



Marine Corps Programs & Resources

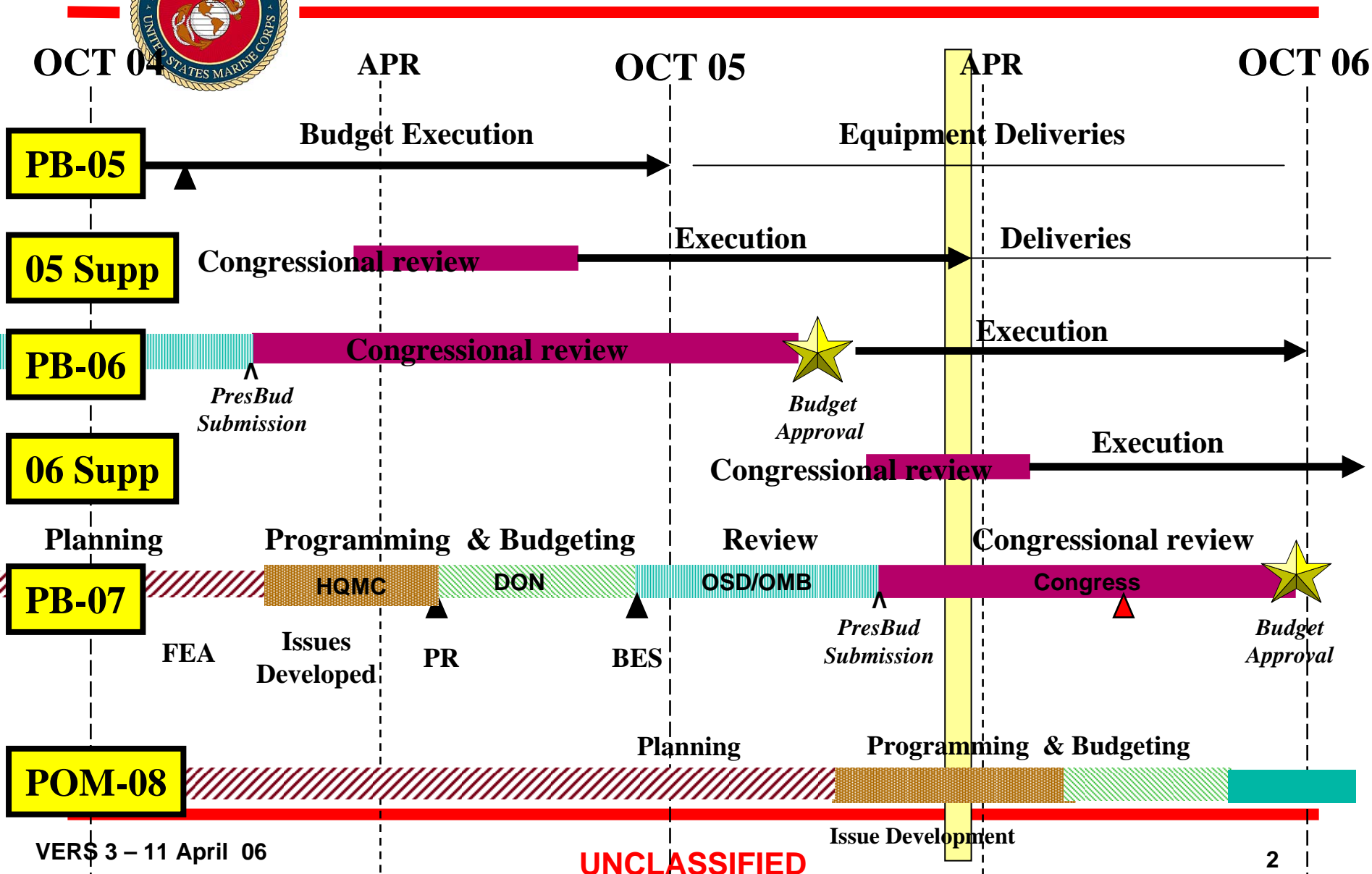
**Investment & Resourcing Information and
Strategies; Past, Present & Future**

**Brigadier General Raymond C. Fox, Director, Programs Division
Deputy Commandant, Programs and Resources**

14 Apr 06



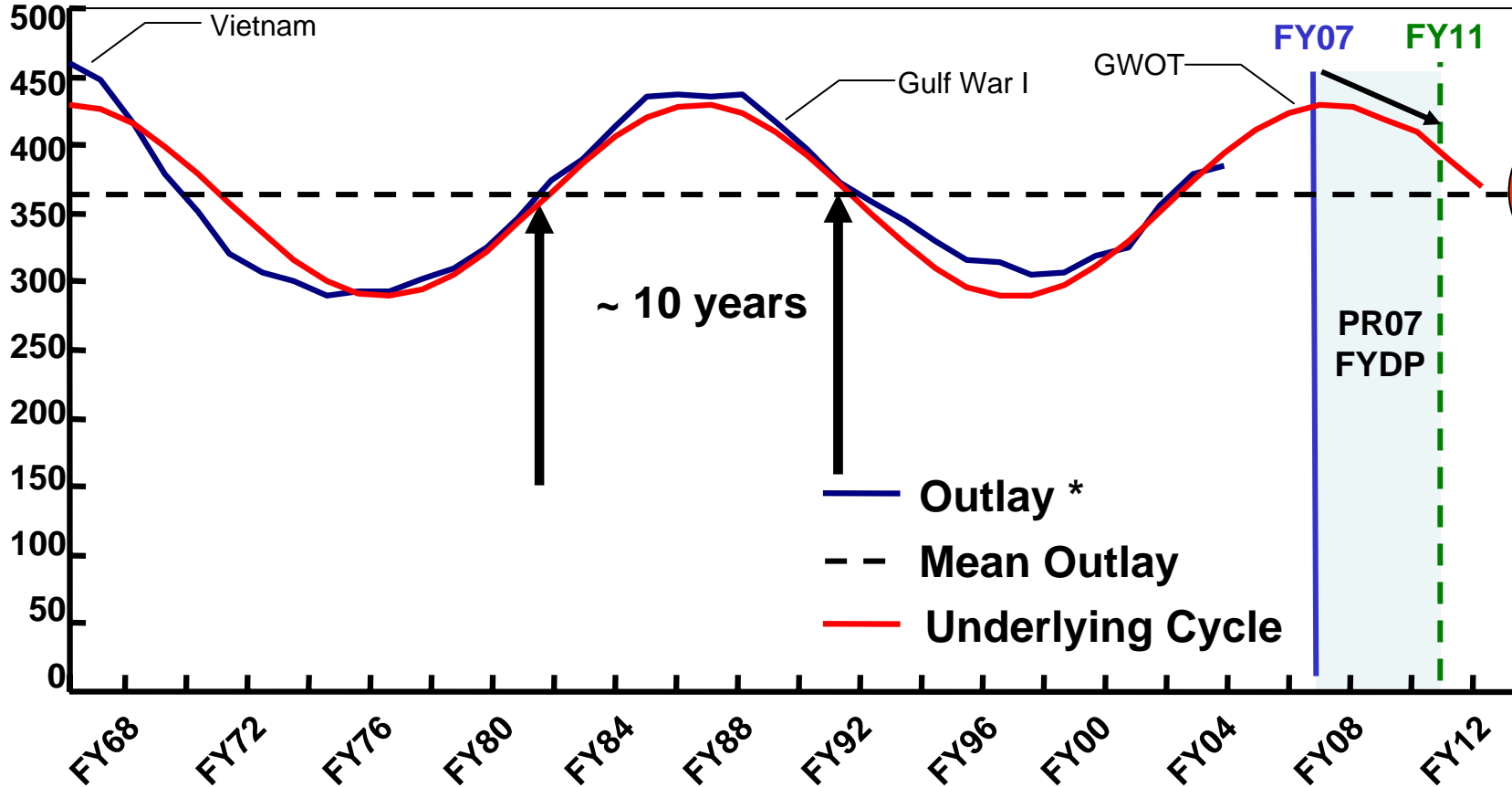
Overlapping Budget Cycles





Strategic Challenges

FY03 \$B



~\$350

*Source: CSBA (does not include Supplemental Outlays)

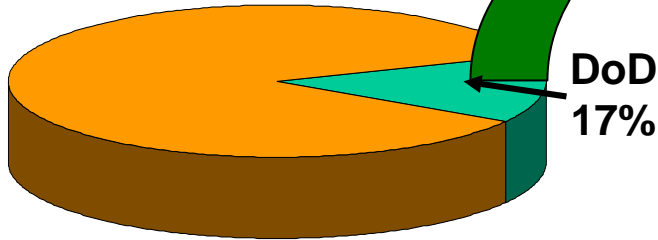
10-Year Cyclical DoD Outlays

Macro Economics FY06

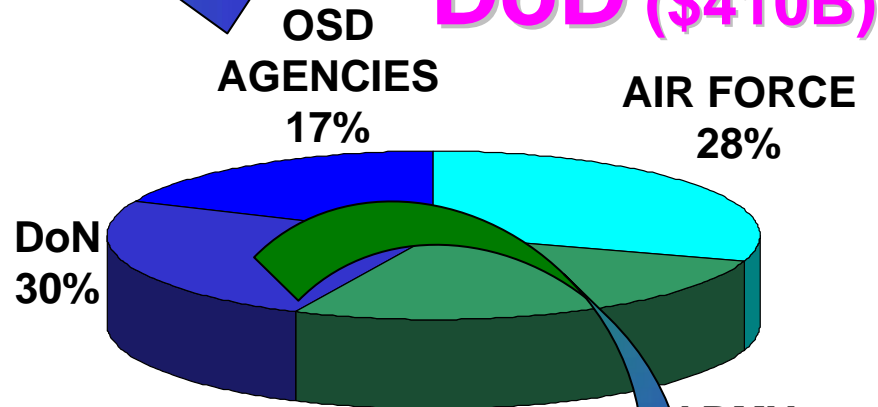
(Baseline)



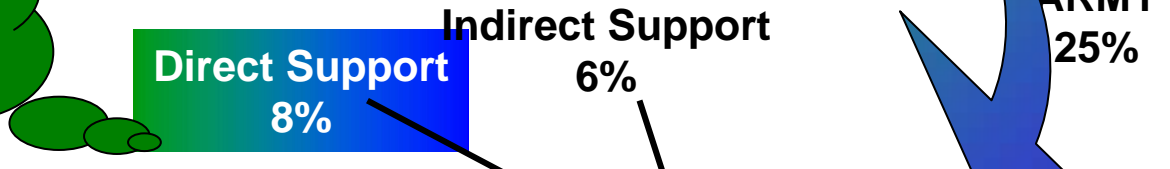
Fed Bud. (\$2.47T)



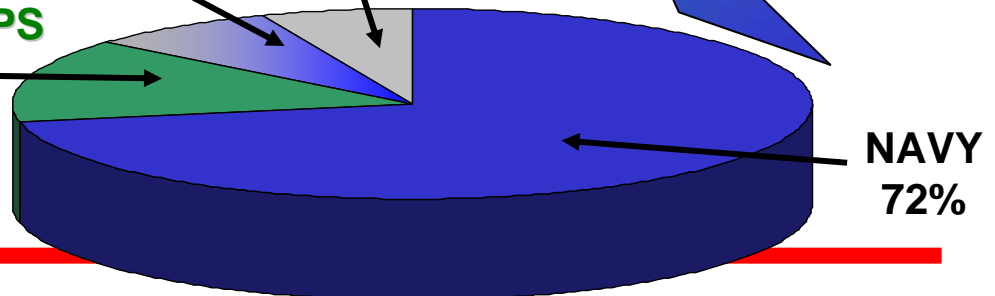
DoD (\$410B)



USMC
~7% of DoD
TOA



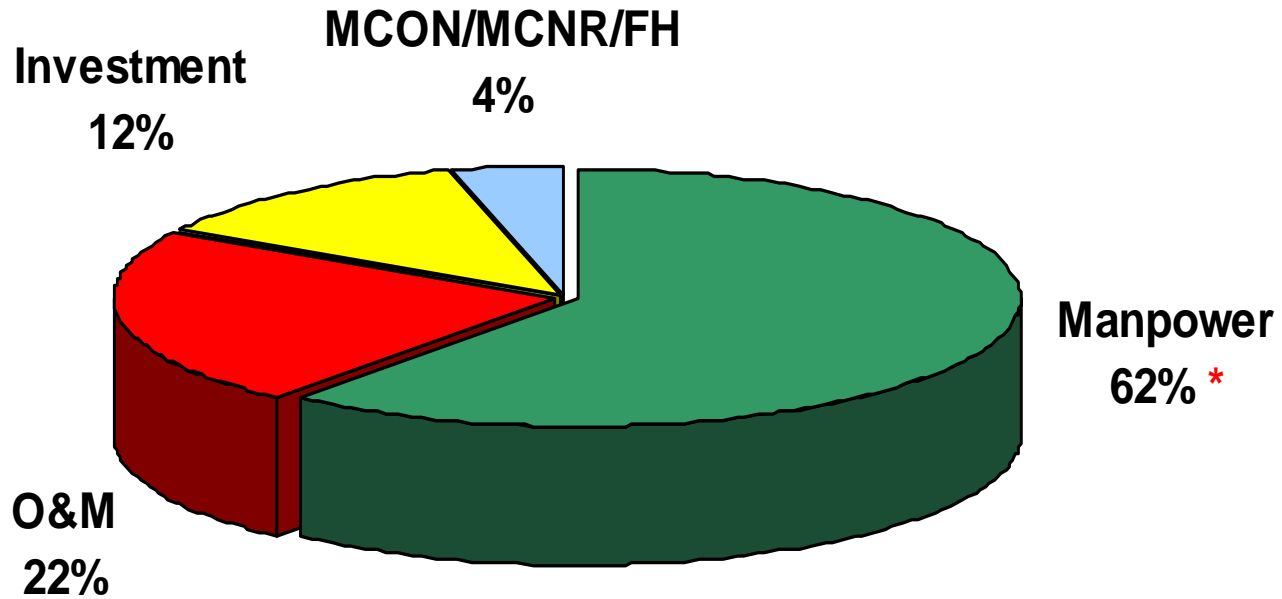
MARINE CORPS
"Green"
14%



(Green (\$17.4B) & Direct Supt (\$9.5B))



FY07 Funding Mix (FYDP)



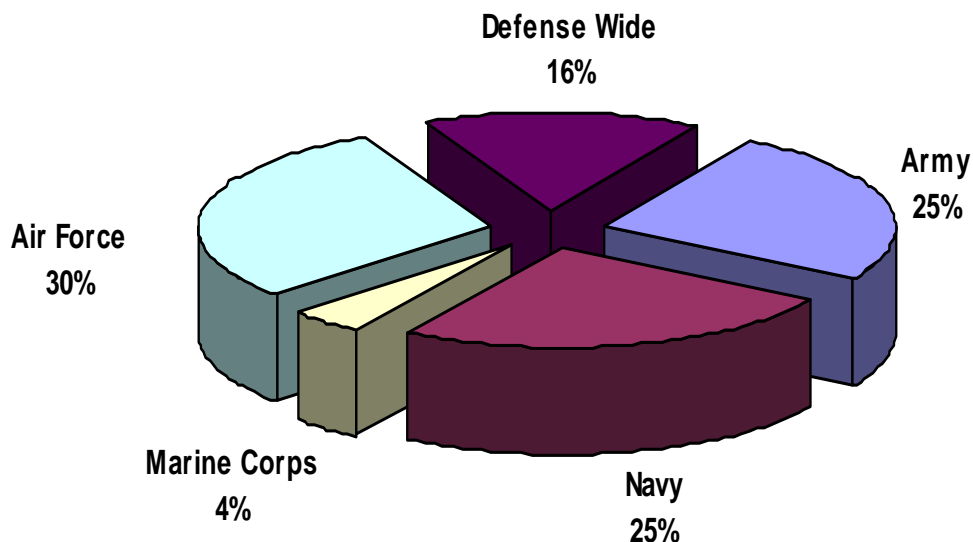
* At 180 K = 65-66%



FY07 Budget by Service

	<u>FY 06</u>	<u>FY 07</u>	<u>Change</u>	<u>%</u>
Army	99.1	111.8	12.7	12.8%
Navy	105.1	109.2	4.1	3.9%
Marine Corps	17.4	18.2	0.8	4.6%
Air Force	124.1	130.4	6.3	5.1%
Defense Wide	65.1	69.7	4.6	7.1%
TOTAL \$B	410.8	439.3	28.5	

FY 07 Budget Request

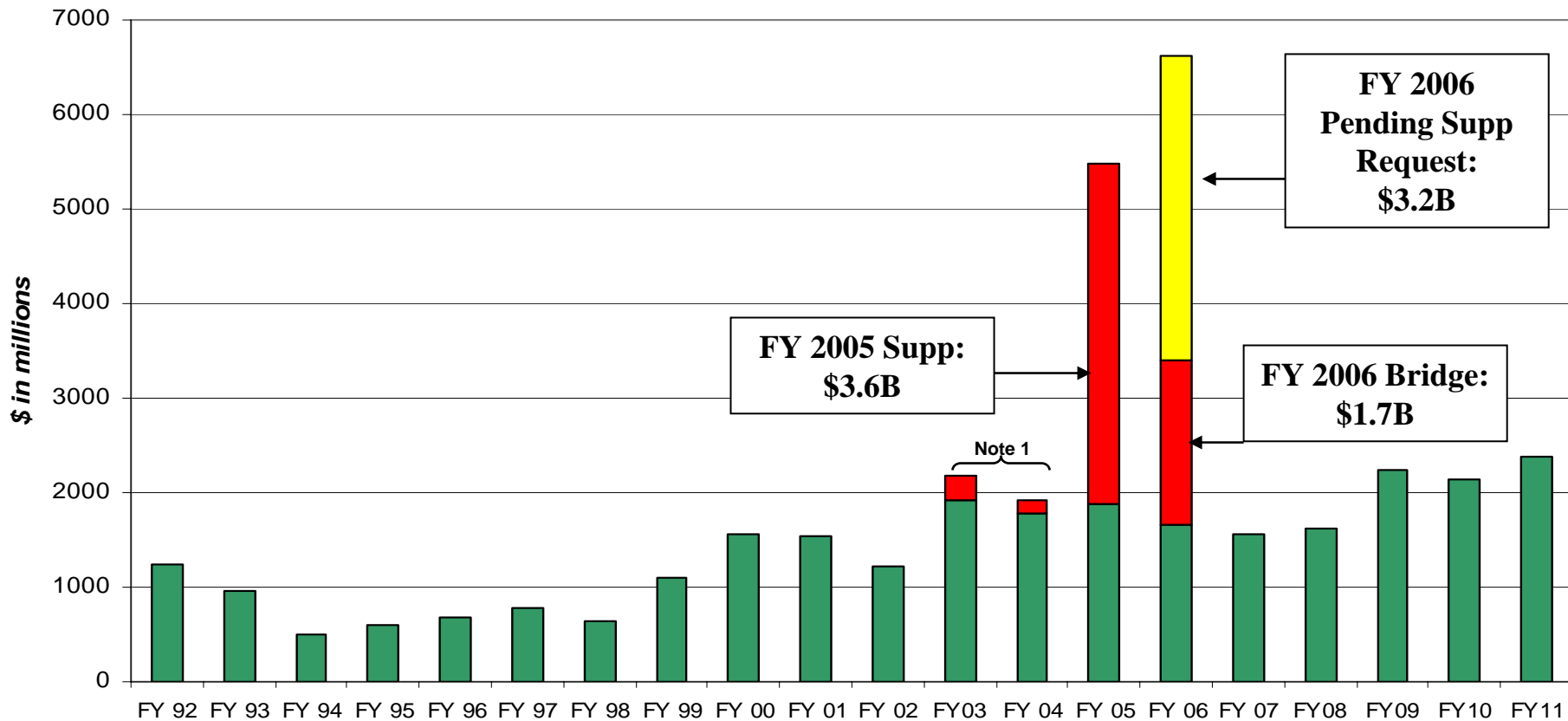


% of TOA Allocated to Manpower

USN	~ 21 %
USMC	~ 62 %*
USA	~ 41 %
USAF	~ 23 %

*** At 180 K = 65-66%**

Historical Ground Procurement Summary *



Baseline \$ 1.2 1.0 0.5 0.6 0.7 0.8 0.6 1.1 1.6 1.5 1.2 1.9 1.8 1.9 1.7 1.6 1.6 2.2 2.1 2.4

* Includes PMC and PANMC in Constant FY 07 \$

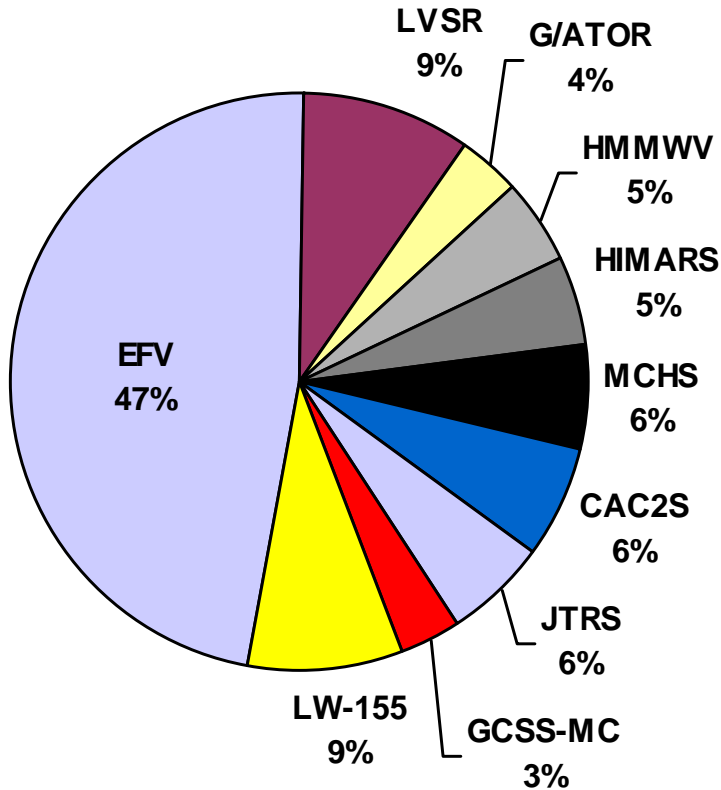
Note 1: FY 03 Supp: \$260M, FY 04 Supp: \$123M

Green Investment Program

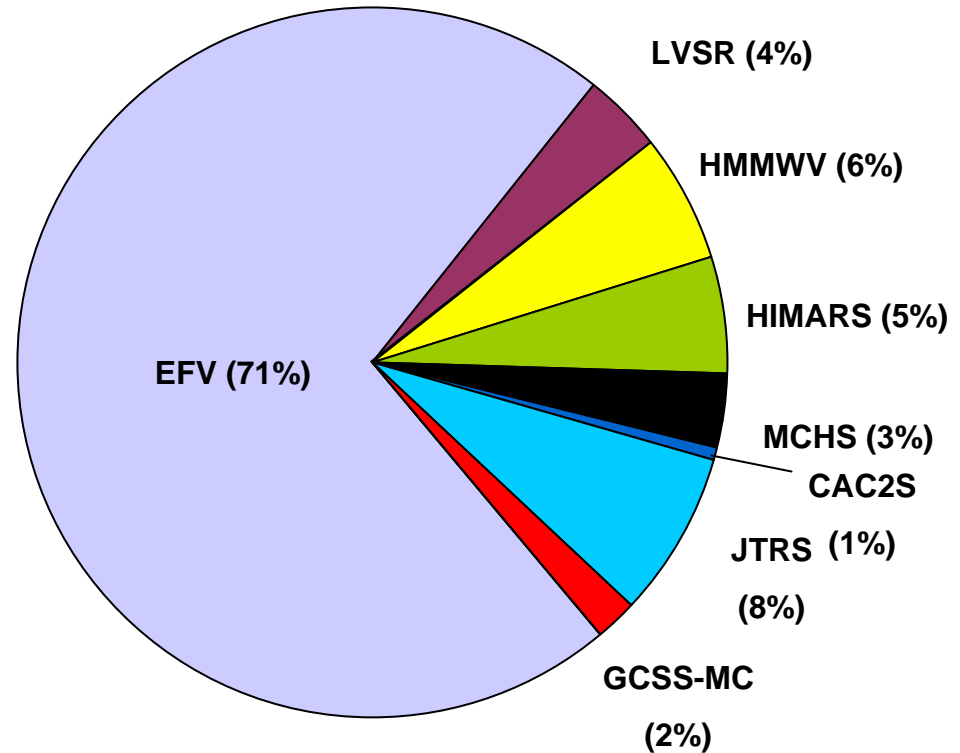
Top 10 Investment Systems at PresBud 07



**FY08
(\$1.1B)**



**FY13
(\$2.0B)**





Pressures on TOA

- **INTERNAL**
 - CMC 'Redlines'
 - O&M cost increases
 - OSD assumes 2.5% Annual increase
 - USMC 3-5% annual increase
 - Manpower Bills
 - End strength increase is \$230M/yr
- **EXTERNAL**
 - OSD Offsets (USMC pays 6 percent)
 - QDR
 - MARSOC
 - Hurricane Katrina



Conclusions

- O&M, Manpower, and external budget pressures continue to increase
- USMC will not receive a significant increase in investment dollars in the future
- Investment accounts pay the offsets, not other services, not supplementals



Questions?