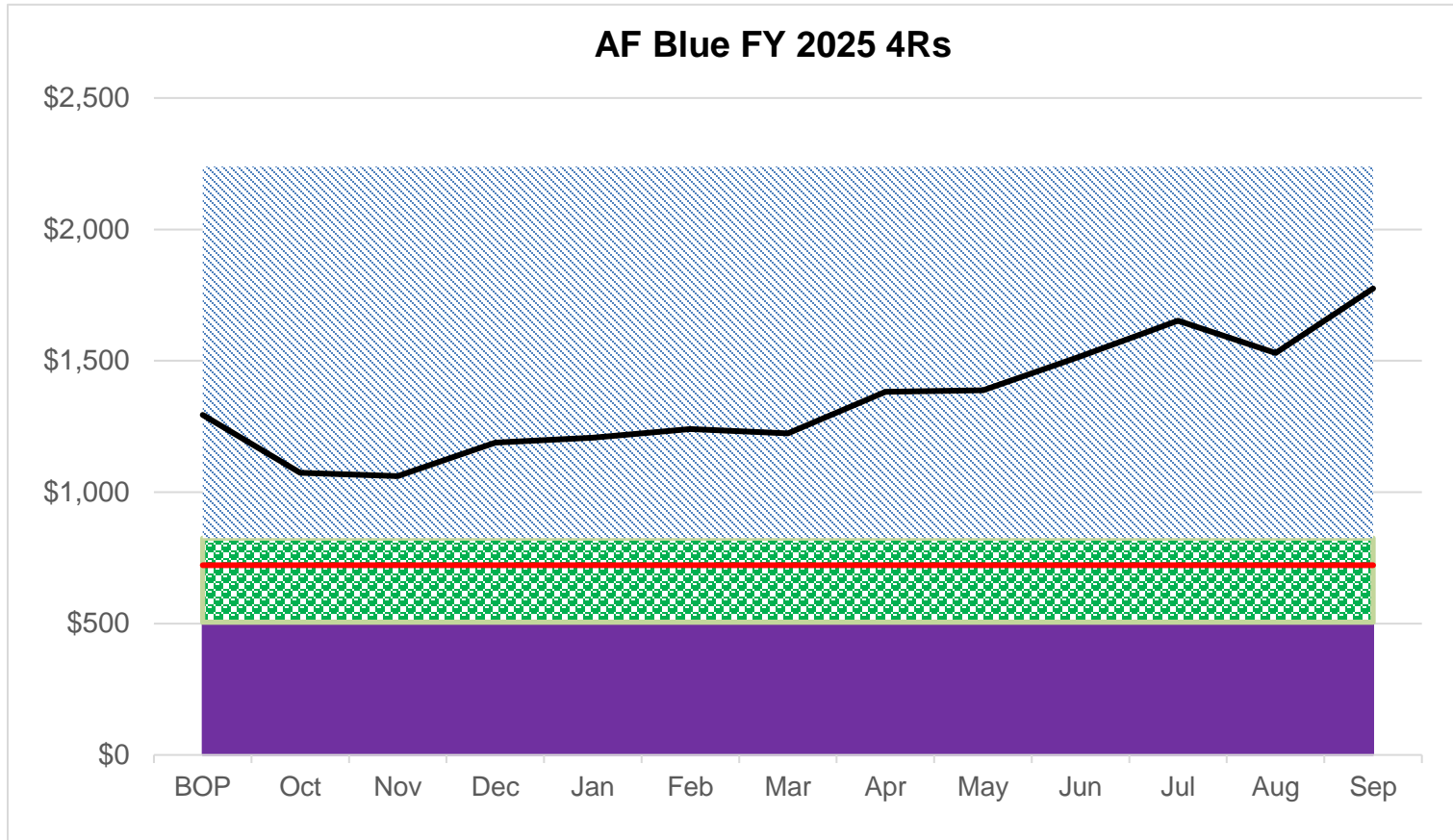


AFWCF Financial Summary

(Dollars in Millions)	FY 2023	FY 2024	FY 2025
Total Revenue	28,239.2	29,176.6	30,704.1
Cost of Goods Sold	27,950.4	29,494.7	30,083.2
Net Operating Result Adjustments	5.0	(46.6)	2.0
Net Operating Result (NOR)	293.8	(364.7)	622.9
Accumulated Operating Result (AOR)	546.0	73.1	547.8
Civilian End Strength	33,848	34,735	35,110
Military End Strength	12,472	12,705	12,846
Civilian Workyears	32,839	32,973	33,579
Military Workyears	12,388	12,885	13,037
Capital Budget	281.2	312.6	359.5
Direct Appropriation ¹	80.4	80.4	86.9

¹ A full-year FY 2024 appropriation for this account was not enacted at the time the budget was prepared, therefore, the budget assumes the account is operating under the Further Continuing Appropriations and Other Extensions, 2024 (Public Law 118-22). The amounts included for FY 2024 reflect the annualized level provided by the continuing resolution.

Cash Management



The 4Rs

The methodology for calculating cash requirements consists of four elements: rate, range of operations, risk mitigation, and reserves (all of which are colloquially known the 4Rs in the AFWCF).

4Rs Graph Key	
	FY 2025 PB Plan
	Rate (Avg Disbursements)
	Range of Operations
	Risk Mitigation
	Reserves

AFWCF Overview - FY 2025 President's Budget (PB)

AFWCF Blue Cash Plan

(\$ Millions)	FY 2023	FY 2024	FY 2025
BOP Cash Balance	\$1,332.1	\$1,088.6	\$1,249.7
Disbursements ¹	\$18,750.9	\$20,283.7	\$20,529.7
Collections ¹	\$18,427.1	\$20,361.2	\$20,923.9
Transfers In/Out	\$0.0	\$0.0	\$0.0
WRM	\$80.4	\$83.6	\$86.9
EOP Cash Balance	\$1,088.6	\$1,249.7	\$1,730.8
Lower Limit Cash Goal	\$997.5	\$825.8	\$825.1
Upper Limit Cash Goal	\$2,614.2	\$1,720.0	\$2,239.3

¹ Includes WRM, does not include Transfers In/Out

FY 2023, AFWCF Blue cash ends the year with \$243.5 million less than the BOP but falls within limits for this period and will support the Treasury Department's daily cash reporting initiative and division level analysis. CSAG-M reduced cash during the year, partially offset by SMAG-R increases in cash.

FY 2024, AFWCF Blue cash plan increases by \$161.1 million by EOP and will be within the operating limits throughout the fiscal year and will support the Treasury Department's daily cash reporting initiative and division level analysis. CSAG-M has a planned increase to cash during the year, partially offset by CSAG-S and SMAG-R reduction in cash as rates return funds to customers.

FY 2025, AFWCF Blue cash plan increases by \$481.1 million during the year and will be within the operating limits throughout the year and will support the Treasury Department's daily cash reporting initiative and division level analysis. SMAG-R continue to return profits, countered by CSAG-M's plan to increase cash. Limits support the wide range of divisional level programs.

SM-6
(Dollars in Millions)

War Reserve Material
Air Force Working Capital Fund
Supply Management Activity Group - Retail

Fiscal Year (FY) 2025
Budget Estimates
February 2024

Supply Management Activity Group - Retail

FY2023

STOCKPILE STATUS	Total	WRM Protected	WRM Other
1. Inventory BOP @ std	854.437	854.437	.000
2. Price Change	.000	.000	.000
3. Reclassification	.000	.000	.000
4. Inventory Changes	26.912	26.912	.000
a. Receipts @ std	93.674	93.674	.000
(1). Purchases	93.417	93.417	.000
(2). Returns from customers	.256	.256	.000
b. Issues @ std	(30.513)	(30.513)	.000
(1). Sales	(16.349)	(16.349)	.000
(2). Returns to suppliers	(.054)	(.054)	.000
(3). Disposals	(14.111)	(14.111)	.000
c. Adjustments @ std	(36.248)	(36.248)	.000
(1). Capitalizations	2.363	2.363	.000
(2). Gains and losses	4.626	4.626	.000
(3). Other	(43.236)	(43.236)	.000
Inventory EOP	881.349	881.349	.000

STOCKPILE COSTS

1. Storage	.000
2. Management	.000
3. Maintenance/Other	.000
Total Cost	.000

WRM BUDGET REQUEST

1. Obligations @ cost	
a. Additional WRM Investment	
i. Current Year (Direct Appropriation)	80.448
ii. Prior Year	.000
b. Replen/Repair WRM -Reinvest (from Prior Year WRM Sales)	4.196
c. Stock Rotation/Obsolescence	.000
d. Assemble/Disassemble	.000
e. Other	.000
Total Request	84.644

SM-6 Supply Management Activity Group - Retail

SMAG-R Retail Customer Base

SMAG-R generates revenue from sales of various supplies to a diverse customer base. Primary SMAG-R customers are Air Force Major Commands (including Air Force Reserve and Air National Guard), Foreign Military Sales, Army, Navy, Defense Health Program, non-DoD activities, and other working capital activities, such as Air Force Consolidated Sustainment Activity Group–Maintenance Division.

SMAG-Retail Financial and Performance Summary

The table on the next page provides revenue and expense data for the SMAG-R division. Revenue and expenses in FY 2023 reflect an Accumulated Operating Result (AOR) of \$769.3 million and primarily due to GSD. Expenses increase primarily driven by GSD projected workload in FY 2024 and FY 2025 in Flying Hour Program (FHP) and increasing inflation factors. Revenue increase is consistent with increasing price change and customer requirements. Expense and Revenue changes for USAFA and MDD are stable and in line with current customer requirements and historical data. SMAG-R AOR declines by \$24.8 million in FY 2024 and by \$108.1 million in FY 2025 as GSD returns profits ending with a deferred AOR of \$636.4 million. The deferred AOR reduces insolvency risk in GSD and the AFWCF overall and allows the program to preserve cash.

Projected FY 2024 Unit Cost Rate (UCR) for SMAG-R is 1.01, and FY 2025 UCR is 1.02, slightly above normal 1.0 goals due to GSD deferred AOR.

The WRM direct appropriation received is included in the Total Revenue and Expenses balances in all fiscal years. Other Adjustments (WRM) are completed so Net Operating Result (NOR) reflect only results associated with the Operating Program, keeping WRM Program activity NOR neutral.

SM-3B
(Dollars in Millions)

Weapons System Funding
Air Force Working Capital Fund
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2025
Budget Estimates
February 2024

CSAG - Supply Division

FY2024	Reparable Buy	Consumable Buy	Total Buy	Initial Spares	Internal/Organic Repair	Cost Authority Contract Repair	Total Repair	Total	NMCRS Percent
A-10	27.900	3.423	31.323	0.000	231.824	38.208	270.032	301.355	6.0%
B-1B	73.223	.448	73.671	0.000	111.478	30.999	142.478	216.149	2.7%
B-2	479.208	3.548	482.756	0.000	21.292	22.124	43.416	526.172	7.2%
B-52	51.803	.693	52.496	0.000	265.987	44.704	310.691	363.187	7.2%
C-5	29.993	2.813	32.806	0.000	140.146	11.333	151.480	184.285	7.0%
C-17	.316	0.000	.316	0.000	2.268	.690	2.958	3.273	5.1%
C-130	60.406	1.301	61.707	0.000	86.980	19.778	106.758	168.465	3.5%
C-135	133.122	2.511	135.633	0.000	390.897	110.353	501.251	636.884	3.9%
C-141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
C-46	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
E-3	16.697	.941	17.638	0.000	84.593	5.319	89.912	107.550	5.8%
E-4	.137	0.000	.137	0.000	1.955	.258	2.213	2.350	0.5%
E-8	.199	0.000	.199	0.000	.042	1.957	1.999	2.198	0.0%
F-4	.003	0.000	.003	0.000	0.000	0.000	0.000	.003	0.0%
F-15	85.550	.433	85.983	0.000	226.449	11.432	237.881	323.864	6.9%
F-16	63.471	5.661	69.132	0.000	313.154	27.753	340.907	410.039	7.1%
F100 Engines	22.159	16.681	38.840	0.000	282.991	23.408	306.399	345.239	0.0%
F110 Engines	50.263	0.000	50.263	0.000	12.327	88.956	101.283	151.545	0.0%
F-22	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.8%
F-35	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	27.2%
F-111	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
F-117	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-1	8.251	.005	8.255	0.000	.569	21.770	22.339	30.594	1.9%
H-3	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-53	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
H-60	7.743	0.000	7.743	0.000	.169	7.355	7.524	15.267	3.1%
KC-46	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9.0%
Trainers	34.577	20.139	54.716	0.000	27.337	38.673	66.010	120.726	8.6%
Other Aircraft	10.313	.004	10.317	0.000	.960	6.677	7.637	17.955	3.6%
RQ-4	16.364	0.000	16.364	0.000	0.000	49.628	49.628	65.992	6.9%
SOF	.370	0.000	.370	0.000	1.952	80.346	82.298	82.668	8.6%
Common	35.844	7.416	43.260	0.000	258.370	154.395	412.765	456.025	0.0%
Common EW	8.656	3.990	12.646	0.000	31.894	19.771	51.665	64.311	0.0%
FMS/FDT	1.832	2.839	4.671	0.000	0.000	0.000	0.000	4.671	0.0%
Missiles	10.564	6.622	17.185	0.000	27.265	3.767	31.032	48.218	0.0%
Other	6.642	.048	6.690	0.000	15.149	52.247	67.397	74.087	0.0%
NIMSC5	0.000	0.000	0.000	0.000	0.000	52.805	52.805	52.805	0.0%
NIMSC5-CV-22	0.000	0.000	0.000	0.000	0.000	187.219	187.219	187.219	3.8%
New WS Fund 1	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Inventory Augmentation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
RSP	0.000	0.000	0.000	0.000	190.000	0.000	190.000	190.000	0.0%
JEIM	0.000	0.000	0.000	0.000	42.705	0.000	42.705	42.705	0.0%
Local Manufacture Buy	0.000	0.000	0.000	0.000	8.835	0.000	8.835	8.835	0.0%
AMARG	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
Org Sustaining Engrg	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0%
PBL	0.000	0.000	0.000	0.000	0.000	295.244	295.244	295.244	0.0%
Total	1,235.605	79.516	1,315.121	0.000	2,777.590	1,407.168	4,184.758	5,499.879	0.0%

SM-3B CSAG - Supply Division

CSAG - Maintenance Division

	FY2023 to FY2024	FY2024 to FY2025
Cost of Operations		
Organic BOP	8,137.477	8,818.877
Contract BOP	.000	.000
Cost of Operations	8,137.477	8,818.877
ANNUALIZATION		
Annualization of Civilian Pay	.000	.000
Annualization of Military Pay	(.000)	.000
TOTAL ANNUALIZATION	(.000)	.000
PRICE CHANGES		
Civilian Pay Raises	135.704	75.818
Military Pay Raises	.743	.347
Material Price Growth	352.424	462.280
Fuel Price Growth	.657	1.561
Other Growth	25.071	27.162
TOTAL PRICE CHANGES	514.599	567.168
PRODUCTIVITY SAVINGS		
Civilian Labor Savings	.000	.000
Material/Supply Savings	.000	.000
Reinvestment/Rate Reduction	.000	.000
TOTAL PRODUCTIVITY SAVINGS	.000	.000
PROGRAM CHANGES		
Labor Workload	173.249	56.716
Material Workload	(48.843)	(565.822)
BOS	1.367	2.153
Contract Changes	.000	.000
TOTAL PROGRAM CHANGES	125.773	(506.952)

Fund 9B
(Dollars in Thousands)

Activity Group Capital Investment Justification
Air Force Working Capital Fund
Consolidated Sustainment Activity Group (CSAG)

Fiscal Year (FY) 2025
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Department of the Air Force Depot Maintenance				Line No. & Item Description MINOR CONSTRUCTION			Activity Identification HQ AFMC		
Element of Cost	FY2023			FY2024			FY2025		
	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
D. Minor Construction	1	26,618.1	26,618.1	1	0.0	0.0	0	23,570.0	23,570.0
Total	1	26,618.1	26,618.1	1	0.0	0.0	0	23,570.0	23,570.0
Narrative Justification:									
Description									
This category includes an array of minor construction projects that allows flexibility in adapting to new and changing workloads. Projects are smaller in scale (costing between \$250,000 and \$6,000,000) and are designed, scheduled, and constructed in accordance with Air Logistic Complexes' established priorities. These projects support the depot maintenance, mission requirements, correct safety and health problems; improve productivity through quality of life improvement projects, improve depot flow days and support office and work space reorganizations. In addition, MC projects provide construction required to install needed mission essential equipment and capital investment equipment. \$5M of Minor Construction has been allocated for the concrete Ramp Expansion to accompany the Temporary Fabric Hangars (WSS) to support the B-52 re-engine efforts.									
Economic Analysis									
An Economic Analysis was completed and is on file. EA waiver was obtained for the Ramp Expansion (MC) and temporary Fabric Hangars (WSS).									
Impact									
If facilities are not properly maintained or modernized based upon required depot workload, there will be work stoppages along with safety and security issues which affects weapon system availability. The minor construction that is required for new equipment setup will not be in place, thus severely impacting the depots' ability to efficiently provide repair services and meet warfighter requirements. The B-52 fleet will undergo a major modernization effort in conjunction with PDM starting in FY25 requiring additional dock space at OC-ALC. Current dock and ramp constraints are inadequate to support B-52 modernization efforts stressing the need for an expansion of the Ramp (Minor Construction) and the procurement of temporary Fabric Hangars (WSS).									

Supply Undelivered Orders (\$M)	FY 2023	FY 2024	FY 2025
Supply Division	5,518.3	5,628.7	5,741.3

Changes in undelivered orders are predominately due to adjustments in customer requirements and inflation. Minimal impact on cash or inventory levels is expected as a result of changes in undelivered orders.

Supply Item Quantity Requirements	FY 2023	FY 2024	FY 2025
Number of Issues	1,531,366	1,536,333	1,495,692
Number of Receipts	1,754,801	1,712,815	1,641,568
Number of Requisitions ¹	363,021	388,333	423,378
Contracts Executed ²	929	1,059	851
Purchase Inflation	2.0%	7.0%	7.0%
Items Managed	75,084	96,904	111,004

⁽¹⁾ Requisitions are lower than issues due to Supply requisitions containing quantities greater than one, while issues are counted per unit. For example, one requisition for a National Stock Number (NSN) may order a quantity greater than one. When the requisitioned NSNs are issued, each unit is counted as an individual issue.

⁽²⁾ FY24 and 25 values estimated based on historical data.

⁽³⁾ FY24 and FY25 issues, receipts and requisitions are estimated based on historical averages