7
Base Comm Infrastructure	30.0	27.8	41.6
Communication Electronic Modifications	49.6	57.0	56.2
Mobility Equipment	25.3	35.9	46.9



Table 20 MILCON – Active Air Force (TOA – Then Year \$ in Millions)			
<b>BUDGET ACTIVITY</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Major Construction, AF	640.8	598.8	142.8
Planning, AF	44.9	38.1	28.0
Minor Construction, AF	<u>8.5</u>	<u>8.1</u>	<u>8.7</u>
TOTAL	694.2	645.0	179.5

Table 21 MILCON – Active Air Force (Major Construction – Then Year \$ in Millions)			
<b>CATEGORY</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
New Mission	265.6	173.9	40.4
Current Mission	<u>375.2</u>	<u>424.9</u>	<u>102.3</u>
TOTAL	640.8	598.8	142.7

Table 22 MILCON – Active Air Force (Major Construction – Then Year \$ in Millions)			
<b>CATEGORY</b>	<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Inside US	551.5	532.1	122.3
Outside US	<u>89.3</u>	<u>66.7</u>	<u>20.4</u>
TOTAL	640.8	598.8	142.7

Table 23 Selected MILCON Programs – Active Air Force (Total Project Cost – Then Year \$ in Millions)	
<b>PROJECT / LOCATION</b>	<b><u>COST</u></b>
USSPACECOM – NORAD Headquarters / Peterson	33.0
B-2 Low Observable Restoration Facility / Whiteman	23.0
Student Dormitory / Keesler	19.9
C-17 Corrosion Control Facility / Charleston	18.2
Upgrade Academic Facility / USAF Academy	17.5
Air Driven Accessories Overhaul Test Facility / Tinker	17.0
C-130 Parking Ramp / Elmendorf	17.0
Enhanced Training Range Idaho, Phase 2 / Mountain Home	14.6
Repair Runway / Eielson	14.0
Consolidate Avionics Research Lab / Wright-Patterson	13.6

Table 24  
 Military Family Housing  
 (TOA – Then Year \$ in Millions)

BUDGET ACTIVITY	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
New Construction	160.0	183.2	50.4
Post Acquisition	122.1	104.1	34.3
Planning & Design	12.0	11.3	17.1
Operating Expenses	280.7	278.4	287.6
Leasing	107.1	118.0	118.5
Maintenance of Real Property	420.7	391.2	415.8
Mortgage Insurance **	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	1,102.6	1,082.6	923.7

\*\* Amount rounds to less than \$500K

Table 25  
 Base Realignment and Closure Requests  
 (TOA - Then Year \$ in Millions)

BUDGET ACTIVITY	** <u>FY98</u>	** <u>FY99</u>	*** <u>FY00</u>
BRAC 88	22.0	17.0	29.1
BRAC 91	59.3	53.4	19.9
BRAC 93	148.2	51.1	39.1
BRAC 95	392.5	381.1	235.5
BRAC 95	392.5	381.1	235.5

\*\* FY98/99 funds for BRAC 88/91 are included in the BRAC 93 request.  
 \*\*\* FY00 funds for BRAC 91/93 are included in the BRAC 95 request.

Table 26  
 Selected Primary Mission Aircraft Inventory (PMAI) \*\*  
 (Active, ANG, and AFR by Air Force Mission Area)

AIRCRAFT	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
Air Defense	148	90	60
Attack	172	157	220
Bomber	108	112	112
Cargo/Transport	681	716	684
Fighter/Interceptor	1,262	1,308	1,314
Helicopter	112	120	115
Tanker	526	526	526
Reconnaissance	152	164	168
Rescue	25	27	24
Other	96	111	42

\*\* PMAI: combat coded, combat support and AFWCF funded aircraft only

Table 27  
Active Air Force  
Selected Aircraft Total Primary Mission Aircraft Inventory (PMAI) \*\*

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
A-10A	72	42	90
AC-130H/U	16	16	16
B-1B	36	36	36
B-2A	10	14	16
B-52H	36	36	36
C-130E/H	124	124	124
C-141B	87	79	47
C-17A	30	37	46
C-5A/B/C	64	64	64
C-9A	0	18	18
E-3B/C	22	24	24
E-4B	3	3	3
E-8C	3	6	9
EC-130E/H	16	16	16
EC-135Y	0	1	1
F-117A	36	36	36
F-15C/D	237	246	246
F-15E	132	132	132
F-16C/D	456	458	450
HC-130P	9	9	9
HH-60G	31	34	34
KC-10A	54	54	54
KC-135R/T	204	204	204
MC-130E/H/P	38	38	38
MH-53J	30	30	30
MH-60G	5	5	0
OA-10A	60	90	36
RC-135S/U/V/W	15	16	16

\*\* PMAI: combat coded, combat support and AFWCF funded aircraft only

Table 28  
Air National Guard  
Selected Aircraft Total Primary Mission Aircraft Inventory \*\* (PMAI)

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
A-10A	72	72	87
B-1B	18	18	16
C-130E/H	192	192	192
C-130J	0	8	8
C-141C	16	16	16
C-5A	12	12	12
EC-130E	5	4	4
EC-130J	0	1	1
F-15A/B	90	90	90
F-16A/B/C/D	420	405	375
HC-130N/P	10	10	10
HH-60G	15	15	15
KC-135E/R	204	204	204
LC-130H	10	10	10
OA-10	18	18	3

\*\* Does not include training and OT&R Combat Development

Table 29  
Air Force Reserve  
Selected Aircraft Total Primary Mission Aircraft Inventory (PMAI) \*\*

	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>
A-10A	12	27	27
B-52H	8	8	8
C-130E/H	104	97	96
C-141C	40	40	40
C-5A	28	28	28
F-16C/D	60	46	60
HC-130N/P	8	8	9
HH-60G	21	21	21
KC-135E/R	64	64	64
MC-130E/P	12	12	8
OA-10	18	3	3
WC-130H	9	10	6
WC-130J	1	0	4

\*\* PMAI: combat coded, combat support and AFWCF funded aircraft only

Table 30  
Air Force Working Capital Fund  
(Then Year \$ in Millions)

<b>Activity Group</b>		<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Supply Management				
	Revenue	9,413.0	9,074.7	8,643.8
	Costs	9,071.8	9,197.6	8,711.1
	Other Adjustments	169.1	0.1	0.0
	Net Operating Results	511.1	(122.8)	(67.3)
Depot Maintenance				
	Revenue	4,998.3	5,126.6	4,764.8
	Costs	4,920.2	4,876.2	4,760.3
	Other Adjustments	14.8	(13.8)	(84.0)
	Net Operating Results	92.9	236.6	(79.5)
Information Services				
	Revenue	392.0	500.8	484.1
	Costs	398.0	504.7	485.9
	Other Adjustments	1.1	2.4	(0.7)
	Net Operating Results	(4.9)	(1.5)	(2.5)
Transportation **				
	Revenue	4,361.0	4,312.1	4,354.6
	Costs	4,073.2	4,376.5	4,285.9
	Other Adjustments	0.0	0.0	0.0
	Net Operating Results	287.8	(64.4)	68.7
TOTAL AF WCF				
	Revenue	19,164.3	19,014.2	18,247.3
	Costs	18,463.2	18,955.0	18,243.2
	Other Adjustments	185.0	(11.3)	(84.7)
	Net Operating Results (NOR)	886.1	47.9	(80.6)

\*\* Submitted directly to OSD by TRANSCOM and is not included in AF totals.

Table 31  
Air Force Working Capital Fund  
(Personnel Strength)

<b>Activity Group</b>		<b><u>FY98</u></b>	<b><u>FY99</u></b>	<b><u>FY00</u></b>
Supply Management				
	Civilian Workyears (W/Y)	2,258	2,055	2,065
	Civilian End Strength (E/S)	1,994	2,058	2,086
	Military W/Y	53	52	57
	Military E/S	52	51	63
Depot Maintenance				
	Civilian W/Y	25,181	23,874	20,200
	Civilian E/S	24,072	20,614	20,207
	Military W/Y	408	422	409
	Military E/S	400	409	409
Information Services				
	Civilian W/Y	915	998	970
	Civilian E/S	909	1,019	974
	Military W/Y	1,074	1,053	945
	Military E/S	1,053	928	960
Transportation **				
	Civilian W/Y	2,023	2,142	2,060
	Civilian E/S	2,262	2,084	1,999
	Military W/Y	15,193	15,240	14,373
	Military E/S	14,911	15,026	13,786
TOTAL AF WCF				
	Civilian W/Y	30,377	29,069	25,295
	Civilian E/S	29,237	25,775	25,266
	Military W/Y	16,728	16,767	15,784
	Military E/S	16,416	16,414	15,218

\*\* Represents only AF portion of TRANSCOM civilian and military endstrength and workyears.

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