

Fort Huachuca I am sure
[Signature]

12 March 1949

Honorable Fred Fritz, President
Members of State Senate
Arizona Nineteenth Legislature
Regular Session
Capitol Building
Phoenix, Arizona

Gentlemen:

The Office of The Adjutant General has been requested to provide the Senate with information relative to the terms of the Deed and the amounts of income that may be derived relative to the maintenance of Fort Huachuca.

The terms of the Deed insofar as the National Guard area is concerned permits the leasing of the Artillery Range for cattle grazing purposes. In addition, it provides for the operation of the utilities now located at Fort Huachuca and further, it provides for the rental and leasing of buildings and betterments at Fort Huachuca. The terms of the Deed also indicate that should certain properties become surplus to the needs of the National Guard--these can be disposed of by obtaining permission of the Administrator of the War Assets Administration or his successor.

The provisions of the Deed state that the income received from sales, rentals, or any other source, must be deposited to a National Guard Fund for the maintenance of Fort Huachuca only. In other words, this income cannot be expended except in or on Fort Huachuca.

Statements of income that can be received from Fort Huachuca were furnished to the Offices of the Governor, Attorney General and State Auditor, and are as follows:

LEASES AND CONTRACTS:

Citizens Utility Company		
Power Plant lease	\$24,000.	
Cattle Grazing		
Artillery Range	1,800.	
Rental - Houses, Buildings, etc	<u>3,120.</u>	\$28,920.

SALES:

Surplus trackage, pipe, tanks, fittings, (Estimates based upon present prevailing prices)		\$51,550.
		\$80,470

EXPENSES CHARGED TO THIS INCOME:

Payroll of eighteen persons	\$ 4,175.	
Operations expenses	<u>1,025.</u>	
	MONTHLY - - \$ 5,200.	ANNUAL - - \$62,400.

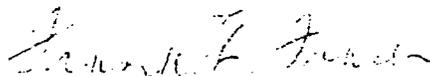
The above schedules of income and expenses are based upon anticipated operations for the current year. The size of the guard force and other personnel required to operate Fort Huachuca can be materially reduced when buildings and equipment sold to veterans, State institutions, and other persons, are removed from the Fort area. It is proposed to curtail operating expense as soon as practicable and always keep expense of operation within the income afforded from the operation of Fort Huachuca itself, as defined by the Deed from the Federal Government.

In addition to the income enumerated above, expenditures will be made from time to time from funds furnished by the National Guard Bureau. This year the National Guard Bureau is providing \$15,050.00 for what they term, the opening and closing costs of Fort Huachuca, in order to make it suitable for the training of the National Guard of Arizona in August 1949. This money is not a grant to the State of Arizona, and is not expended by the State of Arizona. It is expended by the Acting United States Property and Disbursing Officer for Arizona, under the direction of the National Guard Bureau and the funds this

year will be used in repairing certain buildings; gas, water and power lines; and target range, etc.

Camp Edwards, Massachusetts, has received an average of \$100,000. a year from the National Guard Bureau for opening and closing and maintaining Camp Edwards for use of the National Guard of Massachusetts. We do not anticipate receiving such a large sum until our strength has approached the maximum allocated to this State. We do believe the \$15,050. given to us this year will probably be doubled in future years. It is well to repeat again that this is not a grant to the State for the operation and maintenance of Fort Huachuca. I repeat this due to the fact there is some confusion in the minds of people that this is additional revenue--it is not additional revenue. It is ear-marked for a specific purpose to make Fort Huachuca habitable for the National Guard during their training period.

FOR THE ADJUTANT GENERAL:



FRANK E. FRASER
Colonel, Inf-IGD
Executive Officer