Office of Management & Finance

REVISED FY2003-04 Current Service Level (CSL) Targets

City of Portland-General Fund, FY2003-04

As Of..... 12-Feb-2003

Estimated FY2003-04 Bureau Discretionary Targets Have Been Update For Revised Overhead Estimates

FY2004-05 Current Service Level Estimates (see page 9)

General Fund Bureau/Program	*Discretionary*	*Overhead*
Bureau of Police (Operating).....	$115,144,237	$0
Bureau of Fire (Operating).....	$65,369,889	$251,618
Bureau of Parks.....	$30,982,591	$0
Commissioner #2--AU190.....	$289,109	$360,601
Commissioner #4--AU191.....	$353,635	$296,324
Commissioner #3--AU192.....	$289,571	$359,925
Commissioner #1--AU193.....	$288,290	$360,907
Office of the Mayor.....	$603,813	$745,169
Cable Communications.....	$673,015	$0
PCA Access Payments.....	$799,890	$0
Office-Sustainable Development.....	$364,459	$0
Government Relations.....	$329,304	$402,560
Office of Management & Finance(OM	$3,607,079	$5,118,939
Unused LIne	$0	$0
Bureau of Licenses.....	$2,729,153	$0
Office-City Attorney.....	$1,636,450	$1,203,007
Office-City Auditor.....	$2,270,452	$1,897,348
Office of Neighborhood Involvement...	$3,896,675	$178,137
Bureau of Planning.....	$5,284,243	$140,957
Bureau-Community Dev.(BHCD).....	$2,774,897	$0
Special Appropriations (NET).....	$3,208,775	$153,597
Subtotal-General Fund Bureaus.....	$240,895,526	$11,469,089
Unused Line.....	$0	
BOEC Target IA w/ General Fund.....	$8,632,647	
PDOT CSL Support.....	$86,338	
BDS &-Neighborhood Quality.....	$2,156,933	
Regional Arts Commission (RACC)....	$2,045,420	
Current Service Level Total.....	$253,816,864	$11,469,089

Discussion

The table at the left summarizes estimated General Fund current service level discretionary budgets plus overhead recovery numbers. Adopted FY2003-03 Budgets remain revised for estimated inflation, labor contracts, planned increases, and a 2 percentage point PERS increase. Overhead estimates are revised pending recalculations using Council's Approved Budget.

Escalation Rates

Escalation rates still reflect a December to December consumer price index increase (Portland-Salem) estimate of 1.6%. Targets include recent gas and electric rate and revenue reductions.

The expected July 1, 2003 COLA is 2.0%. Medical benefits escalation has been set at 6.8 percent consistent with recent medical care cost escalation and pending publication of the actual increase in later this month.

Some Key CSL Target Assumptions		
	CPI-W Portland Dec. 2001 To December 2002.....	**1.6%**
	M & S Escalation Rates	
	EXTERNAL M&S.....	**1.3%**
	Net of Utilities.....	**1.7%**
	INTERNAL M&S.....	**2.2%**
	CPI-U All U.S. Cities For FY2003.....	**2.1%**

General Fund CSL Full Time Equivalent (FTE) Positions.....	**2,815**
Difference from last forecast..	***0***
Est. General Fund Compensation Set-Aside.....	**$6,478,302**
Portland Population.....	
FY2002-03.....July 1, 2002.....	**541,533**
FY2003-04.....July 1, 2003.....	**546,878**

Financial Forecast Bureau CSL Targets Compared To Previously Forecast FY2003-04 Discretionary On-Going Budgets

This table summarizes FY2003-04 bureau CSL targets published last December along with the 5-year financial forecast. Estimated CSL targets are are principally revised due to a delay in calculating estimated overhead recovery using estimated inflation and an overhead pool that uses Adopted FY2002-03 budgets as input to the overhead allocation model.

General Fund Bureau	FY2003-04 Last Dec.(*)	Current CSL Estimate	Difference-$	Percent-%
Bureau of Police	$115,144,237	$115,144,237	$0	**0.0%**
Bureau of Fire	$65,344,162	$65,369,889	$25,727	**0.0%**
Bureau of Parks	$30,977,591	$30,982,591	$5,000	**0.0%**
Commissioner #2-AU190	$298,317	$289,109	($9,208)	**-3.1%**
Commissioner #4-AU191	$298,996	$353,635	$54,640	**18.3%**
Commissioner #3-AU192	$298,553	$289,571	($8,982)	**-3.0%**
Commissioner #1-AU193	$298,147	$288,290	($9,857)	**-3.3%**
Office of the Mayor	$618,868	$603,813	($15,055)	**-2.4%**
Cable Communications	$673,015	$673,015	$0	**0.0%**
PCA Access	$799,890	$799,890	$0	**0.0%**
Office-Sustainable Development	$364,459	$364,459	$0	**0.0%**
Governmental Relations	$333,345	$329,304	($4,041)	**-1.2%**
Office of Management & Finance	$3,117,516	$3,607,079	$489,563	**15.7%**
Unused Line	$0	$0	$0	**NA**
Bureau of Licenses	$2,729,153	$2,729,153	$0	**0.0%**
Office-City Attorney	$1,702,779	$1,636,450	($66,329)	**-3.9%**
Office-City Auditor	$2,444,942	$2,270,452	($174,491)	**-7.1%**
Office of Neigh. Involvement	$3,903,867	$3,896,675	($7,192)	**-0.2%**
Bureau of Planning	$5,233,785	$5,284,243	$50,458	**1.0%**
Community Development	$2,774,897	$2,774,897	$0	**0.0%**
Special Appropriations	$3,215,109	$3,208,775	($6,334)	**-0.2%**
Subtotal-Bureaus	$240,571,629	$240,895,526	$323,897	**0.1%**
Unused Line	$0	$0	$0	**NA**
BOEC Target (Fund Cash Transfer)	$8,632,647	$8,632,647	$0	**0.0%**
PDOT CSL Support	$86,338	$86,338	$0	**0.0%**
BDS, Neigh. Quality	$2,156,933	$2,156,933	$0	**0.0%**
Regional Arts Com	$2,045,420	$2,045,420	$0	**0.0%**
Bureau Current Service Level	$253,492,967	$253,816,864	$323,897	**0.1%**

(*) Document CSL0405

Overall bureau on-going CSL targets are up net, $323,897 million compared to the prevoous CSL estimate of $253.5 million. The overall percentage difference works out to 0.1 percent. The principal reason for this is lower overhead recovery as offset by discretionary target increases that keep bureau discretionary plus overhead totals the same. The PERS increase assumption of $1.1 million (see page 3) remains in targets pending a clearer understanding of legislation currently under consideration in Salem.

FY2003-04 Bureau CSL Target Calculations

The table below summarizes estimated preliminary CSL FY2003-04 targets.The calculation starts with a bureau's CSL base as found in Coucil's Adopted FY2002-03 budget. A pro-rata share of the current year's compensation set-aside is added to this base. This total is then adjusted for expected cost escalation due to inflation. Council approved target increases are added. Target increases include previous financial plan changes plus any FY2002-03 Council authorized target increases.

General Fund Bureau	Base CSL FY2002-03	Pro-Rata Compensation SA(*)	Escalation & PERS Increases	Estimated CSL FY2003-04	One-Time & Carryover
Bureau of Police.....	$110,329,738	$2,976,599	$1,837,901	$115,144,237	$0
Bureau of Fire.....	$61,680,910	$1,817,543	$1,845,709	$65,369,889	$0
Bureau of Parks.....	$29,549,005	$827,503	$601,083	$30,982,591	$105,000
Com. #2-AU190.....	$281,348	$16,618	$351	$289,109	$0
Com. #4-AU191.....	$219,475	$12,275	$67,245	$353,635	$0
Com. #3-AU192.....	$281,786	$17,273	($506)	$289,571	$0
Com. #1-AU193.....	$281,682	$16,293	$171	$288,290	$0
Office of the Mayor.....	$585,331	$31,144	$2,393	$603,813	$0
Cable Com.....	$639,033	$19,647	$14,336	$673,015	$0
PCA Access.....	$784,205		$15,685	$799,890	$0
Office-Sus. Develop....	$325,354	$32,340	$6,766	$364,459	$0
Govern. Relations.....	$319,438	$13,851	$56	$329,304	$0
OMF.....	$2,696,077	$444,491	($23,052)	$3,607,079	$85,000
Unused Line.....	$0	$0	$0	$0	$0
Bureau of Licenses.....	$2,593,509	$82,027	$53,616	$2,729,153	$0
Office-City Attorney.....	$1,554,533	$133,653	$14,593	$1,636,450	$0
Office-City Auditor.....	$2,281,148	$152,675	$11,119	$2,270,452	$0
Office of Neigh. Involv.	$3,739,469	$97,616	$66,782	$3,896,675	$0
Bureau of Planning.....	$4,930,431	$145,309	$158,045	$5,284,243	$0
Community Develop....	$2,678,249	$57,753	$38,895	$2,774,897	$0
Special Approps.....	$3,176,238	$0	$38,871	$3,208,775	$0
Subtotal-Bureaus.....	$228,926,959	$6,894,610	$4,750,060	$240,895,526	$190,000
Unused Line.....	$0			$0	$0
BOEC Target IA.....	$8,318,245		$314,402	$8,632,647	$0
PDOT CSL Support.....	$84,795		$1,543	$86,338	$0
BDS, Neigh. Quality....	$2,129,886		$27,047	$2,156,933	$0
Regional Arts Com.....	$2,004,207		$41,213	$2,045,420	$375,000
Current Service Level	$241,464,092	$6,894,610	$5,134,265	$253,816,864	$565,000

(*) FY2002-03 Compendation Set-Aside (2.2% COLA)

Non-Bureau City-Wide CSL		Original	One- Time	Approved	Adopted
Unused Line					
Unused Line					
Unused Line					
Unused Line					
Unused Line					
Unused Line					
Unused Line					
Unused Line					
Total Non-Bureau.....	.....	$0	$0	$0	$0

The table below displays, for General Fund bureaus, the various sources of funding that back a bureau's budget and shows how the discretionary allocation fits into the overall funding scheme. Briefly, a bureau's budget "is backed" by three types of resources: a discretionary target allocation from Council, overhead recovery (if applicable) and non-discretionary revenues. Non-discretionary revenues include grants and donations, contract revenue, any inter or intra-agency billings, and bureau fee revenues and miscellaneous types of revenues. Overhead recovery revenues are limited to specific General Fund bureaus as shown on the CSL target schedule on page 1 of this document.

SOURCES OF FUNDING	
General Fund (101)	
General Fund Resources:	**$**
Target Discretionary Allocation.....	***$xx,xxx,xxx***
General Fund Overhead.....	$xx,xxx,xxx
Subtotal Discretionary + Overhead	$xx,xxx,xxx
Non-Discretionary Revenues.....	
Grants & Donations.....	$xx,xxx,xxx
Contract Revenue.....	$xx,xxx,xxx
Interagency (IA) Revenue.....	$xx,xxx,xxx
Bureau Program (Fee) Revenue.....	$xx,xxx,xxx
Subtotal Non-Discretionary	$xx,xxx,xxx
TOTAL BUREAU BUDGET.....	***$xx,xxx,xxx***

Discretionary PERS In Targets..... Bureau discretionary targets are adjusted for an expected 2.16 percentage point increase in the PERS employer contribution rate. The table below shows OMF's calculation for these target increases. Please note that only the estimated, pro-rata, discretionary share of the increase has been incorporated in bureau discretionary targets.

Schedule: Calculated PERS Discretionary Target Increase

CSL Requirements	**Actual PERS FY2001-02(*)**	**PERS Rate to 16.54%**	**Discretionary Target Increase**	**Revised PERS(***)**
Police Bureau.....	$2,217,581	$356,122	$317,004	$2,573,702
Fire Bureau.....	$864,801	$138,879	$130,476	$1,003,680
Parks.....	$2,320,563	$372,660	$265,434	$2,693,223
Commissioners.....	$212,798	$34,173	$15,080	$246,971
Mayor's Office.....	$104,373	$16,761	$7,106	$121,134
Cable, Sus. Dev.....	$163,982	$26,334	$10,827	$190,316
Govern. Relations.....	$42,763	$6,867	$2,919	$49,630
OMF.....	$1,420,184	$228,068	$28,090	$1,648,252
Unused Line.....	$0	$0	$0	$0
Licenses.....	$254,328	$40,843	$28,069	$295,170
City Attorney.....	$442,216	$71,016	$22,595	$513,232
Auditor(**).....	$280,440	$45,036	$15,473	$325,476
ONI.....	$304,490	$48,898	$35,204	$353,388
Planning.....	$481,168	$77,271	$60,804	$558,439
Com. Develop.....	$166,167	$26,685	$7,956	$192,852
Cable Access.....	$0	$0	$0	$0
Special Approps.....	$0	$0	$0	$0
Street Light SA.....	$0	$0	$0	$0
BOEC Transfer.....	$713,050	$114,509	$114,509	$827,559
BDS-Neigh.Quality...	$0	$0	$0	$0
Reg. Arts (RACC).....	$0	$0	$0	$0
Column TOTAL.....	**$9,988,903**	**$1,604,121**	**$1,061,545**	**$11,593,024**

(*) Adjusted for 2.2% COLA (**) Net of FPD&R related (***) Inclusive of non-discretionary portion.

The table below itemizes Adopted Budget, financial plan ongoing CSL target increases included in bureau's budgets as well as Council adopted ordinances (Parks). These adds reflect Adopted Budget process outcomes.

Bureau/Program	$
Police-PPA.....	$552,798
Unused Line.....	$0
Fire-Labor Contract..	$1,264,235
Fire-GO Bond.....	$50,000
Fire-Energy Costs....	*($33,282)*
Parks Labor.....	*$73,281*
Parks-Energy Costs..	*($98,746)*
Parks-by ordinances.	*$0*
Parks-from set-aside	$0
Comm. #4	$66,500
Planning.....	$50,325
Unused Line.....	$0
Unused Line.....	$0
TOTAL ADDS.....	**$1,925,111**

- The Police Bureau's target is increased by $552,798 as planned to fund previous Police labor contract cost increases.
- Fire is increased $1,197,671 to cover a labor contract increase and a $50,000 planned operations increase for GO Bond facilities.
- Parks' target decreases $98,746 due to decreased energy costs.
- Fire's target decreases $33,282 due to decreased energy costs.
- Planning's target is increased as planned.

Special Appropriation Targets (net of Council Set-Asides)

The table below summarizes budgeted special appropriation targets (net of set-asides, one-time):

Special Appropriations (Not Set-Asides)	CSL Target	Overhead
Public Safety Coordinating Council.....	$28,150	$0
Memberships & Dues.....	$101,979	$142,104
Leaders Roundtable.....	$4,262	$5,939
Management Council.....	$2,950	$2,596
Council Emergency Funds.....	$2,123	$2,958
Employee Suggestion Fund.....	$0	$0
EID Assessment/Clean & Safe.....	$16,628	$0
MERC/PCPA-Operating Subsidy.....	$641,256	$0
Holiday Festival.....	$47,035	$0
Block By Block Weatherization.....	$205,141	$0
PDC Enterprise Zone Administration.....	$53,925	$0
Civil Rights Enforcement.....	$14,509	$0
Downtown Services, Pioneer Sq.Securit	$936,152	$0
Targeted Industry Jobs/PDC.....	$125,959	$0
Transit Programs.....	$141,037	$0
Small Business Opportunity/PDC	$125,112	$0
Unused Line.....	$0	$0
Workforce Development/BHCD.....	$106,703	$0
Business Districts/PDC.....	$54,280	$0
Business Development/Regional.....	$145,242	$0
PDC-Bus. Development Citywide.....	$456,330	$0
Unused Line.....	$0	$0
Total Special Appropriations.....	**$3,208,775**	**$153,597**

One-Time Second Year Budgets and CRC Capital Set-Aside Allocations

The schedule below shows bureau one-time budgets, carryover budgets, and CRC approved capital allocations. These budget allocations are not part of on-going discretionary (CSL) support.

	FY2004-04 One-Time & Capital		
CSL Requirements	**One-Time**	**Carryover(*)**	**CRC Capital(**)**
Police.....	$0	$0	$0
Fire.....	$0	$0	$0
Parks (by Ordinance).....	$105,000	$0	$0
Commissioners' Offices..	$0	$0	$0
Mayor's Office.....	$0	$0	$0
Cable Communications..	$0	$0	$0
Energy.....	$0	$0	$0
Government Relations....	$0	$0	$0
OMF.....	$85,000	$0	$0
Purchases & Stores.....	$0	$0	$0
Licenses.....	$0	$0	$0
City Attorney.....	$0	$0	$0
Auditor.....	$0	$0	$0
Neighborhood Involve....	$0	$0	$0
To General Services.....	$0	$0	$0
Planning.....	$0	$0	$0
Community Develop.....	$0	$0	$0
Cable Access.....	$0	$0	$0
Special Approps.....	$0	$0	$0
PDOT, One-Time.....	$0	$0	$0
Street Light (PDOT).....	$0	$0	$0
PDOT (Street Car).....	$0	$0	$0
BDS-Neigh.Quality.....	$0	$0	$0
Regional Arts (RACC)....	$375,000	$0	$0
Column Total.....	**$565,000**	**$0**	**$0**
Checksum Totals.....	$565,000	$0	$3,199,269

(*) Budgeted in contingency pending final year-end FY2002-03 financial results. (**) Net of debt servces.

<u>Current Out-Year Target Adjustments</u>

This table summarizes out-year program target increases included in Council's current five-year financial plan. Police increases include estimated longevity costs. Fire increases continue to reflect planned cost increases associated with new fire stations operations costs (GO bonds) and recent labor contract cost increase. Other bureau increases are negligible.

Bureau	2005	2006	2007	2008	NA
Police.....	$264,984	$0	$0	$0	NA
Fire.....	$538,482	$108,110	$1,097,893	($35,780)	NA
Parks.....	$72,098	$78,465	$86,475	$90,254	NA
All Other Bureaus.....	$34,904	$18,265	($405,099)	$0	NA
Annual Totals	$910,468	$204,840	$779,269	$54,475	NA

Estimated FY2003-04 Council Set-Asides

Estimated set-asides are down, net, $517,125 compared to the previous forecast. The only adjustment to set-asides is a change in anticipated debt-service requirements. Set-asides also inclu

- The General Fund's contingency, at $1,400,000, is as planned in Council's previous financial plan for the General Fund.
- PERS pension obligation bond debt service remains at $3.32 million.
- The housing investment set-aside is unchanged at $516,414.
- This forecast assumes that the General Fund will not issue any tax anticipation notes thereby eliminating interest costs.
- The transfer to BIT is $489,147 as per Council's financial plan.
- The capital set-aside is $3.2 million net of debt service related costs included in various debt services.
- Business license refunds remain at $6.367 million.

Council Set-Aside Item	Last June	Current	Difference
TANS Interest	$0	$0	$0
Comp. SET-ASIDE.....	$6,478,302	$6,478,302	$0
Fund Contingency			
General Contingency.....	$1,400,000	$1,400,000	$0
Unforeseen.....	$2,000,000	$2,000,000	$0
Contingency.....	$3,400,000	$3,400,000	$0
Street Light O&M.....	$5,798,942	$5,798,942	$0
PERS Pension (POBS)..	$3,320,937	$3,320,937	$0
Capital Set Aside.....	$3,199,269	$3,199,269	$0
Various Debt Services....	$2,607,608	$2,090,483	($517,125)
Transfer-OUT Reserve	$1,095,082	$1,095,082	$0
City Hall/Precincts Debt..	$2,479,350	$2,479,350	$0
Transfers to BIT.....	$489,147	$489,147	$0
Unused Line.....	$0	$0	$0
2040 Set-Aside.....	$200,065	$200,065	$0
O&M for CIPs.....	$580,292	$580,292	$0
Unused.....	$0	$0	$0
PDOT CSL.....	$86,338	$86,338	$0
Endanger. Species Act...	$954,175	$954,175	$0
Unused Line.....	$0	$0	$0
Housing Investment.....	$516,414	$516,414	$0
Unemploy. Insurance.....	$200,000	$200,000	$0
Misc.Transfers	$35,000	$35,000	$0
Business Lic. Refunds....	$6,367,525	$6,367,525	$0
City Hall Maint. Reserve.	$316,800	$316,800	$0
COUNCIL Set-Asides.....	**$38,125,245**	**$37,608,120**	**($517,125)**
Checksum Error.....	$38,125,245	$37,608,120	($517,125)

Current CSL Forecast Compared To Previous Forecast

The table and graph compare the current estimated FY2003-04 General Fund CSL estimate with the previous five-year financial (December) plan document. The revised FY2003-04 CSL estimate is not substantively different when compared to last December's forecast.

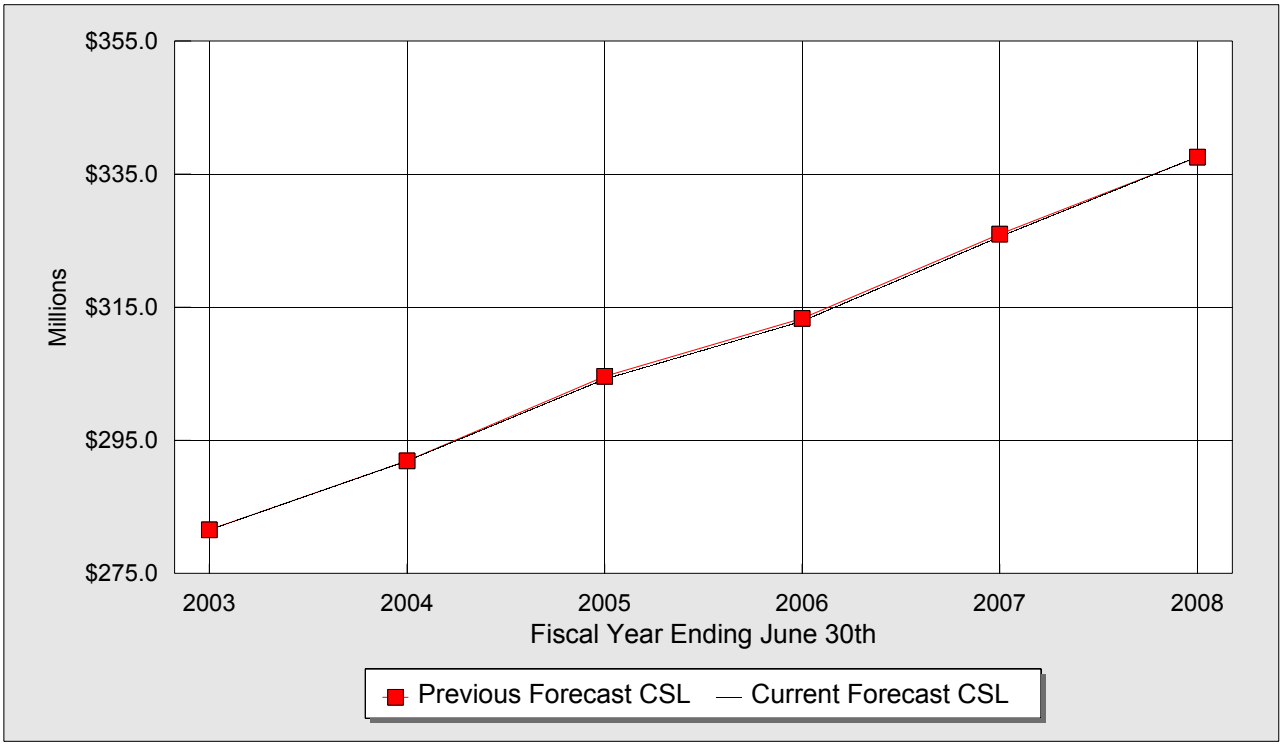
- The December financial forecast estimated FY2003-04 CSL costs of $291.90 million. The current forecast, although decreased $3,000, is not materially different. On-going program costs would have been lower if not for an expected $1.1 million, 2 plus percentage point increase, in the PERS employer contribution tax rate. Overal, CSL costs are unchanged.

Discretionary CSL	December(*)	Current	Difference
Capital Set-Aside.....	$3,199,269	$3,199,269	$0
Council Set-Asides.....	$34,925,976	$34,408,851	($517,125)
One-Time Bureaus.....	$375,000	$565,000	$190,000
Bureaus, On Going.(**).	$253,406,629	$253,730,526	$323,897
Estimated CSL Cost	$291,906,874	$291,903,646	($3,228)

(*)December financial forecast (FORC0405, FP0405). (**) Net PDOT CSL support in set-asides

- Council reduced CSL costs by about $13.9 million in balancing its Adopted FY2002-03 Budget. It appears for the most part that this decrease translated estimated CSL costs for FY2003-04 about as expected.

Current CSL Forecast versus Previous Forecast



Discussion of PERS Pension Obligation Bonds (POBS) Debt Service Schedule

In November of 1999, the City sold $300 million of Pension Obligation Bonds (POBS). The bond proceeds were used to eliminate the City's unfunded PERS pension liability. This reduced the City's employer's PERS contribution rate from 10.48% (current) to 8.56% during FY2000-01. In selling the POBS, the City avoided an immediate PERS employer contribution rate increase to 17.4%. The City structured debt service costs so as to phase in the higher pension costs over a ten year period allowing anticipated revenue growth to help absorb the impact of higher employer PERS costs.

Annual pension bond debt service is allocated to bureaus using actual PERS contributions for the year in which the bonds were issued. FY1998-99 PERS contributions allocate annual debt service costs of $8,841,947. The table below details this allocation.

			Annual POB Debt Service	
	Bureau Debt	Percentage	FY2003-04	FY2004-05
FUND	Liability	Allocation	***$8,841,947***	***$13,399,419***
General Fund.....	$112,995,285	37.55889%	$3,320,937	$5,032,672
Unused Line.....	$0	0.00000%	$0	$0
Unused Line.....	$0	0.00000%	$0	$0
Unused Line.....	$0	0.00000%	$0	$0
Subtotal.....	$112,995,285	37.55889%	$3,320,937	$5,032,672
PDOT (net).....	$55,353,650	18.39919%	$1,626,846	$2,465,384
BOEC (net).....	$2,863,692	0.95187%	$84,164	$127,545
Buildings (BDS).....	$14,372,047	4.77717%	$422,395	$640,113
BES.....	$39,339,045	13.07604%	$1,156,176	$1,752,113
Hydroelectric.....	$301,519	0.10022%	$8,862	$13,429
WATER.....	$40,857,865	13.58088%	$1,200,815	$1,819,760
Golf Operating.....	$2,463,623	0.81889%	$72,406	$109,727
PIR.....	$474,262	0.15764%	$13,939	$21,123
Refuse Disposal.....	$765,029	0.25429%	$22,484	$34,073
Env. Remediation.....	$17,662	0.00587%	$519	$787
Parks Bond Const....	$1,364,843	0.45366%	$40,113	$60,788
Parks Construction...	$22,806	0.00758%	$670	$1,016
Facilities Services.....	$2,448,975	0.81402%	$71,975	$109,074
Fleet Operating.....	$5,754,908	1.91289%	$169,137	$256,317
Print & Distribution....	$1,950,219	0.64824%	$57,317	$86,860
BIT	$4,415,663	1.46774%	$129,777	$196,668
RISK	$454,732	0.15115%	$13,365	$20,253
LID	$1,025,120	0.34074%	$30,128	$45,658
FPD&R	$613,557	0.20394%	$18,032	$27,327
Unused LIne.....	$0	0.00000%	$0	$0
Comm. Services.....	$2,424,160	0.80577%	$71,246	$107,969
Insurance & Claims	$1,074,630	0.35720%	$31,583	$47,863
Public Safety Fund...	$225,242	0.07487%	$6,620	$10,032
Workers Comp.Oper	$1,005,184	0.33412%	$29,542	$44,770
PDC.....	$8,264,628	2.74711%	$242,898	$368,096
TOTAL All Funds.....	$300,848,346	100.00000%	$8,841,947	$13,399,419

The table below details POB debt service for the three out-years of the financial forecast.

	2006	2007	2008
Out-Year Debt Service.(*)..	$17,981,842	$20,551,842	$22,550,003

(*) Estimated, variable interest rate debt principal changes with interest rates.

Current Forecast Bureau CSL Targets For FY2004-05(*)

The table below summarizes current bureau CSL targets for the next budget. The table summarizes FY2004-05 targets, as they currently exist, given current assumptions about inflation, compensation increases, and assumptions built into Council's current five-year financial plan. The estimates are net of any one year allocations for both fiscal years.

Bureau/Program	FY2003-04 CSL Base	Add: Escalation & Comp.SA(**)	Scheduled Changes	FY2004-05 Target
Bureau of Police.....	$115,144,237	$3,791,768	$264,984	$119,200,990
Bureau of Fire.....	$65,369,889	$2,047,437	$538,482	$67,955,808
Bureau of Parks.....	$30,982,591	$1,085,368	$72,098	$32,140,056
Com. #2--AU190.....	$289,109	$16,825	$0	$305,933
Com. #4--AU191.....	$353,635	($34,261)	$0	$319,374
Com. #3--AU192.....	$289,571	$17,368	$0	$306,938
Com. #1--AU193.....	$288,290	$16,791	$0	$305,081
Office of the Mayor.....	$603,813	$36,583	$0	$640,396
Office Cable Com.....	$673,015	$28,535	$0	$701,550
PCA Access Paymts.	$799,890	$16,000	$0	$815,890
Office-Sus. Develop....	$364,459	$30,909	$0	$395,369
Government Relations	$329,304	$17,761	$0	$347,065
Office of Man. & Fin....	$3,607,079	$446,093	$0	$4,053,172
Unused Line.....	$0	$0	$0	$0
Bureau of Licenses.....	$2,729,153	$104,297	$0	$2,833,450
Office of City Attorney.	$1,636,450	$125,645	$0	$1,762,095
Office-City Auditor.....	$2,270,452	$159,173	$0	$2,429,624
ONI.....	$3,896,675	$133,159	$0	$4,029,835
Bureau of Planning.....	$5,284,243	$243,836	$34,904	$5,562,983
Bureau-Com. Dev.....	$2,774,897	$100,806	$0	$2,875,702
Special App. (NET).....	$3,208,775	$72,085	$0	$3,280,860
Subtotal-Bureaus.....	$240,895,526	$8,456,178	$910,468	$250,262,172
Unused Line.....	$0	$0	$0	$0
BOEC Target IA.....	$8,632,647	$227,459	$0	$8,860,106
PDOT CSL Support.....	$86,338	$2,014	$0	$88,352
BDS-Neigh.Quality.....	$2,156,933	$46,973	$0	$2,203,906
Reg.Arts Com.(RACC)	$2,045,420	$71,482	$0	$2,116,902
CSL TOTAL.....	$253,816,864	$8,804,107	$910,468	$263,531,439

(**) Preliminary compensation set-aside for FY2003-04.

These targets are prelimninary and reflect Adopted Budget decisions, recent Council adopted ordinances adjusting targets, and mid-year FY2002-03 budget adjustments as they affect bureau on-going target allocations. FY2004-05 target estimates remain prior to Council's budget and financial planning process for FY2003-04.