

**DEPARTMENT OF THE NAVY  
FAMILY HOUSING - 2005 BUDGET ESTIMATES  
JUSTIFICATION  
NAVY**

**FURNISHINGS**

<u>FY 2004</u>	<u>FY 2005</u>
\$18,884,000	\$18,451,000

Reconciliation of Increases and Decreases

		<u>(Dollars in Thousands)</u>
1.	FY 2004 President's Budget Request	23,140
2.	FY 2004 Appropriated Amount	18,884
3.	FY 2004 Current Estimate	18,884
4.	Pricing Adjustments	277
	a. Civilian Personnel Compensation	23
	b. Inflation	177
	c. Working Capital Fund	77
5.	Program Decreases	(1,541)
	a. Inventory Reduction	(1,541)
6.	Program Increases	831
	a. Inventory Increase	187
	b. Historic Execution Rate Adjustment	644
7.	FY 2005 President's Budget Request	18,451

**RATIONALE FOR CHANGES IN THE FURNISHINGS ACCOUNT.**

Pricing adjustments are proposed in the Furnishings Account for Civilian Personnel Compensation, Inflation, and Working Capital Fund. Program decrease reflects those units being pulled off of line primarily due to PPV execution and demolition. Program increases are for revitalized homes coming back on line. Additionally, the other program increase reflected is to align the account to historic execution rates in an attempt to avoid in-year reprogramming into this account.