

Department of Military Affairs

- Disaster and Emergency Services
- Montana Youth Challenge Academy
- Montana Veterans Affairs Division
- STARBASE
- Montana Air National Guard
- Montana Army National Guard

Construction and Facilities Management Office

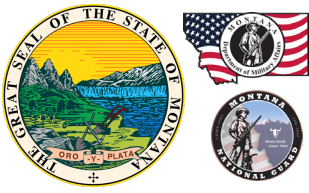
WHAT WE DO

The Construction and Facilities Management Office (CFMO) manages the Army Program's state general fund as well as the federal funding federally appropriated for facility management. CFMO supports the MTARNG mission as the principal advisor to the Adjutant General on all aspects of real property, facilities engineering, construction, and environmental management programs. Statutory Authority is obtained in Article I, U. S. Constitution; Article VI, Section 13, Montana Constitution; Title 10, Chapters 1-3 MCA. The CFMO manages approximately 2,000,000 square feet of facility space which includes 230 buildings such as readiness centers, maintenance buildings, training support facilities, dining facilities and barracks. Additionally, CFMO manages 29,000 acres of land strategically located throughout the state to provide support and capability for the MTARNG.

ARMY PROGRAM FUNDING

Through a cooperative agreement, the federal government funds the sustainment, restoration, and modernization of MTARNG facilities at a level of 50% to 100% depending on the type and location of the facility. CFMO secures military construction funding through a competitive federally funded process, a state share is required on some projects. The average annual expenditure, inclusive of military construction, for the Army program is \$25M of which 90% is federally funded. In FY2025, the Army program general budget was \$2M; and continues to be the annual general fund budget in FY26 and FY27.

There are two major types of project funding for which CFMO competes and executes for the MTARNG. **Federal Sustainment** funding obtained through a competitive process facilitated by the National Guard Bureau has averaged \$8M annually since 2020. The state appropriation provided in HB5 provides the mandatory state match and greatly enhance CFMO's ability to obtain federal funding and sustain the state-owned buildings to the degree required in the Federal/State Cooperative Agreement. Since 2008 CFMO has managed \$139M in **Military Construction** funding for the MTARNG. 90% of the construction was federally funded.

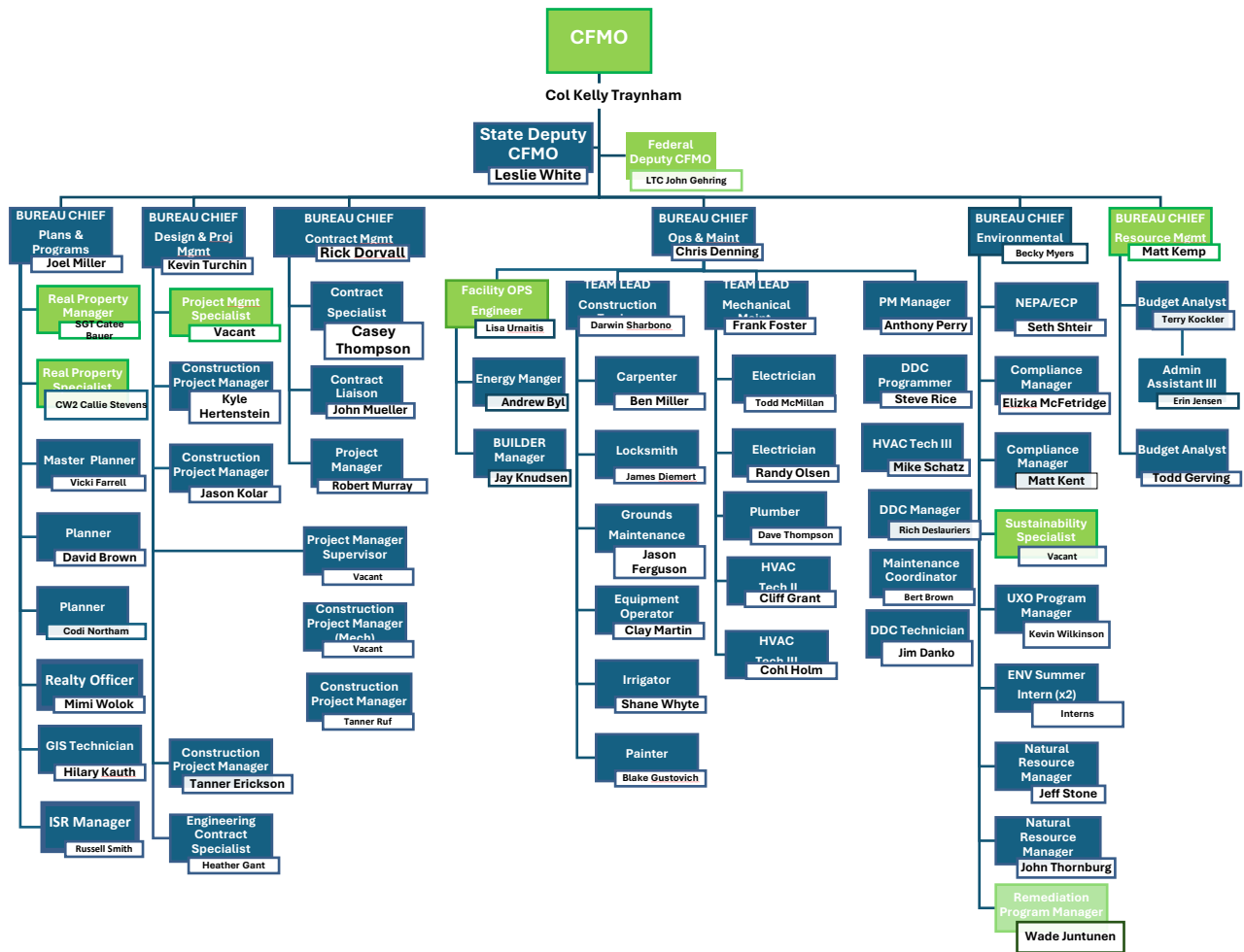


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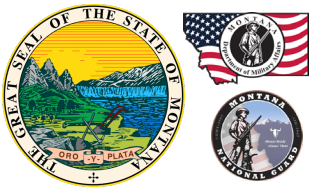
ORGANIZATION STRUCTURE

The Construction and Facilities Management Office has six bureaus consisting of 62 employees which accomplish the responsibilities mentioned above including, project planning and programming, facility construction and maintenance, service contracting, resource management, and real property and environmental management for the facilities and training areas which enable the mission of the MTARNG. The organizational chart is shown below.



State Employee

Federal Employee



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ACCOMPLISHMENTS

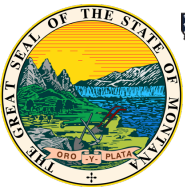
- ✓ Commenced construction of Billings Limited Army Aviation Support Facility Phase I in alignment with completion by December 2026. The \$52M facility funded through state appropriated ARPA funding is the landmark building located on the Billings Readiness and Innovation Campus.
- ✓ Secured design authority for the Billings Readiness Center in December 2024.
- ✓ Completed construction of Silver Bow Readiness Center in September 2024. The \$35M, 52,000 sf facility was 75% federally funded.
- ✓ Purchased two land holdings to Limestone Hills Training Area and secured two land use agreements for MTARNG utilization.
- ✓ Developed and implemented business process for programming and executing MILCON and Sustainment Restoration and Modernization funding which will enable the program to more competitive for the federal funds which allow CFMO to maintain and construct MTARNG facilities in support of their state and federal missions.
- ✓ Initiated range standardization through communication with NGB which is a critical step in obtaining federal funding to develop and sustain training areas for MTARNG.

DECISION PACKAGES

The Army Program has four decision package requests. The standard SWPL 1, 2 and 3 decision packages and one New Proposal.

SWPL 1 Personal Services				
The budget includes a reduction of \$186,145 in FY 2026 and \$173,325 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.				
Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2026	(9,300.00)	-	(176,845.00)	(186,145.00)
FY 2027	(8,650.00)	-	(164,675.00)	(173,325.00)
Biennium Total	(17,950.00)	-	(341,520.00)	(359,470.00)

SWPL 2 Fixed Costs				
The request includes funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.				
Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2026	7,098.00	-	(33,870.00)	(26,772.00)
FY 2027	(3,368.00)	-	(63,995.00)	(67,363.00)
Biennium Total	3,730.00	-	(97,865.00)	(94,135.00)



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DECISION PACKAGES

SWPL 3 Inflation/Deflation				
This change package includes a reduction of \$84 in FY 2026 and \$57 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.				
Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2026	(4.00)	-	(80.00)	(84.00)
FY 2027	(3.00)	-	(54.00)	(57.00)
Biennium Total	(7.00)	-	(134.00)	(141.00)

PL 1201 ARNG State Special Revenue Increase				
This request increases state special revenue authority in the Army National Guard program. This fund receives revenue for grazing leases and armory rental fees. The increase in spending authority would allow ARNG to spend the revenue received each fiscal year. This request is for \$3,500 in each year of the biennium.				
Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2026	-	3,500.00	-	3,500.00
FY 2027	-	3,500.00	-	3,500.00
Biennium Total	-	7,000.00	-	7,000.00