FY 04 Expenditures

STATE DIVISIONS & PROGRAMS

	Total Expenditures	% State	% Federal
Army NG	$ 6,891,803	16%	84%
Air NG	2,899,546	9%	91%
Disaster & Emergency Services	7,161,801	7%	93%
Veterans Affairs	1,168,686	99%	1%
ChalleNGe Program	2,761,745	40%	60%
Centralized Services	574,541	74%	26%
NG Scholarship	172,500	100%	0%
Total Department Operating Expenditures	***$ 21,630,622***	***22%***	***78%***
Army NG Construction	5,081,337	15%	85%
Disaster Fund	3,725,771	0%	100%
Total Expenditures	***$ 30,437,730***	***18%***	***82%***

NATIONAL GUARD BUREAU FUNDING
FEDERAL PROGRAMS

	Total Expenditures
Army National Guard	
Full-time Payroll	$33,328,093
Traditional Guard Pay	$13,762,000
Total Payroll	$47,090,093
Other Expenditures	$21,991,962
Total Expenditures	**$69,082,055**
Air National Guard	
Full-time Payroll	$18,288,900
Traditional Guard Pay	$22,139,200
Total Payroll	$40,428,100
Other Expenditures	$31,412,300
Total Expenditures	**$71,840,400**

COMMUNITY IMPACT
ARMY AND AIR NATIONAL GUARD DOLLARS

Community	Total Dollars	Community	Total Dollars
Anaconda	$ 44,350	Harlowton	$ 40,193
Belgrade	1,069,628	Havre	97,457
Billings	1,473,060	Helena	64,163,324
Bozeman	81,837	Kalispell	390,769
Butte	270,481	Lewistown	24,614
Chinook	271,087	Libby	9,630
Culbertson	473,501	Livingston	132,520
Dillon	175,085	Malta	219,293
Glasgow	112,812	Miles City	240,191
Glendive	56,447	Missoula	859,030
Great Falls	59,070,107	Sidney	102,754
Hamilton	41,863	All Other	12, 500,000

Montana
Department of Military Affairs

2005 Impact Brochure

Missions

Federal

To serve as the primary federal reserve force in support of national security objectives, when called upon by the President

State

Protection of life and property, preservation of peace, order, and public safety for Montana's citizens, when called upon by the Governor

Community

Participate in local, state, and national programs that add value to America

EXHIBIT 2
DATE Feb. 7, 2005
HB 2 Dept. of Military Affairs

Army and Air National Guard

Over 3,400 Citizen Soldiers and Airmen are assigned to units in 22 Montana communities. Through this community-based organization, federal funding for National Guard activities provides an economic benefit statewide as the money received is turned over several times in every segment of the state economy. Our unique presence is financially supported in large part through federal funding, occurring in the form of military pay and allowances, operating funds for civilian payroll, purchase of goods and services, and through capital investments in military construction projects.

♦During 2003 and 2004, Montana's Citizen Soldiers and Airmen deployed numerous times in support of the Global War on Terrorism and served throughout the United States, Europe, Korea, Iraq, Kuwait, South America, Africa, Kyrgyzstan, and Afghanistan. Concurrently, Montana Army and Air National Guard members provided critical emergency support in response to the state and community mission. Montana Guard members took on a new mission in wildland firefighting–initial aerial attack--saving the state of Montana thousands of dollars in firefighting costs as strategically located helibases facilitated early intervention for wildfires. Even though our Soldiers and Airmen will continue to be tasked for the federal mission, we will still have adequate personnel to support the state and community mission in 2005.

♦Between October 1, 2002 and September 30, 2004, over 1200 Montana National Guard Soldiers and Airmen were deployed overseas in support of Operation ENDURING FREEDOM and Operation IRAQI FREEDOM. In addition, 94 Soldiers were on Federal duty in support of security operations at Fort Harrison, the 120th Fighter Wing in Great Falls, and along the Montana/ Canadian border. A total of 605 Soldiers were activated for state active duty in support of wild land firefighting during 2003.

♦Throughout 2004, Montana Air National Guard pilots and F-16 aircraft pulled alert duty at March Air Reserve Base, California. At the National level, the 120th Fighter Wing, Montana Air National Guard, was recognized for their outstanding achievements, receiving the Air Force Outstanding Unit Award, the 2004 Air Force Maintenance Effectiveness Award, and the Air National Guard Security Forces Squadron of the Year Award, 2004.

♦Over 18 million dollars in construction was accomplished in 2004. Essentially 100 percent of that amount came from the federal government. The 53,000 square-foot Kalispell Armed Forces Reserve Center, home of the 495th Transportation Battalion, was well past 50 percent complete at year-end. A Navy funded project for $4.4 million procured land for the state and financed the construction contract for a Naval Reserve addition to the Billings Armed Forces Reserve Center. A pair of 14,000 square-foot buildings at Fort Harrison will provide new space for the Montana Civil Support Team and Post Engineers. A renovation of the Readiness Center for the 3669th Maintenance Company at Fort Harrison was also contracted. Numerous smaller projects and designs were undertaken, primarily in the Helena area.

♦Eight Medical Innovative Readiness Training exercises providing computer-generated health risk assessments, physicals, cholesterol and glucose screening, and inoculations were conducted on all seven sovereign Indian Nations and the Helena Indian Alliance, contributing to the health and welfare of our Native Americans.

♦In 2004 the Montana National Guard expanded a decade-long international relationship with Kyrgyzstan through the State Partnership Program. This joint initiative between Kyrgyzstan, the White House, the State Department, the Department of Defense, and the State of Montana has provided an effective model Kyrgyzstan has used to structure a democracy, initiate a free market economy, and inculcate the proper role of a military force subservient to civilian authority. Primarily through the establishment of this relationship, the Kyrgyz have emerged as one our strongest allies in the Global War on Terrorism. Highlights from 2004 include meetings between the President of Kyrgyzstan and the Governor of Montana to ratify a formal document pledging mutual cooperation, dedication of a home for the developmentally disabled in Bishkek, development of a professional non-commissioned-officer course for the Kyrgyz Military Academy, disaster preparedness exercises, medical seminars, border security, peacekeeping operations, and professional educational exchanges between the University of Naryn (KG), Osh Law School (KG) ,the University of Montana, Montana State University and Carroll College.

Disaster and Emergency Services

It is the mission of this agency to lead in coordinating comprehensive emergency management in our state to ultimately guide our citizens in building disaster resistant communities.

♦A proactive leader in Homeland Security planning and equipment grants

♦Lead agency for coordinating the state's response to disasters statewide. Among our hazards: severe storms, earthquakes, floods, hazardous materials, terrorism, and wildland fires

♦Provider and coordinator of comprehensive training, reaching out to all areas of emergency management

As demographics seek out areas susceptible to natural hazards, the challenges become more complex. The past five years have been among the agency's most challenging, as demonstrated by the following information:

	2000–2004	1974–2004
State Declarations	22	116
Federal Declarations	19	31
Public Assistance	$ 64,781,788	$ 98,241,999
Individual Assistance	$ 13,960,400	$ 15,788,780
Hazard Mitigation	$ 1,379,629	$ 2,136,631
TOTAL:	$ 80,121,817	$ 116,167,410

September 11th had a significant impact on DES, expanding levels of responsibility and increasing the agency work effort. Billions of dollars have been allocated to the nation to secure our homeland. The Montana portion has been substantial, over $45 million dollars, and has allowed Montana communities to enhance response capabilities.

1999-2004 Homeland Security Grants for Montana

1999 DOJ	$ 442,000
2000-2001 DOJ	883,000
2002 DOJ	2,967,000
2002 FEMA	559,852
2003 Vista	12,000
2003 DHS	5,303,000
2003 War Supplemental	14,047,000
2003 CERT	213,831
2004 DHS	20,668,000
2005 DHS	15,317,765
TOTAL:	$ 60,413,448

With our diverse topography, a high risk for hazards, and an expanding population, our challenges have never been greater.

Veterans Affairs

Provides statewide support to 108,000 veterans and 160,000 family members accessing earned veterans' federal and state entitlements and benefits and manages the state's two veterans' cemeteries.

♦Work efforts of the Veterans' Service Officers directly contributed to Montana Veterans receiving $60,416,286 in Federal VA benefits

✓ *$91 Federal for every $1 of State General Fund Investment*

♦Eight statewide Veterans' Service Offices, located in Belgrade, Billings, Butte, Great Falls, Helena, Kalispell, Miles City, and Missoula

♦Processed 7787 veteran benefit and entitlement claims

♦State veterans' cemeteries at Fort Harrison (Helena) and Miles City

2004 Montana Veterans' Claim Work Impact

Veteran Service Area	Total Dollars
Belgrade	$ 2,848,102
Billings	9,251,316
Butte	3,372,450
Great Falls	10,569,078
Helena	2,095,564
Kalispell	12,190,413
Miles City	5,206,439
Missoula	13,175,688
Out of State	1,707,236
Total Federal VA $ to Montana Veterans:	$ 60,416,286

ChalleNGe Program

Montana National Guard Youth ChalleNGe Program is focused on at-risk youth, 16-19 years of age that are educational dropouts, by providing them a second chance at life. ChalleNGe provides the tools and experiences to succeed during an intense 17-month program: graduating productive, employable, law abiding, taxpaying citizens.

♦Eleven classes completed since the program's inception for total of 852 graduates

♦GED completion rate is an impressive 85% (2004); National average is 70%

♦80% of graduates pursuing college or continuing education, military service (over 30 graduates served in Iraqi and Afghanistan), or other employment

♦Montana Youth ChalleNGe Program was selected as one of the top eight programs in the nation of 35 programs and selected the best in physical fitness for the Federal Year 2005

Centralized Services

Directs state resources to enhance the preparedness level of the Montana National Guard (Army and Air), Disaster and Emergency Services, ChalleNGe Program, and Veterans Affairs to perform their respective missions at the state and federal level.

♦Coordinated efforts between guard personnel and government agencies during statewide disasters

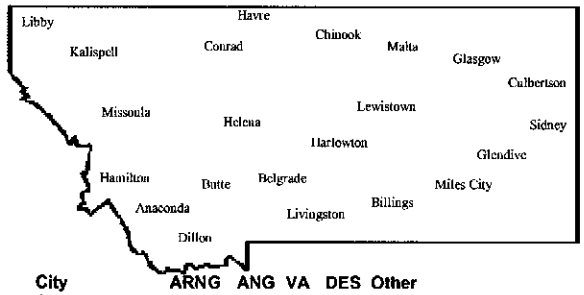
♦Established and maintained a $30 million annual department-wide budget on behalf of the Adjutant General

♦Provided accounting assistance to seven divisions and programs to ensure compliance with legislative intent and state and federal compliance

♦Developed a comprehensive value-based personnel management service for employees, supervisors, and administrators

Montana DMA Locations

Personnel Strength



City	ARNG	ANG	VA	DES	Other	
Anaconda	24					
Billings	327		2	1		
Belgrade	173		2			
Butte	52		2			
Chinook	10					
Conrad				1		
Culbertson	56					
Dillon	54				47	ChalleNGe Program
Glasgow	43					
Glendive	34					
Great Falls	90	986	2			
Hamilton	28					
Harlowton	13					
Havre	26		1			
Helena	862	25	8	24	9	Centralized Services
Kalispell	164		2			
Lewistown	17			1		
Libby	29					
Livingston	67			1		
Malta	64					
Miles City	59		1	1		
Missoula	212		2			
Sidney	41					
Thompson Falls				1		