



DEPARTMENT OF THE NAVY FY 2015 PRESIDENT'S BUDGET

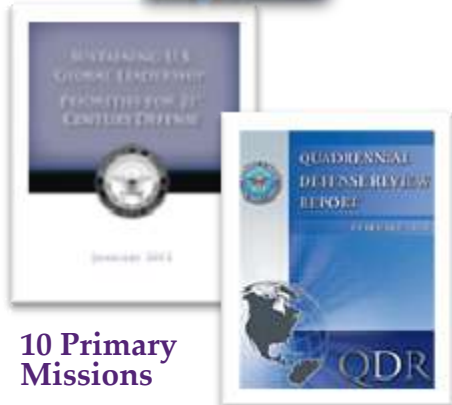
Rear Admiral William K. Lescher, USN
Deputy Assistant Secretary of the Navy for Budget

March 4, 2014

Strategic Foundation



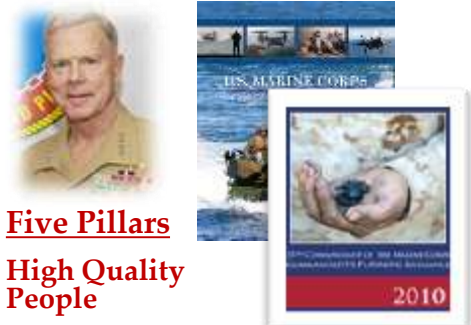
Tenets
Warfighting First
Operate Forward
Be Ready



Department of the Navy Priorities

People
Platforms
Power
Partnerships

10 Primary Missions
Rebalance to Asia-Pacific Region
Joint Force of 2020
Protect Homeland
Engage Globally
Project power and win decisively



Five Pillars
High Quality People
Unit Readiness
Capability to meet strategic guidance
Infrastructure Sustainment
Equipment Modernization

Where it Matters, When it Matters

Global Engagement on a Daily Basis



Navy

323,561 active strength
 3,881 mobilized reservists
 Battle Force Ships: 291
 42,514 Sailors deployed afloat



Marine Corps

195,801 active strength
 2,221 active reserves
 1,412 activated reservists

4,650 Marines deployed afloat

Total deployed: 39,400
 Total Afghanistan: 6,300
 NORTHCOM: 100
 EUCOM: 3,100
 Other CENTCOM: 3,700
 SOUTHCOM: 100
 AFRICOM: 1,000
 PACOM: 25,300

FY2014/ 19/ 23 Avg
 Total: 291/ 309/ 316
 Deployed: 113/ 127/ 124

48 Ships

32 Ships

187 Ships

21 Ships

1 CSG
 1 ARG/MEU
 2 BMD

1 CVN
 1 ARG/MEU
 1 BMD
 2 SSGN

1 Amphib
 1 SSGN

1 Amphib
 1 SSGN

2 Ships

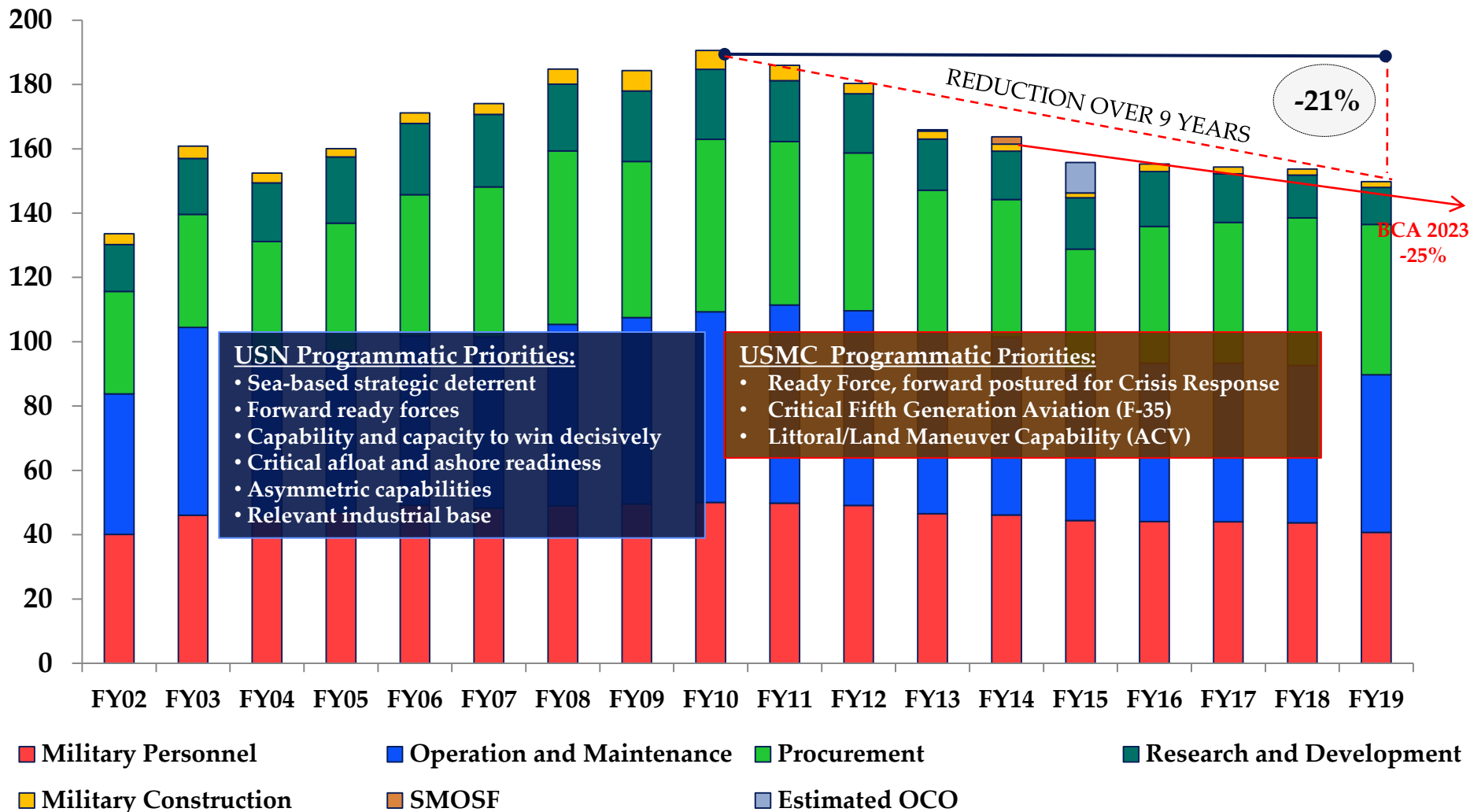
1 Ships

Total: 291
 Deployed: 104 Ships

Transit Times (in days)

East Coast - Suez Canal	15	● Bases
East Coast - Strait of Hormuz	24	■ Places
East Coast - Strait of Malacca	31	✚ Crossroads
West Coast - Yokosuka	14	● Operations
West Coast - Strait of Hormuz	32	● Amphib Operations
West Coast - Strait of Malacca	23	● Exercise/TSC

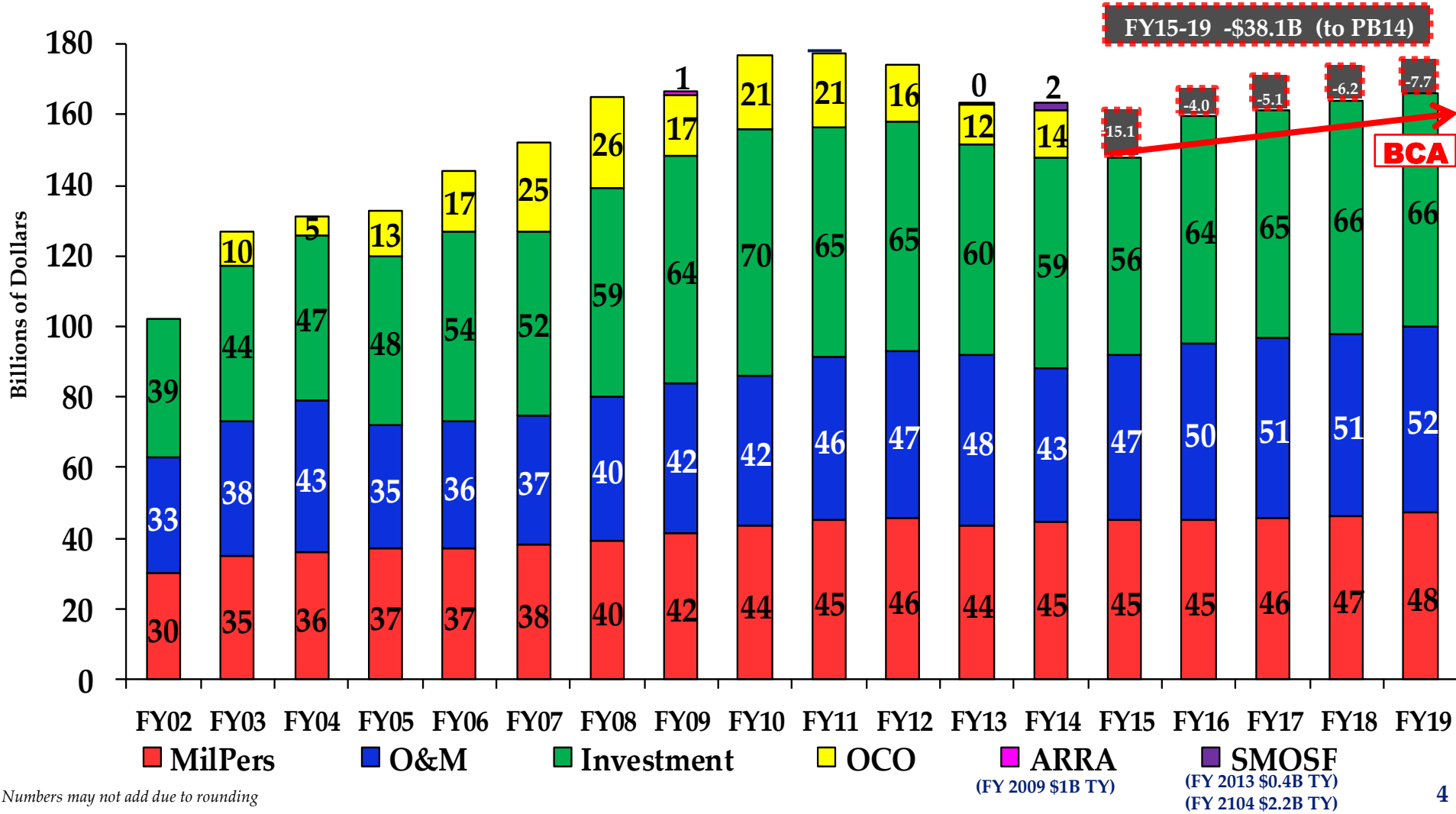
Department of the Navy Topline FY 2002-2019 (CY 2014)



PB15: Hard Choices; Innovative Approaches; Balancing Risk

Department of the Navy Topline FY 2002-2019 (TY)

	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Total Funding (TY)	\$101.7	\$126.3	\$123.5	\$133.6	\$144.3	\$151.6	\$164.9	\$166.8	\$177.1	\$176.8	\$174.6	\$163.1	\$163.7					
Baseline Funding (TY)	\$101.7	\$116.8	\$118.4	\$120.9	\$127.9	\$127.2	\$139.2	\$148.1	\$156.1	\$156.1	\$158.3	\$151.6	\$149.8	\$148.0	\$159.5	\$161.2	\$163.7	\$165.9

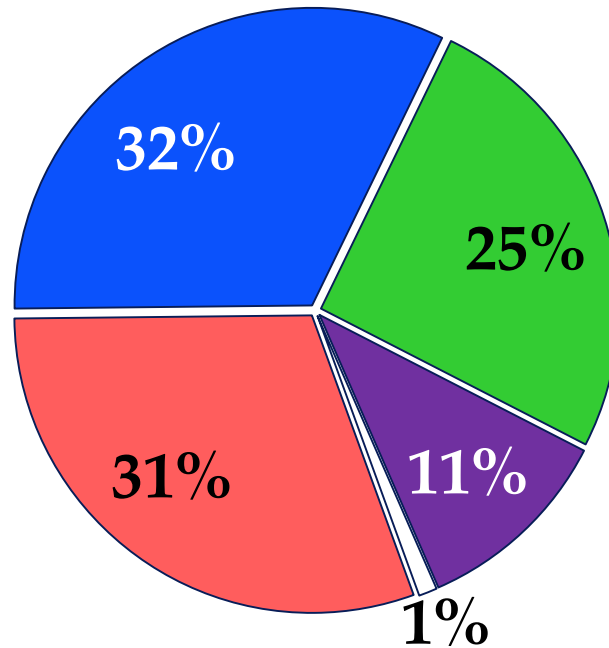


Numbers may not add due to rounding

Summary by Appropriation Group

FY 2015 Base Budget

FY15:
\$148.0B



Procurement: \$38.4B

Ships	\$14.4
Aircraft	\$13.1
Weapons	\$3.2
Marine Corps	\$1.0
Ammunition	\$0.8
Other Navy Procurement	\$6.0

R&D: \$16.3B

Basic Research	\$0.6
Applied Research	\$0.8
Advance Tech Dev	\$0.6
Adv Component Dev	\$4.6
System Dev & Demo	\$5.4
Management Support	\$1.0
Ops Systems Dev	\$3.3

Infrastructure: \$1.5B

MILCON	\$1.1
BRAC	\$0.1
Family Housing	\$0.4

O&M: \$46.8B

Ship Ops & Maint	\$11.2
Aviation Ops & Maint	\$8.3
Base Ops & Support	\$6.8
Marine Corps O&M	\$5.9
Combat/Weapons Support	\$4.8
Service Wide Support	\$4.7
Training and Education	\$1.7
Reserve O&M	\$1.3
Environmental Restoration	\$0.3
Mobilization	\$1.7

MilPers: \$45.0B

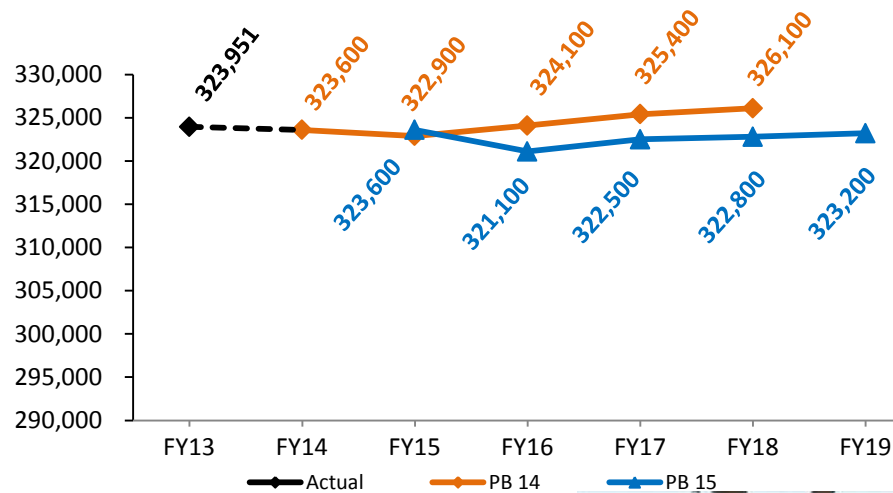
Basic Pays	\$18.8
Housing Allowance	\$7.4
Retired Pay Accrual	\$5.9
Health Accrual	\$2.0
Reserve Personnel	\$2.5
Subsistence	\$2.2
Allowances	\$1.1
Special Pays	\$1.6
Other	\$3.5

Military Personnel

Navy Personnel Strength

Aligning the Force

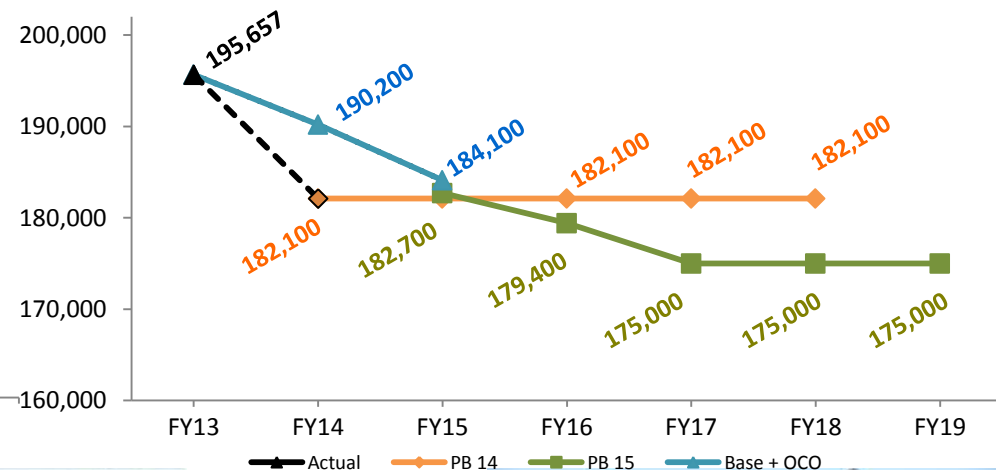
- FY15 Active end strength 323,600
 - o Reduce manning gaps at sea, improve sea/shore flow
 - o Investing in Career Sea Pay, Career Sea Pay – Premium
- FY15 Reserve end strength 57,300



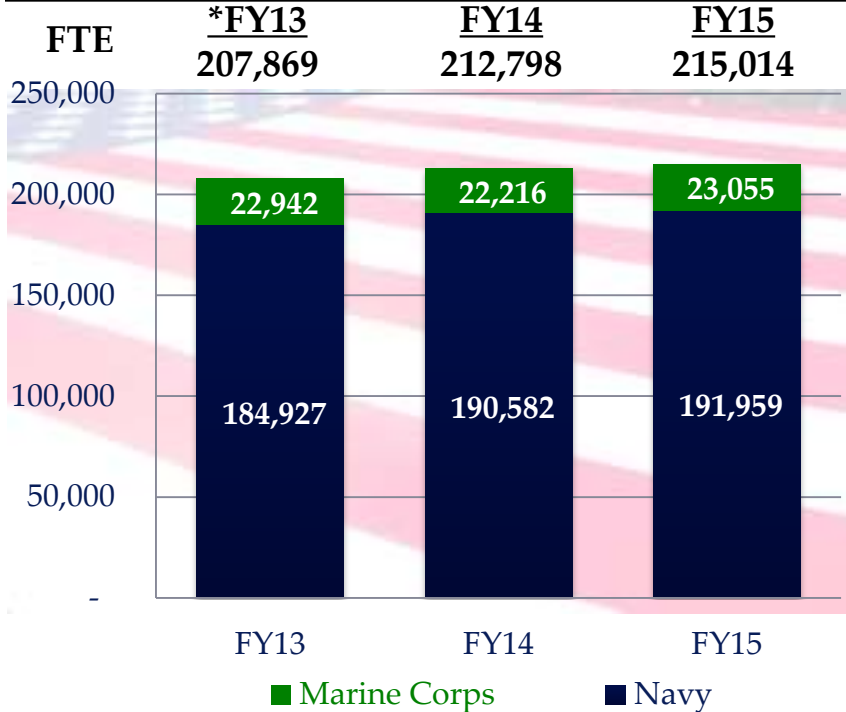
Marine Corps Personnel Strength

Focusing on forward presence and crisis response

- FY15 Active end strength 182,700
 - o Includes Marine Corps Embassy Security Guard plus-up
 - o Remaining agile and ready for a full range of contingencies
- FY15 Reserve end strength 39,200



Civilian Personnel



	FY13	FY14	FY15
Total – Department of the Navy	207,869	212,798	215,014

By Type Of Hire

Direct	196,710	201,339	203,462
Indirect Hire, Foreign National	11,159	11,459	11,552

By Appropriation/Fund

Operation and Maintenance	127,656	130,436	133,643
Other (FHOPS/RDTEN)	1,748	2,010	1,936
Working Capital Funds	78,465	80,352	79,435
Total	207,869	212,798	215,014

*NOTE: FTE total for FY 2013 does not include approximately 3,200 FTEs due to 6 days of furlough.

FYDP FTE Profile:

	FY15	FY16	FY17	FY18	FY19
	215,014	214,121	212,326	210,252	208,668

- Management Headquarters: 20% reduction over the FYDP begins with the elimination of 328 HQ FTEs in FY15.
- Ship Maintenance: Continued focus on ship maintenance (including nuclear manning).
- Shipyard Firefighting Capability: Increase to strengthen fire emergency response capability.

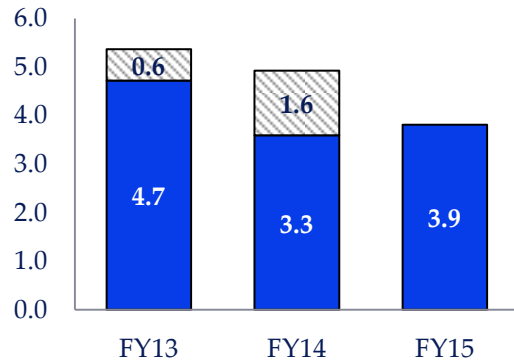


FY15 Baseline Readiness Metrics

Ship Operations

45 days/qtr deployed

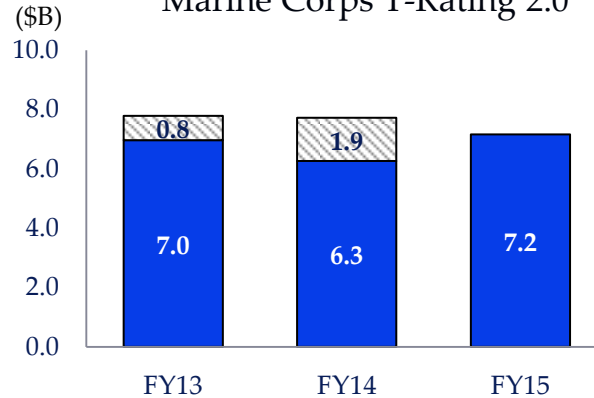
20 days/qtr non-deployed



Flying Hour Operation

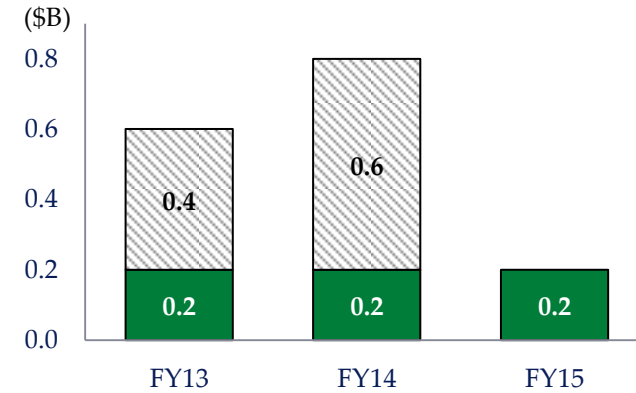
Navy T-Rating 2.5

Marine Corps T-Rating 2.0



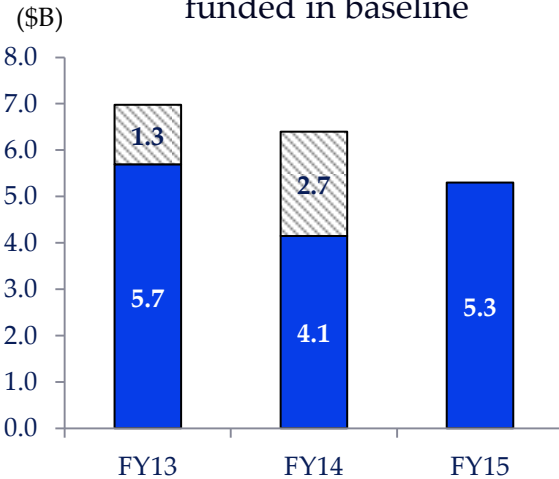
Marine Corps Ground Equip

83% of projected maintenance funded in FY15



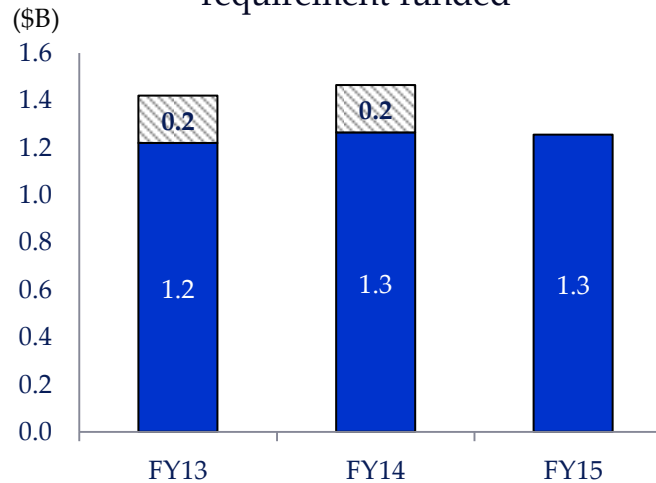
Ship Depot Maintenance

80% of projected maintenance funded in baseline



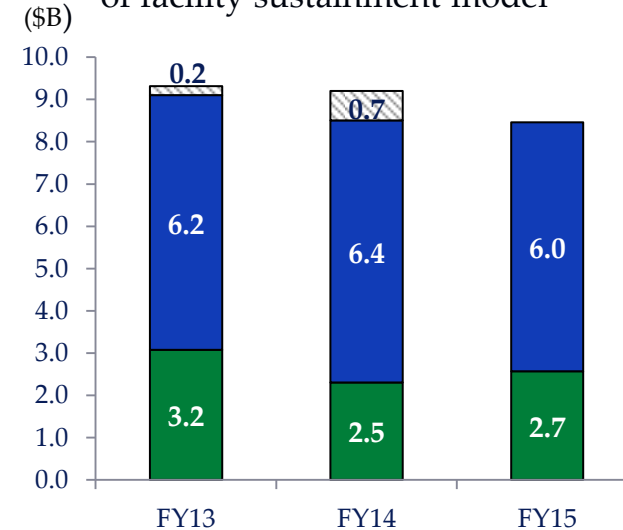
Aircraft Depot Maint/Logistics

80% of projected ADM requirement funded



Base Support

Navy 70%/USMC 75% of facility sustainment model



Shipbuilding Procurement Plan

SSN 783



DDG 51



	FY14	FY15	FY16	FY17	FY18	FY19	FYDP
CVN-21	0	0	0	0	1	0	1
SSN-774	2	2	2	2	2	2	10
DDG 51	1	2	2	2	2	2	10
LCS	4	3	3	3	3	2**	14
LHA(R)	0	0	0	1	0	0	1
T-ATF	0	0	0	2	1	1	4
MLP/AFSB	1	0	0	1	0	0	1
T-AO(X)	0	0	1	0	1	1	3
New Construction Total QTY	8	7	8	11	10	8	44
LCAC SLEP	4	2	4	4	4	0	14
Ship-to-Shore Connector	0	2	5	5	8	11	31
SC(X) (R) (LCU Replacement)	0	0	0	0	1	2	3
Moored Training Ships	0	1	0	1	0	0	2
CVN RCOH*	0	0	0	0	0	0	0
Total Shipbuilding QTY	12	12	17	21	23	21	94

Total Shipbuilding includes all new construction, RCOH, SLEP or conversion in SCN, R&D and FY14 NDSF, as well as other related line items including Service Craft, Outfitting and Post Delivery.

*Pending FY16 Decision

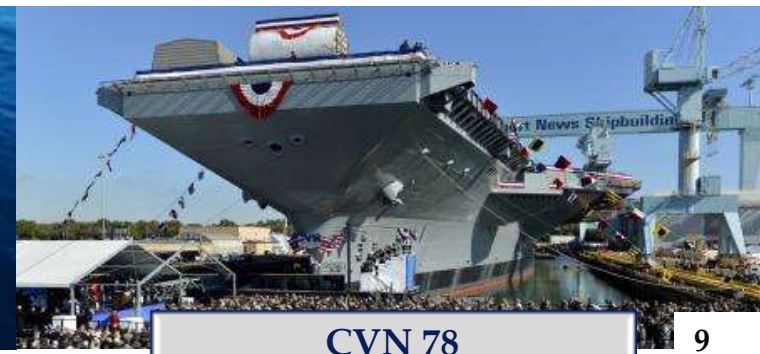
**To be updated in POM16



LCS – (Independence)



LCS – (Freedom)



CVN 78

Aircraft Procurement

F-35C (CV JSF)



KC-130J



MV-22



MH-60S



	FY14	FY15	FY16	FY17	FY18	FY19	FYDP
Fixed Wing							
F-35B (STOVL JSF)	6	6	9	14	20	20	69
F-35C (CV JSF)	4	2	2	6	10	16	36
F/A-18E/F	0	0	0	0	0	0	0
EA-18G	21	0	0	0	0	0	0
E-2D AHE	5	4	5	6	5	5	25
P-8A (MMA)	16	8	15	13	13	7	56
C-40A (USMC)	0	0	1	0	0	0	1
KC-130J (USMC)	1	1	1	2	1	1	6
UC-12W	1	0	0	0	0	0	0
Rotary Wing							
AH-1Z/UH-1Y	21	26	28	26	26	27	133
VXX	0	0	0	0	0	6	6
CH-53K (HLR)	0	0	0	2	4	7	13
MV-22B	19	19	19	18	4	4	64
MH-60R	19	29	0	0	0	0	29
MH-60S	18	8	0	0	0	0	8
UAV							
MQ-8 (VTUAV)	2	0	0	0	0	0	0
MQ-4 Triton UAS	0	0	4	4	4	4	16
STUAS (NAVY)	0	0	0	1	2	5	8
Training							
T-6A/B (JPATS)	29	0	0	0	0	0	0
TOTAL	162	103	84	92	89	102	470

Weapons Procurement

AIM-9X



AARGM



SM 6



RAM



	FY14	FY15	FY16	FY17	FY18	FY19	FYDP
Ship Weapons							
TACTOM	196	100	0	0	0	0	100
SM6	81	110	125	125	125	125	610
RAM	66	90	90	90	116	116	502
ESSM	53	104	89	89	73	94	449
MK 48 HWT	0	0	8	19	31	47	105
MK 48 HWT MODS	108	44	40	44	52	51	231
MK 54 LWT MODS	215	150	216	216	216	216	1,014
LCS SSMM	0	0	0	0	200	200	400
Aircraft Weapons							
AIM-9X	225	167	215	212	201	200	995
AMRAAM	44	0	138	154	233	274	799
JSOW C	212	200	200	0	0	0	400
AARGM	108	116	138	296	356	358	1,264
HELLFIRE*	616	0	0	0	0	0	0
SOPGM*	59	14	3	3	3	3	26
Maverick*	500	0	0	0	0	0	0
JAGM	0	0	0	0	0	189	189
OASUW	0	0	0	30	40	40	110
SDB II	0	0	0	90	750	750	1,590

*FY14 OCO included: 270 Hellfire, 500 Laser Maverick and 9 SOPGM

Marine Corps Procurement

G/ATOR



RQ-21



Major Combat Systems (\$M)	FY13	FY14	FY15
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Weapons and Combat Vehicles			
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AAV PIP	16	32	17
Mod Kits (Armor/Weapons)	34	38	22
Weapons and Combat Vehicles	17	20	7
LAV PIP	26	6	78

Guided Missiles & Equipment			
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Ground Base Air Defense (GBAD)	13	16	31
AAWS-Medium	29	66	0
MOD Kits (Missiles)	42	42	5
G/ATOR	0	0	89
RQ-21	14	67	71

Communications & Electrical Equipment			
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Combat Support System	23	3	2
Common Computer Resources	212	109	34
Command Post Systems	33	84	38
Radio Systems	126	64	65
Radar Systems	135	102	20
Intelligence Support Equipment	51	71	44

Support Vehicles			
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Commerical Cargo Vehicles	14	31	11
HMMWV	6	1	57
Family of Tactical Trailers	28	23	10
CAC2S	0	0	12
JLTV	0	0	8

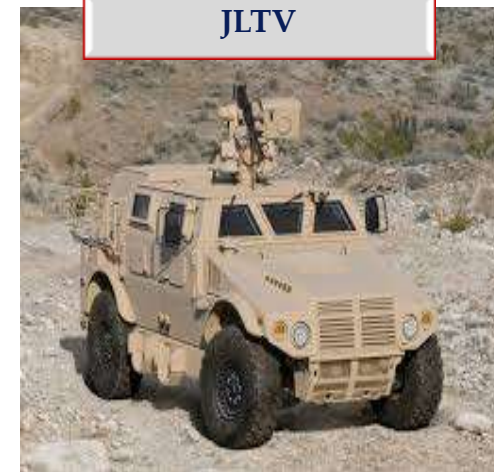
Engineers & Other Equipment			
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Tactical Fuel Systems	71	22	4
Power Equipment Assorted	69	63	9
Material Handling Equipment	36	37	9
EOD Systems	264	83	7

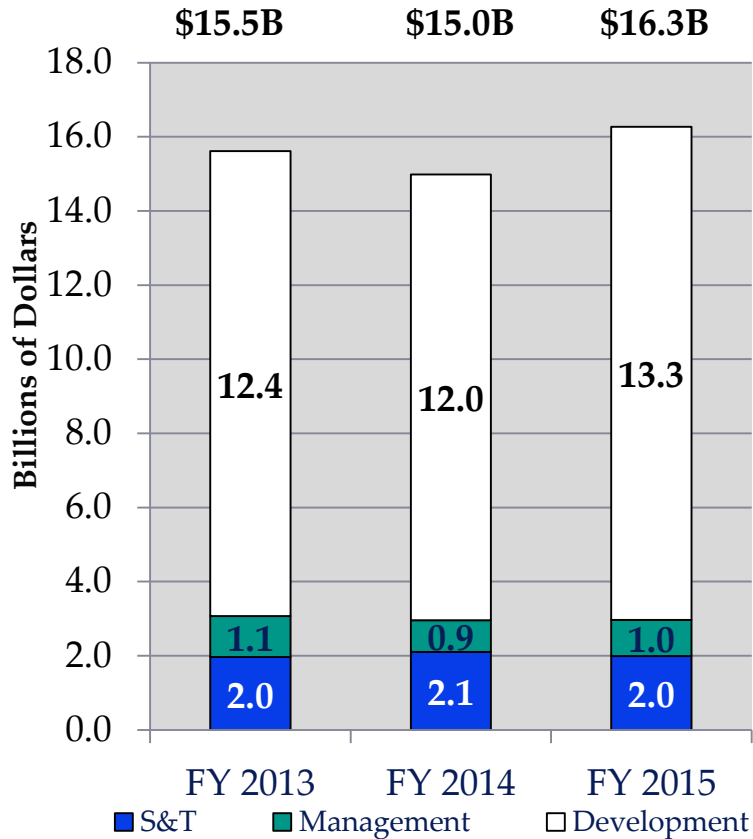
HMMWV



JLTV



R&D Investment

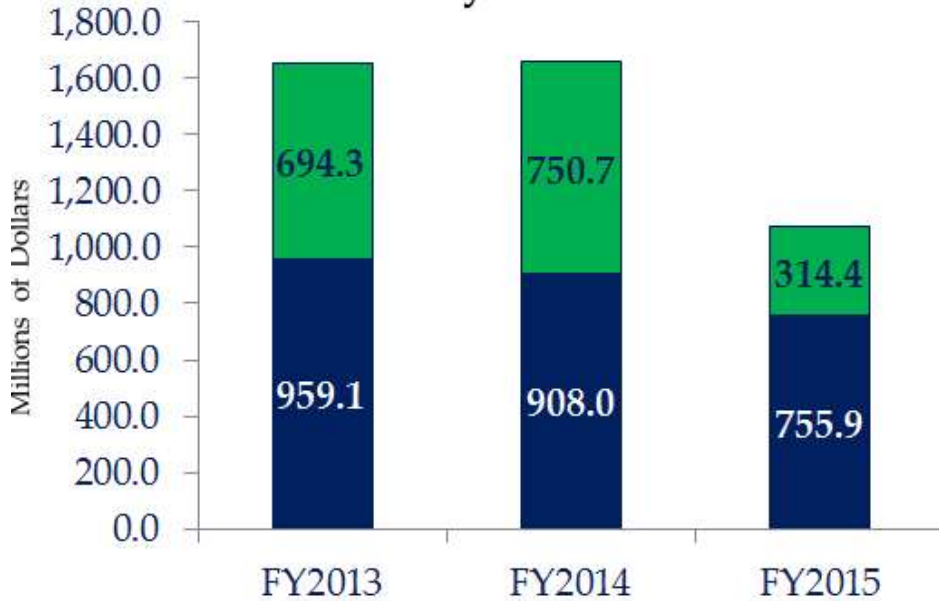


Major Systems (\$M)	FY13	FY14	FY15
Aviation			
Joint Strike Fighter (F-35)	1,281	856	1,029
CH-53K	536	462	573
Executive Helo Development	46	94	388
Shipbuilding			
Ohio Replacement Program	506	1,081	1,219
Virginia Class SSN	81	122	205
AMDR	194	125	145
CVN 78	158	148	123
Surface Ship Torpedo Defense	84	86	53
Unmanned			
MQ-4C Triton	613	375	498
UCLASS	99	122	403
NUCAS - D	128	21	36
USMC			
Amphibious Combat Vehicle	83	123	106
G/ATOR	70	78	99

- JSF: Maintains STOVL IOC in FY 2015 and CV IOC in FY 2019.
- Ohio Replacement: Supports start of construction in 2021.
- UCLASS: Supports operational capability in 2021.
- Executive Helo: Supports start of SDD with Milestone C scheduled for FY 19.

Military Construction & Family Housing

Military Construction



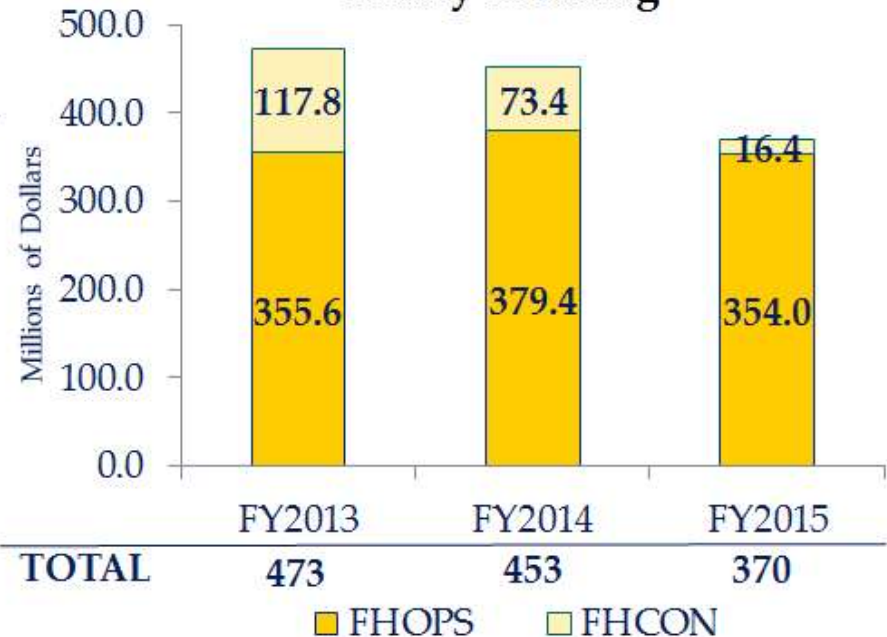
TOTAL 1,653 1,659 1,070

-FY13 includes OCO ■ Marine Corps ■ Navy

- Navy FY 2015 MILCON: Supports new systems such as F-35, P-8A, LCS, and Ohio Replacement.
- Marine Corps FY 2015 MILCON: Supports new platforms, aviation relocations, and Marine Corps Security Force Regiment consolidation.



Family Housing



TOTAL 473 453 370

■ FHOPS ■ FHCON

FY 2015 Opportunity, Growth, and Security Initiative

Current force - Readiness

- Aviation logistics; and Depot & Organizational-level maintenance
- Marine Corps logistics & training
- Shipyard recapitalization
- Improve T-AKE operating status

Future force – Key Modernization

- Procure P-8A, E-2D, C-40, H-1, KC-130, C-12, STUAS

Improve Facilities

- Restoration & Modernization
- Sustainment
- Military Construction
- Demolition



Presence



Our presence can deter our adversaries and reassure our allies, and it provides the critical backing needed to make diplomacy work.

Ray Mabus, Secretary of the Navy

