



THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

Submitted to the **Congress of the United States**

by the **Government of the District of Columbia**

September 28, 2009

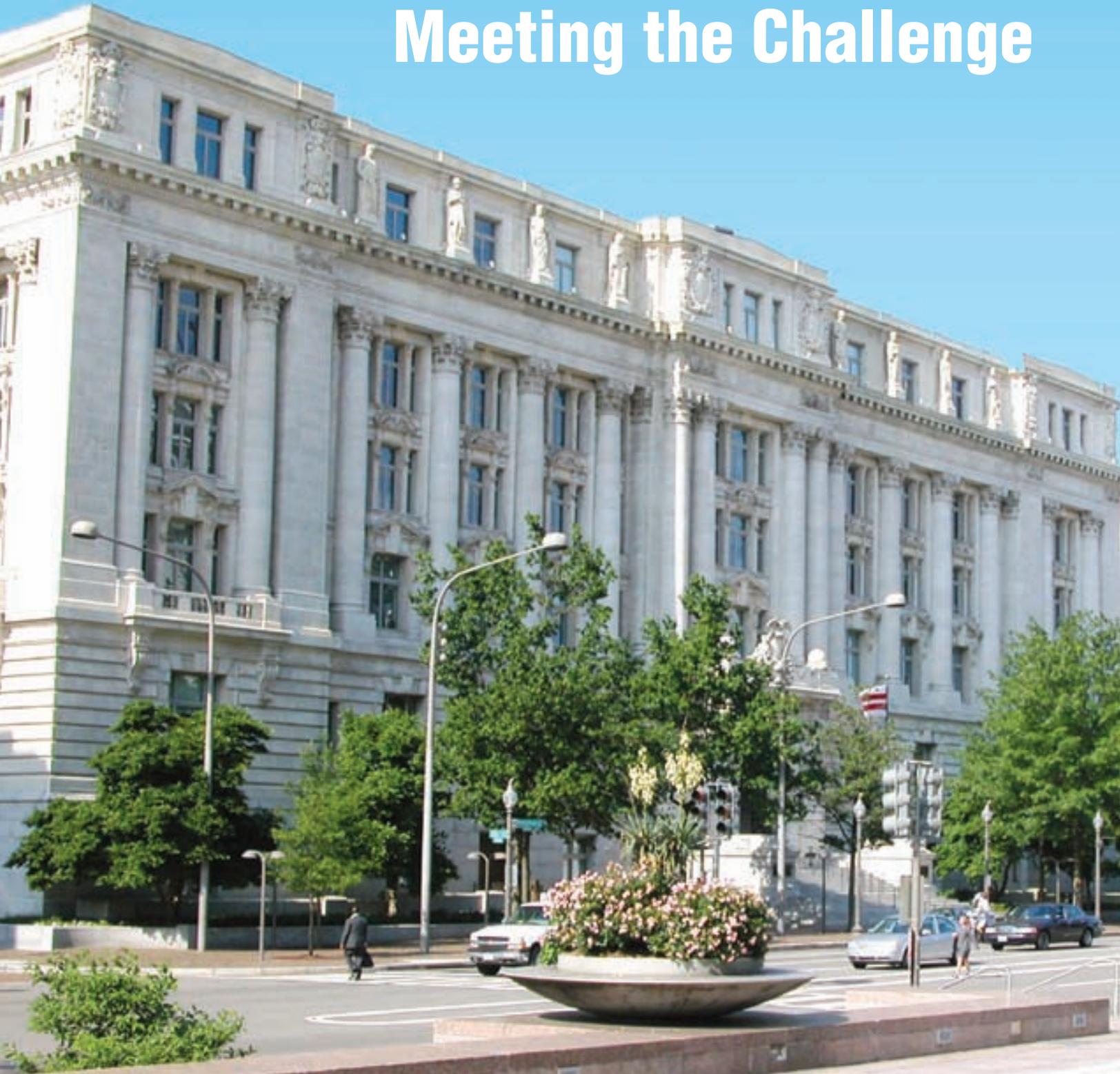
FY 2010

Proposed Budget and Financial Plan

VOLUME 1

Executive Summary

Meeting the Challenge



Government of the District of Columbia

FY 2010 Proposed Budget and Financial Plan

Volume 1 - Executive Summary

Meeting the Challenge

Submitted

to the

Congress of the United States

by the

Government of the District of Columbia



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

District of Columbia Government

For the Fiscal Year Beginning

October 1, 2008

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the District of Columbia for its annual and capital budget for the fiscal year beginning October 1, 2008.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria of a policy document, a financial plan, an operational guide and a communications device.

The award is the ninth in the history of the District of Columbia. The Office of Budget and Planning will submit this FY 2010 Budget and Financial Plan for consideration by GFOA, and believes the FY 2010 Proposed Budget and Financial Plan continues to conform to the GFOA's requirements.

Government of the District of Columbia

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Neil O. Albert
City Administrator

Victor Reinoso
Deputy Mayor for Education

Carrie Kohns
Chief of Staff

William Singer
Merav Bushlin
Office of the City Administrator

Natwar M. Gandhi
Chief Financial Officer

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Chairman - At Large

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Kwame R. Brown..... At Large
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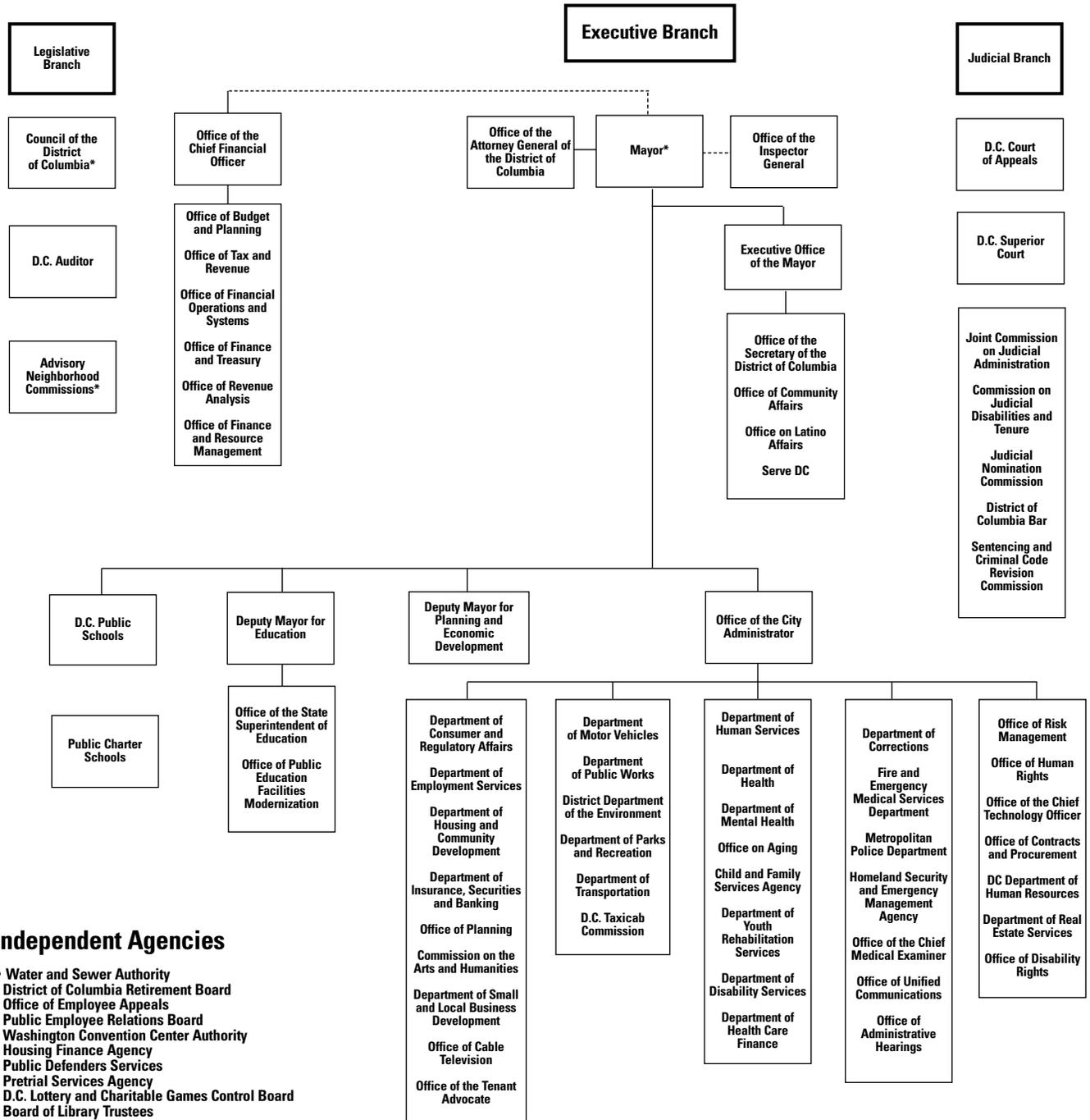
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Improvements Program**

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Joseph Wolfe

A special thank you to the analysts from other District agencies who assisted the Office of Budget and Planning during the preparation of the budget.

District of Columbia - Organization Chart

Government of the District of Columbia



Independent Agencies

- Water and Sewer Authority
- District of Columbia Retirement Board
- Office of Employee Appeals
- Public Employee Relations Board
- Washington Convention Center Authority
- Housing Finance Agency
- Public Defenders Services
- Pretrial Services Agency
- D.C. Lottery and Charitable Games Control Board
- Board of Library Trustees
- University of the District of Columbia Board of Trustees
- Office of the People's Counsel
- D. C. Housing Authority
- Contract Appeals Board
- Board of Real Property Assessments and Appeals
- Alcoholic Beverage Regulation Administration
- Criminal Justice Coordinating Council

Charter Independent Agencies

- Zoning Commission
- Public Charter Schools
- Public Service Commission
- Board of Elections and Ethics

Regional Bodies

- Metropolitan Washington Council of Governments
- National Capital Planning Commission
- Washington Metropolitan Area Transit Authority
- Washington Metropolitan Area Transit Commission
- Washington Metropolitan Airports Authority

*Elected officials

FY 2010 Proposed Budget and Financial Plan

Volume 1 **Executive Summary**

Contents

Transmittal Letter

How to Read the Budget and Financial Plan	i
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Overview

Introduction.....	1-1
Strategic Budgeting.....	2-1
Financial Plan.....	3-1
Revenue.....	4-1
Operating Expenditures	5-1
FY 2010 - FY 2015 Capital Improvements Plan.....	6-1

Appendices

D.C. Comprehensive Financial Management Policy.....	A-1
Grant Match and Maintenance of Effort	B-1
Basis of Budgeting and Accounting	C-1
Glossary of Budget Terms.....	D-1
FY 2010 Proposed - General Fund	E-1
FY 2010 Proposed - Gross Funds.....	F-1
FY 2010 Proposed - FTEs - General Fund	G-1
FY 2010 Proposed - FTEs - Gross Funds	H-1

The FY 2010 Budget Request Act

Volumes Bound Separately

Volume 2 - FY 2010 Proposed Budget and Financial Plan - *Agency Budget Chapters - Part 1*

Volume 3 - FY 2010 Proposed Budget and Financial Plan - *Agency Budget Chapters - Part 2*

Volume 4 - FY 2010 Proposed Budget and Financial Plan - *Operating Appendices - Part 1*

Volume 5 - FY 2010 Proposed Budget and Financial Plan - *Operating Appendices - Part 2*

Volume 6 - FY 2010 Proposed Budget and Financial Plan - *FY 2010 - FY 2015 Capital Appendices*

Volume 7 - FY 2010 Proposed Budget and Financial Plan - *FY 2010 - FY 2015 Highway Trust Fund*

Transmittal Letter





ADRIAN M. FENTY
MAYOR

September 23, 2009

The Honorable Barack H. Obama
President of the United States
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President,

On behalf of the residents of the District of Columbia, I submit to you the District's Fiscal Year 2010 Budget and Financial Plan, entitled "Meeting the Challenge."

The \$8.8 billion spending plan, including \$6.0 billion in General Fund resources, is the District of Columbia's fourteenth consecutive balanced budget. This budget exemplifies the commitment of the District to strengthening critical services while preparing for a sustainable fiscal future.

This year, the District confronted a decline in revenue estimates in June 2009, the month the District had prepared to submit a budget request to Congress. We met the challenge and worked collaboratively to identify cost savings. The budget was balanced by identifying targeted reductions in agencies, using the federal American Recovery and Reinvestment Act funding to maintain and enhance critical education, transportation, health and environmental initiatives, and striving to make every District service and program more efficient, and effective. This budget maintains the fiscal discipline that has kept the District's AAA credit rating on Wall Street, affirming the District's stability and positive long-term outlook.

The FY 2010 budget supports continued investments in education and public safety. This budget will continue the education reforms in the District of Columbia Public Schools, expanding the comprehensive staffing model to more schools and investing in school facility modernization. The District of Columbia Public Libraries will open four new branch libraries in the spring of 2010. Public safety in the District will continue to improve with a COPS stimulus grant enabling the Metropolitan Police Department to hire 50 additional police officers.

A thriving city also requires investments in healthcare, human services, infrastructure and environment, economic development and affordable housing. This year, we plan to preserve and expand initiatives including the Home Purchase Assistance Program, which will help almost 400 District residents purchase their own homes, and the Housing First Permanent Supportive Housing initiative that will ensure hundreds of families and individuals who were once chronically homeless will maintain housing and services. Finally, stimulus funds for the District Department of Transportation will support economic development, pedestrian and driver safety, and alternative transportation.

This budget proposal is a product of thorough analysis of every District government agency and vigorous Council oversight. We believe we can continue to improve the delivery of services, while securing the District's fiscal sustainability.

I look forward to Federal approval of this budget.

Sincerely,

A handwritten signature in black ink, appearing to read "Adrian M. Fenty". The signature is stylized and cursive, with a large initial "A" and "F".

Adrian M. Fenty

How to Read the Budget and Financial Plan

How to Read the Budget and Financial Plan

The District of Columbia's FY 2010 Proposed Budget and Financial Plan is a communications tool that presents and explains policy priorities; agency operations, including program/organizational structures; and performance measures in the context of the financial plan that shows the District's sources of revenue and planned expenditures. Included are forecasts of economic and financial conditions, current and planned long-term debt financing, policy decisions, and other important financial information for the District's government. These elements are essential for accurate financial reporting and sound management of public resources.

How to Read the Budget and Financial Plan describes the sections of this budget volume that define the budget priorities for the District. These sections are consistent with the National Advisory Council on State and Local Budgeting's recommended budget practices that call for a presentation of information that provides the reader with a guide to government programs and organizational structure. Additionally, these sections are consistent with the standards of the Government Finance Officers Association for the Distinguished Budget Presentation Award.

The FY 2010 Budget and Financial Plan is presented in seven volumes summarized as follows:

Executive Summary (Volume 1) - Provides a high-level summary of the general budget and financial information, including sections describing the new initiatives within the District's proposed budget, the

transmittal letters from the Mayor, information on the strategic budgeting process, the District's 5-year financial plan, detailed information on the District's projected revenues and expenditures, and various appendices. In addition, this volume includes information about the District's budgetary and financial management policies, grant match and maintenance of effort, statistical profile of the District, glossary of budget terms, budget summary tables by agency and fund type, and the Budget Request Act legislation that serves as the basis for the District's federal appropriations act.

Agency Budget Chapters (Volumes 2 and 3) - Describes the operating budgets for each of the District's agencies by appropriation title. Appropriation titles categorize the general areas of services provided by the District on behalf of its citizens and are listed in the Table of Contents. Examples are Public Education System and Human Support Services.

Operating Appendices (Volumes 4 and 5) - Includes detailed supporting tables displaying the proposed expenditures and full-time equivalents in the operating budgets that are described in Volume 2.

Note: These volumes are available exclusively on the Government of the District of Columbia website at <http://cfo.dc.gov/>.

Capital Appendices (Volume 6) - Describes the District's proposed six-year capital improvement plan for all of the District's agencies (excluding the Highway Trust Fund).

Highway Trust Fund (Volume 7) - Describes the District's proposed FY 2010 to 2015 planned projects.

Detailed information on the chapter contents of each volume include:

Volume 1: Executive Summary

Includes:

Introduction: FY 2010 Proposed Budget and Financial Plan

This chapter is a narrative and graphic summary of the proposed budget and financial plan. It describes the overall proposed budget, including the sources and uses of public funds versus the prior year's approved budget. The chapter also explains the budget development process and calendar for FY 2010.

Strategic Budgeting

This chapter describes the initiatives that the District is undertaking to improve budgeting and management of resources. It includes a description of the District's continued efforts and progress in Performance-Based Budgeting (PBB), which is the District's initiative to align resources with results, benchmarking, performance measurement, performance planning, and service-level budgeting. PBB greatly improves the District's ability to make policy and funding decisions based on anticipated results and improve the District's ability to hold program managers accountable for achieving results.

Financial Plan

The Financial Plan summarizes planned revenues and expenditures for FY 2010-2013. This chapter includes financing sources and uses and assumptions applied to derive the short-term and long-term economic outlook. It also includes an assessment of the impact of budgetary decisions on the financial health of the District.

Revenue

This chapter shows current revenue projections for each revenue type as certified by the Office of the Chief Financial Officer. It also details the District's revenue sources, provides an overview of the District's and regional economy and economic trends, and the outlook for revenue through FY 2013.

Operating Expenditures

This chapter describes the District's recent local expenditures and future projections. It includes analysis of expenditures between FY 2005 and 2008, both by agency and by expense category such as personnel, supplies, or fixed costs.

Capital Improvements Plan

This chapter describes the overall CIP including the sources and uses of Capital funds.

Appendices

This last section of the Executive Summary volume contains a number of items to clarify the District's budget:

- The **D.C. Comprehensive Financial Management Policy** provides a framework for fiscal decision-making by the District to ensure that financial resources are available to meet the present and future needs of District citizens;
- The **Grant Match and Maintenance of Effort** section includes a table by agency and grant number that provides the required grant match and maintenance of effort contributions for federal and private grants received by the District;

- The **Basis of Budgeting and Accounting** section describes the basis of budgeting and accounting, which allows the reader to understand the different presentation methods of the District's finances;
- The **Glossary of Budget Terms** section describes unique budgeting, accounting, and District terms that may not be known by the general reader;
- The **Summary Tables** detail the District's proposed operating budget by agency and fund type for both the budgeted dollars and positions; and
- The **Budget Request Act** is the legislation that the District Council and Mayor use to enact the District's budget via local law, and serves as the basis for the District's federal appropriations act to be enacted into law by the United States Congress and President via the federal appropriations process.

Volumes 2 and 3: Agency Budget Chapters - Part I & II

Includes:

Agency chapters illustrate available resources, what the resources are spent on, and the outcomes achieved and anticipated as a result of these expenditures.

Changes from the previous year include:

- The FY 2010 Budget and Financial Plan provides the budget in a table format and the bulk of the budget detail is presented in tabular form, with expanded information in the tables for FY 2010 as well as narrative summaries.
- For those agencies with performance plans, a table is included in the agency chapter that contains the agency's performance measures.

Chapters are grouped by appropriation title and each chapter contains the following sections, as appropriate:

Header Information:

- Agency name and budget code;
- Website address and telephone; and
- FY 2010 proposed operating budget table.

Introduction:

- Agency mission; and
- Summary of Services.

Financial and Program Information:

- Proposed Funding by Source table;
- Proposed Full-Time Equivalents table;
- Proposed Expenditure by Comptroller Source Group table;
- Program Descriptions;
- Proposed Expenditure by Program (PBB agencies) table;
- Major Baseline, Cost Savings and Policy Initiatives;
- FY 2009 Approved Budget to FY 2010 Proposed Budget reconciliation table;
- Agency Performance Plan Objectives; and
- Agency Performance Measures table.

To help the reader navigate the Agency Budget Chapter volume, an example of an agency narrative is presented at the end of this chapter. This example represents a performance plan agency. Callout boxes highlight the features discussed above.

Volumes 4 and 5: Operating Appendices - Part I and II

These two volumes provide supporting tables to each agency's proposed operating budget. The tables generally include FY 2008 actual expenditures, FY 2009 approved budgets, the FY 2010 proposed budget, and the change from FY 2009 to FY 2010 (unless noted).

The following tables are provided for Agencies that have been converted to a performance-based budgeting format:

Schedule 30-PBB - Dollars summarized by program, activity, and governmental fund (governmental fund breakout is for FY 2010 only and includes general fund detail);

Schedule 40-PBB - Dollars summarized by program, comptroller source group and governmental fund;

Schedule 40G-PBB - Dollars summarized by program, comptroller source group and appropriated fund within the general fund;

Schedule 41 - Dollars and FTEs summarized by comptroller source group and governmental fund;

Schedule 41G - Dollars and FTEs summarized by comptroller source group and appropriated fund within the general fund; and

Schedule 80 - Dollars and FTEs summarized by revenue type, appropriated fund, and revenue source (for FY 2010 proposed budget only).

The following tables are provided for agencies that have not been converted to a PBB format:

Schedule 30 - Dollars summarized by control center, responsibility center, and governmental fund (governmental fund breakout is for FY 2009 only and includes general fund detail);

Schedule 40 - Dollars summarized by control center, comptroller source group and governmental fund;

Schedule 40G - Dollars summarized by control center, comptroller source group and appropriated fund within the general fund;

Schedule 41 - Dollars and FTEs summarized by comptroller source group and governmental fund;

Schedule 41G - Dollars and FTEs summarized by comptroller source group and appropriated fund within the general fund; and

Schedule 80 - Dollars and FTEs summarized by revenue type, appropriated fund, and revenue source (for FY 2010 proposed budget only).

Volume 6: Capital Appendices

This volume covers the District's FY 2010-FY 2015 Capital Improvements Plan (CIP), excluding the Highway Trust Fund. The volume includes:

- The **Introduction** chapter describes the overall CIP including the sources and uses of capital funds, the District's policies and procedures for its capital budget and debt, the FY 2010 planning process, and an overview of the District of Columbia's Water and Sewer Authority's FY 2009-FY 2016 capital improvement plan.
- The **Project Description Forms** comprise the major portion of the capital appendices volume. The project description forms provide details on capital projects funded by general obligation bonds, pay-as-you-go (paygo) capital, the Master Equipment Lease program, and the Local Street Maintenance Fund. Each page shows one subproject's planned allotments for fiscal years 2010 through 2015, description, annual operating impact, milestone data, and location on a map.
- The **Appendices** provide supporting tables and a glossary about the District's capital budget, including:
 - The **FY 2010 Appropriated Budget Authority Request** table summarizes the proposed new projects and changes (increase or decrease) for ongoing projects by agency, subproject, and fund (Local versus Local Street Maintenance);
 - The **FY 2010 - FY 2015 Planned Expenditures From New Allotments** table summarizes the new allotments' planned FY 2010-FY 2014 expenditures by agency, project, and subproject;
 - The **FY 2010-FY 2015 Planned Funding** table summarizes the FY 2010 and six-year funding sources for all new allotments by agency, subproject, and funding source;
 - The **Balance of Capital Budget Authority, All Projects** table summarizes the lifetime budget authority, life-to-date expenditures, total commitments, and balance of budget authority for all ongoing capital projects by agency, project, and authority (District versus federal); and

- The **Capital Project Cost Estimate Variance** table displays changes to project costs since the FY 2009 Budget.

Volume 7: Highway Trust Fund

This volume covers the District's FY 2010-FY 2015 proposed Highway Trust Fund expenditures, including:

- The **Introduction** chapter describes the Highway Trust Fund program, including the sources and uses of the funds, the District's policies and procedures for the trust fund, and the FY 2010 planning process.
- The next section, the **Project Description Forms**, comprise the majority of the Highway Trust Fund volume. Each page shows one sub-project's planned allotments for FY 2010 through FY 2015, description, annual operating impact, milestone data, and location on a map.
- The last section, the **Appendices**, provides supporting tables about the District's Highway Trust Fund program.

Agency Website address
& Telephone

Agency budget code

(HA0)

Department of Parks and Recreation

Agency name

<http://dpr.dc.gov>
Telephone: 202-673-7647

Description	FY 2008 Actual	FY 2009 Approved	FY 2010 Proposed	% Change from FY 2009
Operating Budget	\$63,033,972	\$57,638,166	\$52,258,355	-9.3
FTEs	754.8	811.4	594.3	-28.0

FTE actuals are the number of Full Time Equivalent positions paid.

This shows the agency's FY 2008 actual expenditures, FY 2009 approved budget, the FY 2010 proposed budget and the variance from FY 2010 to FY 2009. This includes the agency's operating budget and FTEs.

Summary of Services

DPR maintains over 900 acres of parkland and 68 facilities across the District of Columbia, including recreation and community centers, pools, playgrounds, athletic fields and play courts, and provides programs and services to individuals and groups throughout the District. DPR delivers a wide range of activities, including summer camps, which serve children and youth, sports leagues and events, instruction to at-risk

youth, therapeutic recreation, and food and nutritional programs.

This section describes the agency's mission and purpose.

Summary of Services - a concise explanation of the agency's key functions.

FY 2010 Proposed Gross Funds Operating Budget, by Revenue Type

Table HA0-1 contains the proposed FY 2010 agency budget compared to the FY 2009 approved budget. It also provides FY 2007 and FY 2008 actual expenditures.

Table HA0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2007	Actual FY 2008	Approved FY 2009	Proposed FY 2010	Change from FY 2009	Percent Change*
General Fund						
Local Funds	46,431	49,029	44,820	43,638	-1,182	-2.6
Special Purpose Revenue Funds	1,381	3,995	2,492	2,014	-478	-19.2
Total for General Fund	47,812	53,024	47,312	45,652	-1,660	-3.5
Federal Resources						
Federal Payments	0	-2	0	0	0	N/A
Federal Grant Funds	0	-22	0	0	0	N/A
Total for Federal Resources	0	-23	0	0	0	N/A
Private Funds						
Private Grant Funds	831	1,133	1,000	0	-1,000	-100.0
Total for Private Funds	831	1,133	1,000	0	-1,000	-100.0
Intra-District Funds						
Intra-district Funds	14,918	8,900	9,326	6,607	-2,719	-29.2
Total for Intra-District Funds	14,918	8,900	9,326	6,607	-2,719	-29.2
Gross Funds	63,561	63,034	57,638	52,258	-5,380	-9.3

*Percent Change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80, Agency Summary by Revenue Source**, in the **Operating Appendices** located on the Office of the Chief Financial Officer's website.

This table presents the agency's total operating budget from each funding source (Local, Dedicated Taxes, Special Purpose Revenue, Federal Payments, Federal Grants, Medicaid, Private Grants, and Intra-District sources). Shown is a comparison of the FY 2007 actual, FY 2008 actual, FY 2009 approved, and FY 2010 proposed budgets.

FY 2010 Proposed Full-Time Equivalents, by Revenue Type

Table HA0-2 contains the proposed FY 2010 FTE level compared to the FY 2009 approved FTE level by revenue type. It also provides FY 2007 and FY 2008 actual data.

Table HA0-2

Appropriated Fund	Actual FY 2007	Actual FY 2008	Approved FY 2009	Proposed FY 2010	Change from FY 2009	Percent Change
General Fund						
Local Funds	586.9	590.3	658.5	572.8	-85.7	-13.0
Special Purpose Revenue Funds	9.6	10.2	9.9	8.5	-14	-13.9
Total for General Fund	596.5	600.6	668.4	581.3	-87.1	-13.0
Private Funds						
Private Grant Funds	16.0	4.4	22.0	0.0	-22.0	-100.0
Total for Private Funds	16.0	4.4	22.0	0.0	-22.0	-100.0
Intra-District Funds						
Intra-District Funds	145.0	149.8	121.0	3.0	-118.0	-97.5
Total for Intra-District Funds	145.0	149.8	121.0	3.0	-118.0	-97.5
Total Proposed FTEs	757.5	754.8	811.4	584.3	-227.1	-28.0

This table lists the agency's FTEs for two prior years, the current year, and upcoming fiscal year by revenue type.

FY 2010 Proposed Operating Budget, by Comptroller Source Group

Table HA0-3 contains the proposed FY 2010 budget at the Comptroller Source Group (object class) level compared to the FY 2009 approved budget. It also provides FY 2007 and FY 2008 actual expenditures.

Table HA0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2007	Actual FY 2008	Approved FY 2009	Proposed FY 2010	Change from FY 2009	Percent Change*
11 Regular Pay - Cont Full Time	14,445	17,891	14,168	17,367	3,199	22.6
12 Regular Pay - Other	19,077	15,999	18,583	10,240	-8,342	-44.9
13 Additional Gross Pay	609	1,500	411	417	6	1.4
14 Fringe Benefits - Curr Personnel	6,468	7,010	5,798	5,049	-749	-12.9
15 Overtime Pay	912	671	515	524	9	1.7
99 Unknown Payroll Postings	0	0	0	0	0	N/A
Subtotal Personal Services (PS)	41,511	43,070	39,475	33,597	-5,878	-14.9
20 Supplies and Materials	1,618	1,759	1,712	874	-839	-49.0
30 Energy, Comm. and Bldg Rentals	4,100	4,209	3,670	4,317	647	17.6
31 Telephone, Telegraph, Telegram, Etc	1,298	1,292	1,127	769	-358	-31.8
32 Rentals - Land and Structures	380	238	124	0	-124	-100.0
34 Security Services	1,024	576	1,189	0	-1,189	-100.0
35 Occupancy Fixed Costs	0	0	0	1	1	N/A
40 Other Services and Charges	1,091	2,300	1,420	1,246	-175	-12.3
41 Contractual Services - Other	11,571	8,832	7,985	11,019	3,034	38.0
50 Subsidies and Transfers	144	0	0	0	0	N/A
70 Equipment & Equipment Rental	825	756	934	436	-498	-53.3
Subtotal Nonpersonal Services (NPS)	22,050	19,964	18,163	18,661	498	2.7
Gross Funds	63,561	63,034	57,638	52,258	-5,380	-9.3

*Percent Change is based on whole dollars.

This table lists the agency's total operating expenditures for FY 2007 , FY 2008, FY 2009 approved budget, and FY 2010 proposed budget at the Comptroller Source Group level.

Program Description

The Department of Parks and Recreation operates through the following 5 programs:

Development and Community Affairs (Agency Support) - provides community outreach, volunteer opportunities, and development activities for District residents, visitors, and DPR in order to provide additional resources and staff, and to meet and exceed customer expectations.

This program contains the following 6 activities:

- **Director's Office** - provides vision and support to the department in order to guide senior managers in a direction most advantageous to the department and residents of the District of Columbia;
- **Inter-governmental Relations Activity** - provides services that establish, maintain, and strengthen relationships between the department and other government entities in order to ensure collaborative and efficient operations and services to residents of the District of Columbia;
- **Community Relations Activity** - provides structured partnerships, volunteer opportunities and community services to citizens, visitors, organizations and DPR, as a means of outreach, partnerships, community activity and communication between the government and residents of the District of Columbia;
- **Marketing and Development Activity** - works with all areas of DPR, other government entities, public and private organizations to create, manage and distribute information and materials for use by public, media, and staff through use of printed, broadcast and electronic communications;
- **Permitting Activity** - provides control, supervision and governance over the use of DPR operated and maintained ball fields, parks, picnic areas and other facilities through permits and fees, thus benefiting the users of these areas; and
- **Partnerships Activity** - fosters support for DPR through donations, grants, innovative public and private partnerships, and volunteer service by individuals, groups, and organizations. The Office of Partnerships and Development collaborates with community groups, businesses, non-profit organizations, and concerned individuals to maintain and improve DPR's parks and recreation centers, provide free programming at our facilities and sustain overall mission of

DPR.

Recreation Programs and Services - provides sports, health and fitness programs, youth programs, aquatics, and a diverse array of camps for District residents and visitors so that they can participate in and learn about sports and leisure activities, as well as improve their health and well-being.

This program contains the following 9 activities:

- **Recreation Services** - provides planning, supervision and logistical support to the ward offices and multiple recreation centers throughout the District so that recreation programs and facilities may run in an efficient and orderly manner for the residents and visitors of the District of Columbia;
- **Swimming & Fitness** - provides structured recreational sports, health and fitness programs to District residents and visitors so that they can learn and/or master athletic skills, healthy living techniques, and the principles of fitness;
- **Youth Development** - provides specialized outreach services to DC children and youth ages 9 to 21 at risk of negative social behaviors, by providing opportunities in education, employment, community service and scholarship, so that they can reconnect to mainstream society and lead productive and healthy lives;
- **Urban Camps (Summer Operations)** - provide operations that coordinates the planning and implementation of summer activities for the department so that District residents and visitors of all ages may easily take advantage of cultural, educational, recreational, leisure and social activities available through DPR;
- **Environmental Activities** - provides environmental education and gardening programs to District residents and visitors of all ages so that they can learn about, explore, and experience the urban and natural environment;
- **Senior Services** - provides recreational, social, educational, health promotion, and transportation services to District residents and visitors, age

This indicates the specific programs and activities within an agency. It contains detailed descriptions of their purpose and how they contribute to the lives of District residents and visitors.

FY 2010 Proposed Operating Budget and FTEs, by Program and Activity

Table HA0-4 contains the proposed FY 2010 budget by program and activity compared to the FY 2009 approved budget. It also provides FY 2008 actual data.

Table HA0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2008	Approved FY 2009	Proposed FY 2010	Change from FY 2009	Actual FY 2008	Approved FY 2009	Proposed FY 2010	Change from FY 2009
(1000) Agency Management Program								
No Activity Assigned	23	0	0	0	0.0	0.0	0.0	0.0
(1010) Personnel			723	37	4.0	5.0	5.0	0.0
(1015) Training & Employee Development			98	-27	1.0	0.0	0.0	0.0
(1017) Labor/Management Partnerships			82	3	1.0	1.0	1.0	0.0
(1020) Contracting & Procurement			371	-33	1.0	1.0	1.0	0.0
(1030) Property Management	0	124	4,169	4,045	0.0	0.0	0.0	0.0
(1040) Information Technology	881	531	1,900	1,369	3.0	3.0	3.0	0.0
(1055) Risk Management	235	256	194	-62	2.0	2.0	1.0	-1.0
(1060) Legal	16	0	0	0	0.0	0.0	0.0	0.0
(1070) Fleet Management	1,584	1,477	1,523	46	21.0	22.0	23.0	1.0
(1080) Communications	48	49	48	-1	1.0	1.0	1.0	0.0
(1085) Customer Service	108	87	138	51	2.0	1.0	2.0	1.0
Subtotal (1000) Agency Management Program	3,715	3,819	9,295	5,477	26.0	26.0	27.0	1.0
(100F) Agency Financial Operations								
(110F) Agency Budget Operations	87	5						1.0
(120F) Agency Accounting Operations	321	237						-1.0
(130F) Agency Fiscal Officer Operations	2	63						0.5
Subtotal (100F) Agency Financial Operations	410	304						0.5
(2400) Agency Support								
(2410) Director's Office	786	584						0.0
(2420) Inter-governmental Relations	128	12						0.0
(2430) Community Relations	1,163	1,059	376	-663	6.0	6.0	5.0	-1.0
(2440) Marketing and Development	323	314	0	-314	2.0	2.0	0.0	-2.0
(2450) Permitting	142	128	138	10	2.0	2.0	2.0	0.0
(2460) Partnerships	156	158	0	-158	1.0	2.0	0.0	-2.0
Subtotal (2400) Agency Support	2,699	2,254	1,139	-1,115	23.0	18.0	13.0	-5.0

(Continued on the next page)

Major Baseline Adjustments, Cost Savings and Policy Initiatives

Initial and Baseline Adjustments: The following adjustments were made in Local funds: a reduction of \$700,000 in nonrecurring costs in the Agency Support program that pertained to one-time funding for the Boys and Girls Club grant, the UNIFEST grant, and the renovation of the Shoeshop Building; a net increase of \$19,364 including a net reduction of 91.8 FTEs impacting multiple programs for salary, step, and other personal services cost adjustments; a net increase of \$1,648,375 due to fixed costs adjustments for OPM and OCTO assessments; a net decrease of \$1,409,124 in intra-agency adjustments impacting multiple programs across the agency; a net decrease of \$1,409,124 in intra-agency adjustments impacting multiple programs. In Revenue funds: a decrease of \$5,000 in the Recreational Programs for fixed costs; a net increase of \$275,062 and 3.6 FTEs in the Facility Management program; a net increase of \$3,499,327 in intra-agency adjustments primarily in the Recreational Programs.

Transfers In/Out: In FY 2009 and before, the Department of Parks and Recreation (DPR), through its Office of Educational Services (OES), received Intra-District funds from the Office of the State Superintendent of Education (OSSE) and a Headstart grant to pay for the personnel and administrative costs of being a direct provider of subsidized child care programs. Through memoranda of understanding, DPR received the Intra-District funds based on enrollment at its programs. Due to DPR's inability to collect funding sufficient to cover OES operations, the proposed budget anticipates that the agency will no longer be a direct provider of child care services. This action reduces DPR's Intra-District budget by \$5,100,000 and 84.9 FTEs, and reduces DPR's Private Grant budget by \$951,000 and 18.60

FTEs. OSSE, however, will maintain the same level of funding for child care and Pre-K programs demonstrating attendance, including Pre-K, Before- and After-Care, and Afterschool programs.

Cost Savings: The proposed budget reduces discretionary purchases for DPR by \$676,401, including facility rentals, out-of-city travel, conference fees, membership dues, equipment rentals, and contractual services. The proposed budget also reduces DPR's fixed costs, by a total of \$553,879, by aligning budget lines with revised estimates for telecom, fleet, and occupancy. Finally, the proposed budget reduces contractual services by \$1,103,471, in recognition of the need to help safeguard the agency's operations.

New for FY 2010, the Major Baseline Adjustments, Cost Savings and Policy Initiatives section, provides a more comprehensive explanation of Table 5; it includes major changes within the budget from the initial agency request through the policy decisions made by the Mayor and the Council.

The proposed budget also includes \$350,127 to fund staff, supplies, and equipment needed to operate the Wilson Pool upon completion of the capital project. DPR's energy and water/sewer fixed costs will go up by \$23,859 in the proposed budget; this net increase is due to the opening of the Wilson Pool and revised OPM estimates. An additional \$27,300 is also provided in the budget to fund the Recreation Volunteer Background Check & Screening Act of 2000 (B13-303).

FY 2009 Approved Budget to FY 2010 Proposed Budget, by Revenue Type

Table HA0-5 itemizes the changes by revenue type between the FY 2009 approved budget and the FY 2010 proposed budget. The three categories of changes reflected in this table are: (1) changes to the baseline budget (includes agency request), (2) changes to the baseline budget (includes agency request), (3) changes related to policy initiatives.

Table HA0-5
(dollars in thousands)

LOCAL FUND: FY 2009 Approved Budget

Initial and Baseline Adjustments

Reduction for nonrecurring cost savings - Support	Multiple Programs		
Boys and Girls Club, and grant to UNFEST			
Net effect of fixed cost adjustments - Funding adjustments for OPM and OCTO estimates	Multiple Programs		
Net effect of salary and benefits changes - Salary steps and other personal services funding adjustments	Multiple Programs		
Intra-Agency Changes - Funding redirected across multiple programs	Multiple Programs	-1,307	0.0
Baseline Adjustments: Net effect of fixed cost adjustments - Funding adjustments for revised OPM estimates	Multiple Programs	159	0.0

Baseline Adjustments
Describes adjustments to the agency's FY 2010 proposed budget compared to the FY 2009 approved budget.

Using a revised format, this table describes the changes made to an agency during the overall budget formulation process.

Policy Initiatives and Cost Savings

Eliminate - Align security budget with revised OPM estimates	Agency Management Program	-1,171	0.0
Reduce - Reduce discretionary purchases, including facility rentals, out-of-city travel, conference fees, membership dues, equipment rentals, contractual services	Multiple	-676	0.0
Cost decrease - Align fleet budget with revised DPW estimates	Agency Management Program	-90	0.0
Cost decrease - Align occupancy budget with revised OPM estimates	Agency Management Program	0	0.0
Cost decrease - Align procurement assessment budget with revised OCP estimates	Agency Management Program	-42	0.0
Cost decrease - Align telecom budget with revised OCTO estimates	Agency Management Program	-388	0.0
Cost increase - Align energy and waste/water budget with revised OPM	Agency Management Program	24	0.0
Additional target programming for	Recreational Programs	250	0.0
and athletic field maintenance	Park & Facility Management	975	0.0
needed to operate the Wilson	Multiple	350	6.0
and Check & Screening	Rec	0	0.0

Describes policy decreases that are the result of proposed Cost Savings initiatives.

Describes increases and transfers that are a result of District Policy Initiatives.

Act of 2000 - B13.303

LOCAL FUND: FY 2010 Proposed Budget and FTE

(Continued on the next page)

88 572.8

Agency Performance Measures

Table HA0-6

Measure	FY 2007 Year-End Actual*	FY 2008 Original Target	FY 2008 Year-End Actual	FY 2009 Projection	FY 2010 Projection	FY 2011 Projection
Objective 1:						
Percent of participants involved in on-going partner-led programs	n/a	1,000	1700	2,000	2,200	2,400
Value of grant funding for after-school programs	\$0	\$500,000	\$750,000	\$750,000	\$1 mil.	\$1.25 mil.
Value of funding received from corporate sponsors	\$942,805	\$3 mil.	\$1,437,408	\$4 mil.	\$5 mil.	\$5.5 mil.
Percent of DPR youth sports & fitness enrollments female	36%	45%	46%	50%	50%	55%
Percent of DPR youth sports & fitness enrollments	6,189	12,000	8,394	16,000	20,000	21,500
Percent of adult sports & fitness enrollments	1,034	3,000	1,234	5,000	7,000	7,500
Percent of Cooperative Play programs	10	10	10	14	16	18
Percent of Little Explorer camps	13	25	25	28	31	31
Combined numbers of Masters and Challengers Programs				8	12	16
Percent of meals reimbursed				95%	95%	95%
Percent of meals served				1,147,138	1,160,482	1,164,345
Percent of early/before- & after-care slots vacant				0%	0%	0%
Percent of early/before- & after-care slots				800	825	850
Objective 2:						
Percent of Dog Exercise areas designed and constructed				4	2	2
Percent of ball fields serviced each 3-week cycle	n/a	100%	100%	100%	100%	100%
Percent of ball fields maintained	n/a	78	80	82	83	83
Percent of new "adopt-a-park" agreements	n/a	15	1	15	15	15

Describes specific agency performance objectives from FY 2007 through the projected measure goal in FY 2011.

{Continued on next page}

Overview



Introduction to the FY 2010 Budget and Financial Plan

The District of Columbia government is unique and extremely complex.

As one entity, the District government provides services typically delivered elsewhere by states, counties, cities, and special taxing districts. The challenge for the District is to navigate this jurisdictional complexity while facing decreasing revenues and increasing service needs. Totalling \$10.1 billion, the gross budget in the FY 2010 Proposed Budget and Financial Plan is \$117 million, or 1.2 percent, more than the FY 2009 approved budget of \$10.0 billion, including Enterprise Fund agencies but excluding Intra-District funding. Figure 1-1 shows the major source of gross funds for FY 2010. Figure 1-2 does the same for Local funds revenue. The gross budget

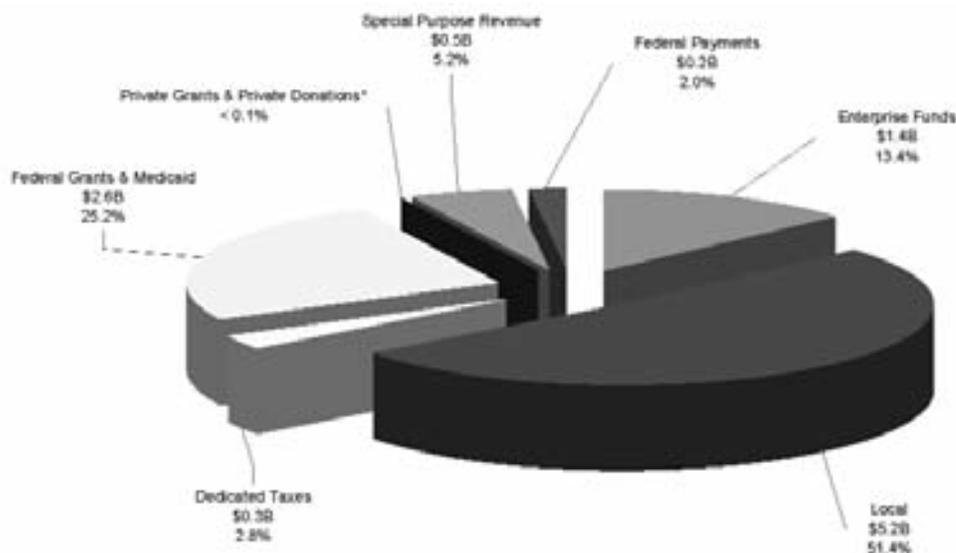
excluding Enterprise Fund agencies is \$8.8 million.

The budget funds services as diverse as street cleaning, affordable multi-family housing development, voter registration, business inspection, fire fighting, police patrol, running a lottery, managing a vast multimodal transit system, educating children, promoting economic development, encouraging people to move into the District, and protecting at-risk youth.

The District's proposed budget is similar to any other budget in that it identifies resources (revenues) and uses (expenditures) to accomplish specific purposes developed by citywide strategic planning and

Figure 1-1

Where the Money Comes From - Sources of Gross Funds for FY 2010 (\$10.2 Billion, not including Intra-District Funds)



* The amount from this source is \$4.7 million. Details do not sum to total because of rounding.

departmental business planning. In addition to these basic elements, the proposed budget includes a financial forecast for policy priorities of the Mayor and the Council of the District of Columbia and detailed cost information for agency programs and activities. The District's FY 2010 proposed budget includes a number of agency reorganizations and program shifts. These changes are being made to improve services and accountability and meet strategic business goals. They include the following:

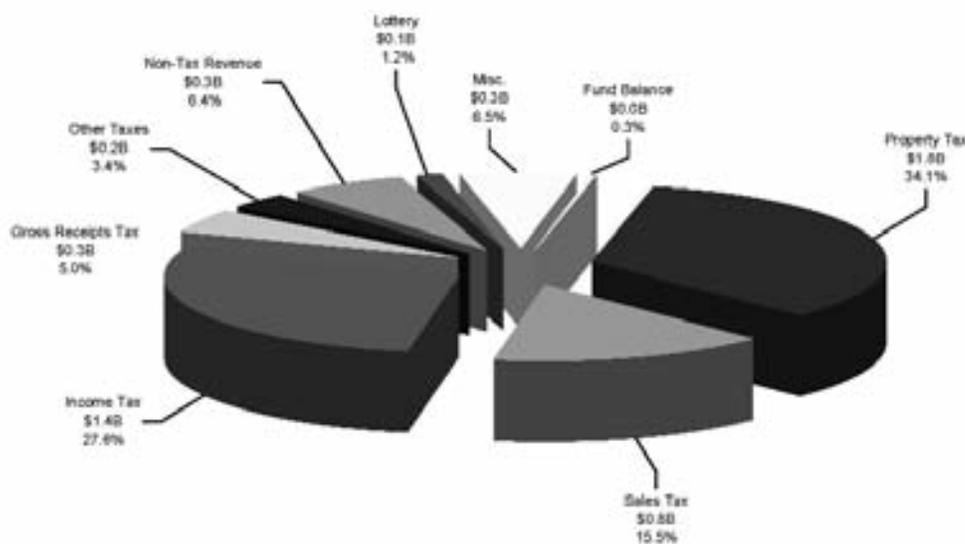
- The Department of Health Care Finance's (DHCF) FY 2010 budget reflects \$147,680,365 of projected additional Federal Medicaid funds as a result of the enhanced Federal Medical Assistance Percentage (FMAP), which was enacted by the American Recovery and Reinvestment Act of 2009 (ARRA). The agency will also receive an estimated \$1,478,873 in additional Disproportionate Share Hospital (DSH) funds in FY 2010 as a result of the enhanced DSH rates enacted by the ARRA. A portion of the Stimulus funds, matched by \$633,588 in enhanced Local and DSH Funds, will support the ongoing transition of Healthcare Alliance members to Medicaid for those who qualify for Medicaid. Additionally,

the expansion of health information technology, which is financially supported by the ARRA, will generate savings of approximately \$2,700,000 through its accelerated adoption by providers, thereby reducing duplication of services, medical errors, and inappropriate utilization. The enhanced Federal funds apportioned to DHCF as a result of the ARRA will be partially offset by a comparable reduction in Local funds.

- Child and Family Services Agency's (CFSA) proposed FY 2010 budget eliminates \$20,944,920 of Medicaid Intra-District funds, thereby eliminating the agency's risk of Targeted Case Management (TCM) liability. The budget also almost totally eliminates the agency's \$28,763,080 liability for Rehab Option by reducing Intra-District funds by 97 percent. The remaining \$1,000,000 in Medicaid Intra-District funds anticipates reimbursements based on methodology changes that comply with local and federal regulations and laws. In FY 2010, a combination of Local funds and Federal grant payments from Title IV-E will offset reductions in the Medicaid Intra-District funds to CFSA. The Intra-District for Title IV-E federal payment

Figure 1-2

Where the Money Comes From - Sources of Local Fund Revenue FY 2010 - \$5.2 Billion (Excluding Dedicated Taxes)



Note: The amount from this source is \$16.3 million. Details do not sum to total because of rounding.

increases by \$17,317,240, and Recovery Act funds will add an additional \$2,432,640. TCM is additionally funded by an one-time increase of \$19,415,079 in Local funding. In FY 2011 and beyond, it is anticipated that the agency will be able to make use of federal reimbursement funding streams appropriately to realize cost savings to the local budget.

- The Department of Mental Health's (DMH) FY 2010 budget protects resources necessary for the successful closure of DMH's Community Service Agency (CSA), which currently provides direct mental health services to about 4,000 District residents. DMH will continue operating the CSA until March 31, 2010 – six months longer than originally planned – to ensure that every CSA consumer makes a successful transition into a quality community mental health care provider. To accommodate this prolonged timeline, DMH's budget shifts roughly \$3,409,618 and 40.5 FTEs into CSA to continue providing direct services through the first six months of FY 2010. In addition, DMH's budget preserves nearly all other savings from the CSA closure to run an orderly transition and build capacity among community mental health care providers. A team of DMH staff will ensure that every consumer currently served by CSA is matched with a quality provider
 - The FY 2010 proposed budget anticipates that the Department of Parks and Recreation (DPR) will no longer be a direct provider of child care services. This action reduces DPR's Intra-District budget by \$5,100,000 and 84.9 FTEs, and reduces DPR's Private Grant budget by \$951,000 and 18.6 FTEs. The Office of the State Superintendent of Education, however, will maintain the same level of funding for child care and Pre-K programs demonstrating attendance, including Pre-K, Before and After Care, and Afterschool programs.
 - The Department of Housing and Community Development adds several new activities: Tax Credit Assistance, Project Funding and Neighborhood Stabilization under the Affordable Housing and Real Estate Development program.
- Two new activities, the Employer Assisted Housing Program (EAHP) under the Homeownership and Home Rehabilitation Assistance program and the Emergency Shelter Grant Management Program STM under the Emergency Shelter Grant Management Program were also created.
- The Metropolitan Police Department (MPD) reorganized from the FY 2009 Approved Budget to the FY 2010 Proposed Budget, including the establishment of the Homeland Security Bureau to integrate the intelligence and operational functions that will ensure the city is well protected and prepared to prevent and respond to threats and critical incidents within the District of Columbia. The Homeland Security Bureau works directly in support of patrol operations to reduce crime and the fear of crime. Additionally, the District was awarded a COPS grant by the United States Department of Justice to fund 50 additional police officers.
 - For FY 2010, the Department of Public Works (DPW) found that 37 positions could be eliminated through better distribution of staff assignments and a strategic reduction to bulk collection services. DPW anticipates bulk collections will be collected within 14 days of a request, as opposed to 10 days. Other eliminated positions are primarily administrative and management positions which do not directly affect field work. Savings from this realignment total \$2,151,000, and DPW believes most will be achieved through attrition and vacancy savings. In addition, total fuel costs are reduced by about \$7,000,000 District-wide by basing estimates on the per-gallon cost. These reductions are reflected across each fleet-using agency's Local fund budget as a cost decrease. DPW's fleet budget for its own vehicles was reduced by \$1,847,000 in FY 2010. DPW will also reduce discretionary purchases across the agency, including supplies, other services and charges and equipment, yielding \$4,923,908 in Local fund savings.
 - In FY 2010, the DC Department of Transportation receives \$42,000 of Local fund support. The \$2,975,000 budget for Traffic

Control Officers and School Crossing Guards is absorbed into the Unified Fund. The remaining \$332,000 is paid from Local funds duplicate payments through the WMATA subsidy in FY 2010. No traffic control officers or school crossing guards will be eliminated. In preparation for the FY 2010 budget submission, DDOT carefully evaluated its current expenditures and strategically restructured its operations. As a result, DDOT eliminated 33.4 FTEs that were vacant. The gross fund budget in FY 2010 is \$128,202,561 and 332.2 FTEs. Finally, DDOT decreased supplies, materials, and contract expenses. Procurement and telecom assessments were increased due to new OPM assessments.

- For FY 2010, the District's Uniform Per Student Funding Formula, which forms the basis for funding the public school system, has the foundation level retained at the same level as FY 2009, \$8,770 per student. Typically appropriated exclusively from Local funds, for FY 2010, the total UPSFF amount is derived from both Local funds and a payment from the federal government representing State Fiscal Stabilization Funds pursuant to the ARRA Act of 2009. Please refer to the Agency Budget Chapters volume, chapters for District of Columbia Public Schools, District of Columbia Public Charter Schools, and Office of the State Superintendent of Education.

Where the Money Comes From

Money for providing District services comes from a variety of sources. The District's general fund consists of Local Tax and Nontax Revenue, Dedicated Taxes, and Special Purpose Revenue funds. Federal grants, federal Medicaid, and federal payments constitute the District's federal resources. Private resources and Enterprise and Other funds make up the balance of the District's gross funds (Figure 1-1).

Local tax revenue accounts for most of the money supporting services and includes such common sources as income, property, and sales taxes but excludes Dedicated Taxes (Figure 1-2). Detailed revenue information, including historical trends, FY 2010 revenue estimates and projection assumptions are included in the revenue chapter of this budget book.

How the Money is Allocated

To facilitate policy decisions concerning expenditures and to provide summary information for reporting expenditures, the District's budget is developed, presented, and executed along several lines. These include fund types, appropriation titles, agencies, programs, and expense categories. As with revenues, expenditures can be grouped by the source of funds. The total of these funds is referred to as "gross funds." Totalling \$10.1 billion, the expenditure budget in the FY 2010 Proposed Budget and Financial Plan is \$117 million, or 1.2 percent, more than the FY 2009 approved budget of \$10.0 billion, including Enterprise and Other funds but excluding Intra-District funding.

For purposes of appropriating the District's budget, agency budgets are grouped by appropriation title or function, such as public safety or public education. Table 1-1 shows the FY 2010 proposed gross funds expenditures budget by appropriation title and their change from FY 2009. Figure 1-3 shows the percentage distribution of FY 2010 gross expenditure by appropriation title. The largest appropriation titles, Public Education System and Human Support Services, represent 50.3 percent of the District's proposed budget – meaning more than one-half of every dollar generated is directed to these two areas.

The FY 2010 Local proposed budget operating margin includes \$48.85 million reserved for subsequent years expenditures leaving a true operating margin of \$4.75 million. As shown in Table 1-2a, the proposed Local funds budget excluding dedicated taxes and enterprise funds for FY 2010 is \$5.2 billion, which is \$417 million, or 7.4 percent, less than the FY 2009 approved budget of \$5.6 billion. The table also displays expenditures budgets by appropriation title and their change from FY 2009.

The proposed dedicated tax budget for FY 2010 is \$284 million, which is \$38 million, or 15.5 percent, more than the FY 2009 approved budget of \$246 million. Table 1-2b shows the FY 2010 proposed Dedicated Taxes funds expenditures budget by appropriation title and their change from FY 2009.

Within the appropriation titles are the agencies that operate the programs, activities, and services provided to District citizens and businesses. For example, the Public Works appropriation title includes the Department of Public Works, the Department of

Table 1-1

**Gross Funds Expenditure Budget, by Appropriation Title
(Excludes Intra-District and Housing Finance Agency HF0)**

(Dollars in Thousands)

	FY 2009 Approved Budget	FY 2010 Proposed Budget	Change from FY 2009	% Change from FY 2009
Governmental Direction and Support	426,872	401,877	-24,996	-5.9
Economic Development and Regulation	469,856	433,467	-36,389	-7.7
Public Safety and Justice	1,276,224	1,285,088	8,864	0.7
Public Education System	1,700,928	1,739,257	38,330	2.3
Human Support Services	3,168,309	3,360,790	192,482	6.1
Public Works	625,517	635,307	9,790	1.6
Financing and Other	1,006,651	911,255	-95,397	-9.5
Subtotal, General Operating Funds	8,674,357	8,767,041	92,685	1.1
Enterprise Funds	1,341,868	1,366,370	24,503	1.8
Total District of Columbia	10,016,225	10,133,412	117,186	1.2

Note: Details may not sum to totals because of rounding.

Figure 1-3

**Where the Money Goes -
Gross Funds Expenditure Budget, by Appropriation Title for FY 2010
(Excludes Intra-District Funds and Housing Finance Agency HF0)
(\$10.1 Billion)**

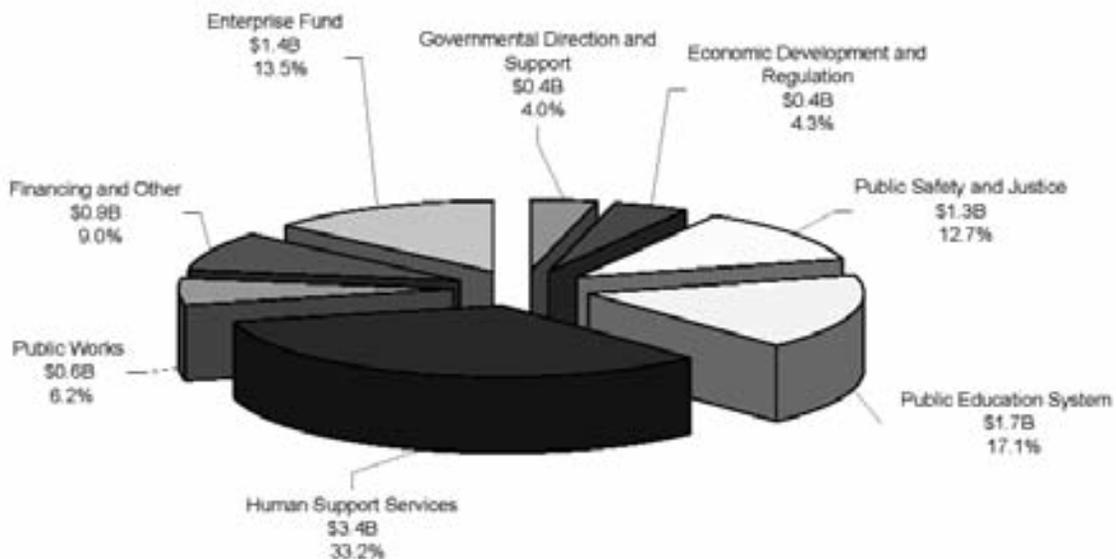


Table 1-2a

Local Funds Expenditure Budget, by Appropriation Title**(Excludes Dedicated Taxes and Enterprise Funds)**

(Dollars in Thousands)

	FY 2009 Approved Budget	FY 2010 Proposed Budget	Change from FY 2009	% Change from FY 2009
Governmental Direction and Support	349,268	311,154	-38,114	-10.9
Economic Development and Regulation	181,745	130,431	-51,314	-28.2
Public Safety and Justice	942,350	931,795	-10,555	-1.1
Public Education System	1,398,680	1,359,696	-38,984	-2.8
Human Support Services	1,539,501	1,352,452	-187,049	-12.1
Public Works	419,393	400,602	-18,791	-4.5
Financing and Other	765,964	694,255	-71,709	-9.4
Total	5,596,902	5,180,385	-416,516	-7.4

Note: Details may not sum to totals because of rounding.

Table 1-2b

Dedicated Taxes Expenditure Budget, by Appropriation Title**(Excludes Enterprise Funds)**

(Dollars in Thousands)

	FY 2009 Approved Budget	FY 2010 Proposed Budget	Change from FY 2009	% Change from FY 2009
Economic Development and Regulation	49,773	34,202	-15,571	-31.3
Human Support Services	16,449	25,764	9,315	56.6
Public Works	11,420	13,000	1,580	13.8
Financing and Other	167,924	210,550	42,626	25.4
Total	245,566	283,516	37,950	15.5

Note: Details may not sum to totals because of rounding.

Transportation, and the Department of Motor Vehicles. The FY 2010 proposed local budget includes over 100 agencies receiving Local funds in seven appropriation titles.

To provide context as to the types of expenses for a particular program, information is presented by expense category (Tables 1-3a, Local funds; and 1-3b, Dedicated Taxes). These same categories are used by all District agencies. Specific agency costs by expense category are included in the agency chapters.

A large expense category is personal services, totaling \$1.8 billion and representing 34.9 percent of the FY 2010 Local funds proposed budget, excluding Dedicated Taxes. This funding will support 24,093 Local full-time equivalent (FTE) positions, a decrease of 1,896 FTEs, or 7.3 percent, from FY 2009 (see Table 1-4). Including all fringe benefits, but excluding extra compensation like overtime and shift differ-

ential, the average Local FTE for FY 2010 will cost \$71,605.

The District's FY 2010 gross funds proposed budget, including Intra-District funds, includes 32,504 FTEs, a decrease of 1,615 FTEs, or 4.7 percent, from FY 2009. Major gross funds FTE changes by agency and appropriation title are detailed in Table 1-5.

Table 1-3a

Local Funds Proposed Expenditure Budget, by Category**(Excludes Dedicated Taxes and Enterprise Funds)**

(Dollars in Thousands)

	FY 2009 Approved Budget	FY 2010 Proposed Budget	Change from FY 2009	% Change from FY 2009
Regular Pay - Cont Full Time	1,506,872	1,338,179	-168,693	-11.2
Regular Pay - Other	107,440	152,156	44,716	41.6
Additional Gross Pay	42,867	44,847	1,980	4.6
Fringe Benefits - Curr Personnel	246,585	234,837	-11,747	-4.8
Overtime Pay	41,692	37,694	-3,998	-9.6
Subtotal, Personal Services	1,945,456	1,807,713	-137,743	-7.1
Supplies and Materials	51,170	41,422	-9,748	-19.1
Energy, Comm. And Bldg Rentals	68,311	88,031	19,720	28.9
Telephone, Telegraph, Telegram, Etc	28,830	28,883	52	0.2
Rentals - Land and Structures	107,570	88,380	-19,189	-17.8
Janitorial Services	5,815	6,088	273	4.7
Security Services	28,392	19,747	-8,645	-30.4
Occupancy Fixed Costs	17,213	12,470	-4,743	-27.6
Other Services and Charges	155,503	146,640	-8,863	-5.7
Contractual Services - Other	458,802	286,502	-172,300	-37.6
Subsidies and Transfers	2,118,284	2,054,146	-64,137	-3.0
Equipment & Equipment Rental	50,069	25,513	-24,555	-49.0
Debt Service	561,486	574,850	13,363	2.4
Subtotal, Nonpersonal Services	3,651,446	3,372,673	-278,773	-7.6
Total	5,596,902	5,180,385	-416,516	-7.4

Note: Details may not sum to totals because of rounding.**Performance-Based Budgets**

In addition to these District-wide expenditure reports by appropriation title and category, the District has completed its transition to a performance-based budgeting (PBB) structure and agency budgets show the programs and activities they provide. For those agencies that have a performance plan, we are also able to show the results associated with the expenditures. More information about performance-based budgeting is available in the Strategic Budgeting chapter within this volume and the Service-Level Budgeting chapter found within the Special Studies volume.

Table 1-3b

Dedicated Taxes Proposed Expenditure Budget, by Category**(Excludes Enterprise Funds)**

(Dollars in Thousands)

	FY 2009 Approved Budget	FY 2010 Proposed Budget	Change from FY 2009	% Change from FY 2009
Regular Pay - Cont Full Time	203	165	-38	-18.8
Regular Pay - Other	75	104	30	39.8
Fringe Benefits - Curr Personnel	41	43	2	4.4
Subtotal, Personal Services	319	313	-7	-2.1
Supplies and Materials	0	5	5	NA
Other Services and Charges	0	5,000	5,000	NA
Contractual Services - Other	2	2,093	2,091	116,166.7
Subsidies and Transfers	235,665	266,445	30,780	13.1
Debt Service	9,580	9,661	81	0.8
Subtotal, Nonpersonal Services	245,247	283,204	37,957	15.5
Total	245,566	283,517	37,950	15.5

Note: Details may not sum to totals because of rounding

Table 1-4

Local Funds Proposed FTEs, by Appropriation Title**(Includes Dedicated Taxes and excludes Enterprise Funds)**

	FY 2009 Approved Budget	FY 2010 Proposed Budget	Change from FY 2009	% Change from FY 2009
Governmental Direction and Support	2,572	2,229	-343	-13.3
Economic Development and Regulation	417	305	-112	-26.9
Public Safety and Justice	8,686	8,544	-142	-1.6
Public Education System	8,190	7,627	-563	-6.9
Human Support Services	4,382	3,776	-606	-13.8
Public Works	1,743	1,613	-129	-7.5
Subtotal, General Operating Local Funds	25,990	24,093	-1,896	-7.3
Economic Development and Regulation	4	4	0	0.0
Subtotal, General Operating Dedicated Tax Funds	4	4	0	0.0
Total, General Operating Local and Dedicated Tax Funds	25,994	24,097	-1,896	-7.3

Note: Details may not sum to totals because of rounding.

Table 1-5

Major Gross Funds FTE Changes

Agency Name	FY 2009	FY 2010	Increase	Explanation of Major FTE Changes
	Approved	Proposed		
	FTEs	FTEs	(Decrease)	
Office of the City Administrator	56	46	(10)	Eliminated positions due to reduced funding
D. C. Department of Human Resources	181	128	(52)	Eliminated positions due to reduced funding
Office of Contracting and Procurement	142	118	(24)	Eliminated positions due to reduced funding
Office of the Chief Technology Officer	298	310	12	Policy Decision
Office of the Attorney General for the District of Columbia	731	768	37	Policy Decision
Office of the Chief Financial Officer	1,078	929	(149)	Eliminated positions due to reduced funding
Other Agencies	962	941	(20)	Net Change
Governmental Direction and Support	3,447	3,240	(207)	
Deputy Mayor for Planning and Economic Development	77	65	(12)	Eliminated positions due to reduced funding
Department of Housing and Community Development	161	132	(29)	Eliminated positions due to reduced funding
Department of Consumer and Regulatory Affairs	350	302	(48)	Eliminated positions due to reduced funding
Other Agencies	1,060	1,028	(32)	Net Change
Economic Development and Regulation	1,647	1,526	(120)	
Metropolitan Police Department	4,926	4,875	(51)	Eliminated civilian positions due to reduced funding
District of Columbia National Guard	106	67	(39)	Eliminated positions due to reduced funding
Office of Unified Communications	400	365	(35)	Eliminated positions due to reduced funding
Other Agencies	3,442	3,436	(6)	Net Change
Public Safety and Justice	8,874	8,743	(130)	
District of Columbia Public Schools	7,376	6,909	(466)	Agency downsizing due to fewer students
Office of the State Superintendent of Education	409	339	(69)	Eliminated administrative positions
Office of Public Education Facilities Modernization	400	269	(131)	Eliminated positions due to reduced funding
Special Education Transportation	1,146	1,570	424	Corrected FTE count; staffed new bus routes
Other Agencies	518	502	(15)	Net Change
Public Education System	9,848	9,590	(258)	
Department of Human Services	935	885	(50)	FTEs increased in Federal grants resulting from shifts from Medicaid and other increases; FTEs reduced from private grants; FTEs reduced in Intra-District; and FTEs eliminated from Local funds
Child and Family Services Agency	940	892	(48)	Reduction in staffing, elimination of vacancy positions and other unfunded positions, and transition of staff to other agencies or to different funding vehicles
Department of Mental Health	1,627	1,324	(303)	Eliminated positions from closure of Community Services Agency program and redirecting staff to other programs; eliminated staff, outsourced some functions at St. Elizabeths Hospital

(Continued on next page)

Table 1-5
Major Gross Funds FTE Changes
(Continued)

Agency Name	FY 2009	FY 2010	Increase (Decrease)	Explanation of Major FTE Changes
	Approved FTEs	Proposed FTEs		
Department of Health	911	836	(75)	A net due to reduction in Special Purpose Revenue; FTEs reduced in Federal grants; FTE reduction in Intra-District funds; and FTEs reduced from Local funds
Department of Parks and Recreation	811	575	(237)	Eliminated direct services to child care, with those services to be provided by community based providers under contract with OSSE; eliminated other positions
Department of Youth Rehabilitation Services	656	603	(54)	Eliminated vacant positions; outsourced functions of positions
Department on Disabilities Services	467	410	(57)	Eliminated vacant positions; reduce positions by staff realignments
Department of Health Care Finance	166	155	(11)	Net reductions from restructuring functions
Other Agencies	82	77	(5)	Net Change
Human Support Services	6,595	5,756	(840)	
Department of Transportation	366	319	(46)	Eliminated positions due to reduced funding
Department of Motor Vehicles	295	252	(43)	Eliminated positions due to reduced funding
District Department of the Environment	301	316	15	Increase in FTEs due Strom Water enforcement
Other Agencies	1,518	1,515	(3)	Net Change
Public Works	2,479	2,401	(77)	
Financing and Other	0	0	0	
Total General Operating Funds	32,889	31,257	(1,632)	
University of the District of Columbia	1,087	1,104	17	Additional staffing requested by the agency
Other Agencies	143	143	-	Net Change
Enterprise Fund	1,229	1,247	17	
Grand Total, District Government	34,118	32,504	(1,615)	

Organization of the FY 2010 Budget and Financial Plan

The FY 2010 Budget and Financial Plan is composed of the following volumes:

- **Volume 1** - Executive Summary.
- **Volume 2 and 3** - Agency Budget Chapters: these provide all summary information regarding the District's proposed budget.
- **Volumes 4 and 5** - Operating Appendices: these provide detailed information about operating funds by agency.
- **Volume 6** - FY 2010-FY 2015 Capital Appendices: this provides detailed information about capital projects and spending by agency.
- **Volume 7** - FY 2010 - FY 2015 Highway Trust Fund.

Additional details about the organization of the District's FY 2010 budget and financial plan may be found in the How to Read the Budget and Financial Plan chapter.

The FY 2010 Budget Calendar

The FY 2010 Budget and Financial Plan is the culmination of a year-long process. Some of the critical steps in the budget formulation process and their general schedule are described in Table 1-6.

The District's Budget Process: A Brief Overview

The District of Columbia Home Rule Act (Public Law 93-198; 87 Stat. 777) [D.C. Official Code 1-201.01 et. seq.], approved December 24, 1973, prescribes a procedure for the approval of the annual budget for the District of Columbia Government.

Under section 424(a)(5) [D.C. Official Code 1-204.24(a)(5)], the Chief Financial Officer for the District of Columbia prepares and submits to the Mayor and the Council annual estimates of all revenues of the District of Columbia (without regard to the source of such as revenues), including proposed revenues. These revenue estimates are binding on the Mayor and the Council for purposes of the annual budget to be submitted to Congress, except that the Mayor and the Council may base the budget on estimates of revenues that are lower than those prepared by the Chief Financial Officer. Under section 442(a) [D.C. Official Code 1-204.42(a)], the Mayor prepares and submits a proposed annual budget to the

Council. In preparing the annual budget, the Mayor may use a budget prepared by the Chief Financial Officer for this purpose under section 424(a)(2) [D.C. Official Code 1-204.24(a)(2)].

The Mayor may also prepare and submit supplemental or deficiency budget recommendations to the Council from time to time, pursuant to section 424(c). A statement of justifications must be included.

Under section 603(c) [D.C. Official Code 1-206.03(c)], the Mayor is required to submit a balanced budget and identify any tax increases that shall be required. The Council is required to adopt such tax increases to the extent the budget is approved. The annual budget submitted shall include, among other items, a multiyear plan for all agencies of the District government (as required under section 443 [D.C. Official Code 1-204.43]) and multiyear capital improvements plan for all agencies of the District government (as required under section 444 [D.C. Official Code 1-204.44]).

Under section 446 [D.C. Official Code 1-204.46], the Council must hold a public hearing on the budget submission and, within 56 calendar days after receipt of the budget proposal from the Mayor, adopt a budget by act. The act is styled as the Budget Request Act (of the year of adoption) and requires only one reading. If the Mayor approves the budget act, he or she submits the act to the President for transmission to Congress.

However, unlike other acts submitted to the Mayor for signature, the Mayor may exercise a line-item veto under section 404(f) [D.C. Official Code 1-204.04]. If the Mayor disapproves an item or provision, he or she must attach to the act a statement of the item or provision which is disapproved and, within the 10-day period for approval or disapproval, return a copy of the act and statement with his or her objections to the Council.

The Council has 30 calendar days to reenact a disapproved item or provision by a two-thirds vote of the members of the Council present and voting. If an item or provision is reenacted, the chairman submits it to the President for transmission to Congress. If the Mayor fails to return a disapproved item or provision to the Council in a timely manner, he or she shall be deemed to have approved the item or provision and the chairman will submit it to the President for transmission to Congress.

Unlike other legislation, the Budget Request Act does not become effective after a period of congressional review; it never becomes District of Columbia local law. Instead, the President transmits the Budget Request Act to the House and Senate. Ultimately, Congress appropriates all funds for the District by an

act. This act may, but is not required to, include some or all of the provisions of the Budget Request Act as transmitted by the District.

Table 1-6

How and When the FY 2010 Budget was Prepared

Budget Guidance

August – September 2008

The FY 2010 budget process began with the Office of Budget and Planning (OBP) creating guidelines on how agencies should prepare the agency budget submissions. These guidelines were conveyed to all District stakeholders at the annual Budget Kickoff held on September 17, 2008.

Agency Budget Request Development

October – December 2008

Taking into consideration the Executive Office of the Mayor's citywide strategic plan, and following the budget guidance from OBP, agencies developed their FY 2010 budget requests, and requests for additional funding through technical adjustments.

Budget Analysis

December 2008 – January 2009

OBP reviewed agency budget requests for adherence to established guidelines, identified opportunities for efficiencies and incorporated revised economic data into the formulation process.

Budget Presentation

January – March 2009

OBP provided the Mayor with the Baseline budget. OBP also assisted the Office of the City Administrator through sound analysis and collaboration during the Budget Review Team meetings where policy priorities were determined, and the Mayor's FY 2010 proposed budget was finalized for submission to the Council on March 20, 2009.

Council Public Hearings (Consensus Process)

April 2009 - July 2009

Council Committees held Budget Request Act hearings to hear testimony on agencies' FY 2010 proposed budgets. Council began revising and marking up the Mayor's Proposed budget. As this process was nearly completed, new revenue estimates in June 2009 extended the consensus period.

Budget Request Act and Budget Submission Act

July 2009 - September 2009

The Council approved the FY 2010 Budget Request Act of 2009 and the FY 2010 Budget Support Act of 2009. Upon the Mayor's signature the FY 2010 Proposed Budget and Financial Plan is submitted to Congress.

Strategic Budgeting

The strategic management process of the District of Columbia (the District) continues to advance and evolve. Under the direction of the Mayor, the District has adopted the CapStat performance process as the city-wide accountability program, which has added a new level of rigor to the District's quest for excellence in government. As the District makes many of its financial activities routine, we continue to examine our business operations and seek to leverage our management reforms and other tools to improve the quality of government and the services provided to residents, businesses, and visitors.

With Mayor and Council support, the Office of the Chief Financial Officer (OCFO) continues to improve budgetary and financial execution practices to provide accurate and timely financial data to decision-makers. Over the years, the OCFO has undertaken a number of strategic projects to improve our support to District financial stakeholders. This chapter outlines the current status of these initiatives.

Performance-Based Budgeting

In FY 2001, the Council passed legislation (DC 47-308.01) requiring the Mayor's budget to be performance-based and thus established Performance-Based Budgeting (PBB). The law specified that the following be included in the budget presentation:

- Program Name;
- Agency strategic result goals;
- Estimated total program, activity and service costs;
- Program overview describing activities;
- Program performance measures;
- Estimated program costs;
- Full-time equivalents (FTEs) for the prior, cur-

rent, and next fiscal year; and

- Program benchmarks providing comparisons with other jurisdictions.

Performance-Based Budgeting links spending to programs, activities, and services, allowing results to be measured. This linkage enables public officials, program managers, and the public to evaluate whether funding is being spent wisely on a program that is meeting its goals, or if the money could be better spent on other services. The implementation of PBB is complete, and as new agencies are created and existing agencies restructured, their fiscal information will be reported in the PBB format.

The PBB methodology replaces the traditional budget organizational structure with a structure that shows programs, activities, and services. We can now see the programmatic outcomes of the spending alongside the traditional categories of cost. Previously, agency program structures were a component of each agency's Strategic Business Plan (SBP). Based on Mayoral guidance in FY 2007, selected agencies have transitioned their SBPs into Performance Plans. As

part of this process, agency performance measures underwent a rigorous review and validation. These revisions have led to updated or enhanced performance measures. For the agencies with a performance Plan, the budget is presented with the agency's strategic mission, summary of services, objectives, program and activity summaries and performance measures.

Agency Management Program

An additional benefit of PBB is the District's ability to track specific expenses across various agencies. In FY 2004, the Office of Budget and Planning (OBP) and the Office of the City Administrator (OCA) developed the Agency Management Program (AMP) to track costs for common administrative expenses both within each agency and across the District. The AMP can include up to 15 activities, depending on whether the agency performs that function. One activity, Court Ordered Supervision, was added in FY 2010. A partial listing of the activities includes:

- Personnel - provides human resource services to the agency so that they can hire, maintain, and retain a qualified and diverse workforce;
- Training and Employee Development - provides training and career development services to agency staff so that they can maintain/increase their qualifications and skills;
- Labor-Management Partnership - creates a structure in which agencies can collaboratively resolve workplace issues;
- Property Management - provides real estate and facility services to the agency in a timely, efficient, and effective manner in keeping with current District operations, industry standards and best practices;
- Information Technology - provides network, telephone, and computer hardware and software support and information services to agency staff so that they can use technologies to produce, communicate and manage information;
- Financial Services - provides financial and budgetary information to departmental program/administrative units to ensure the appropriate collection/allocation, utilization and control of District resources; and

- Court Ordered Supervision - identifies the administrative expenses of court supervision or oversight of the agency or any of its functions.

The AMP brings consistency in budgeting and performance reporting to the District's administrative services and allows for more accurate tracking of administrative costs.

Agency Fiscal Operations

As part of the process for developing the FY 2005 proposed budget, the funding and FTE count for all OCFO FTEs assigned to the agencies were separated into a program called Agency Financial Operations (AFO). The purpose of the AFO program is to provide comprehensive and efficient financial management services to, and on behalf of, all District agencies.

Agency fiscal operations are managed by the Associate Chief Financial Officers (ACFOs) who serve as the key contact between the Office of the Chief Financial Officer and the District's senior leadership in managing agency finances. In FY 2009, with the addition of an Education ACFO, the total number of ACFOs grew by one to a total of six. The ACFOs represent the following areas: Government Operations, Economic Development and Regulation, Government Services, Human Support Services, Public Safety and Justice, and Education. With the exception of the District of Columbia Public Schools, Agency Fiscal Officers (AFOs) for the respective agencies under each area report to their respective ACFO.

Service Level Budgeting

Performance-based Budgeting has created a uniform reporting structure within every agency. Agencies manage programs; programs are made up of activities; and activities consist of services. The District primarily budgets at the activity level. Starting in FY 2006, District law required the presentation of selected agency budgets at the service level. Service-level budgeting has value in that it allows for greater clarity and transparency in agency budgets by informing stakeholders about the operations of government. See the Service-Level Budgeting chapter within the *Special Studies* volume for the service-level budgets of agencies that fit the criteria established by

Council. Table 2-1 identifies by appropriation title which agency budgets are presented at the service level in FY 2010.

Benchmarking & Performance Collaboration

For the District, benchmarking is a comparison between District agency programs and comparable jurisdictions to assess performance and efficiency. Benchmarking helps identify potential program efficiencies by comparing them with similar programs in comparable jurisdictions. These jurisdictions are selected based on several factors, which include size, similar service delivery techniques, and proximity. Another benefit of benchmarking is the development and fostering of a culture of program management focused on continuous improvement. The FY 2009 benchmarking study incorporated higher level outcomes into the benchmark listing and that practice is continued in FY 2010. Those benchmarks published in previous years but deemed to have limited value were withdrawn from the benchmarking presentation. See the benchmarking chapter within the *Special Studies* volume.

District agencies often collaborate on complex projects. The Office of Planning, with support from the City Administrator, is coordinating a multiagency initiative that explores how shared performance measures across agency lines could better serve our neighborhoods. The Watts Branch Stream Valley Capital Improvement Plan (CIP) Pilot Project is a multi-agency effort to coordinate neighborhood investment and demonstrate how sustained investment in a designated geographic area (in this case, environmental restoration of the park and stream valley) can result in specific outcomes related to improved health and economic well-being in the community. See the chapter titled “Pilot Study: Performance Plan for Capital Improvements Program”, within the *Special Studies* volume for additional information.

Cost Driver Study

The Cost Driver project will bring the District a new, systems-based dimension to financial and management analysis, mainly volume counts (e.g. number of meals served, number of applications

processed, etc.) that correspond to key cost components of an agency. A reliable database of such counts, integrated with the District accounting system of record, will make possible the development of unit cost trends (e.g. cost per service) over time and relative to other organizations. Unit cost trends and comparisons to unit volume trends will help management to pinpoint cost areas that require more research to explain causes driving the trends and to compare actual costs with projected costs based on actual utilization levels. In FY 2009, 57 agencies, representing a gross budget of \$5.3 billion, were engaged in the study.

Information Systems

In FY 2004, the Office of Budget and Planning developed the CFO\$ource Executive Dashboard, which brought financial information together in one web-based application. The Dashboard provides agency heads, managers, and their staff with a resource to aid their decision-making. This application provides online standardized financial reports from SOAR, the District’s financial system of record. Analytic cubes allow users to view high-level financial data while drilling down to specific programs, activities, funds or object classes of cost within the operating, capital, and grants budgets. Information related to budget, payroll, procurement, and agency performance is currently linked to the application.

Since its initial release, upgrades to CFO\$ource have provided users with enhanced managerial tools. Recent, notable updates include the “Dynamic Views” portion of the Executive Dashboard application, which was enhanced to include over 40 formatted templates that are instantly available for ad hoc viewing and analysis, and the addition of Cost Driver information. In FY 2009 the Agency Operational Dashboard (AOD) was launched. This module further allows the user to cut through large amounts of data in order to drill down to selected data elements and present them graphically.

Budgeting in the District is done via the WebForm Budget Formulation Application (BFA) in CFO\$ource, which facilitates the entry of budget data via the web, reduces manual processes, allows for more accurate and timely analysis, and strengthens internal controls. A ben-

efit is the much improved position budgeting module, which enhances position control across the District by accurately forecasting future salary and benefit costs per employee. The BFA was recently upgraded to facilitate agency requests for budgetary technical adjustments and program enhancements and the database recordation of budget changes from year to year. Use of the CFO\$ource application has expanded to over 800 users.

Summary

While the projects within our strategic management efforts are dynamic, the need to continue expansion of our capabilities will not yield. Our strategic management process must provide a broad-based capability to provide timely financial information to city leaders. Our efforts must positively impact management’s ability to improve the effectiveness and efficiency of the delivery of city services. This task is not without challenges, but it is an achievable goal for a city and government determined to achieve world class status.

**Table 2-1
Service-Level Budgets for the
FY 2010 Budget and Financial Plan**

Governmental Direction and Support:
Office of the Attorney General (CB)
Office of the Chief Financial Officer (AT)
Office of the Chief Technology Officer (TO)
Office of the Inspector General (AD)
Office of Property Management (AM)
Public Safety and Justice:
Department of Corrections (FL)
Fire and Emergency Management Service (FB)
Homeland Security and Emergency Management Agency (BN)
Metropolitan Police Department (FA)
Office of Unified Communications (UC)
Office of Justice Grants Administration (FO)
Office of Victims Services (FE)
Public Works
District Department of the Environment (KG)
Department of Motor Vehicles (KV)
Department of Public Works (KT)
Department of Transportation (KA)
Public Education
District of Columbia Public Schools (GA)
Office of the State Superintendent of Education (GD)
D.C. Public Library (CE)
Office of Public Education Facilities Modernization (GM)
Special Education Transportation (GO)
Economic Development and Regulation
Office of the Deputy Mayor for Planning and Economic Development (EB)
Department of Housing and Community Development (DB)
Department of Employment Services (CF)
D.C. Commission on the Arts and Humanities (BX)
Department of Consumer and Regulatory Affairs (CR)

Financial Plan

The Financial Plan projects the District's results of operation for three fiscal years beyond the proposed operating budgets of the General Fund (comprised of Local funds, Dedicated Taxes and Special Purpose Revenue funds) and the Federal and Private Resources Funds (comprised of Federal grants, Federal Payments, and Private Grants and Donations) for the next fiscal year. The actual results for the prior fiscal year and the approved and revised budgets for the current fiscal year are also included as context for FY 2010 through FY 2013 of the financial plan.

The District uses the multi-year financial plan as a working tool throughout the fiscal year to monitor the impact of legislative proposals, programmatic initiatives, and economic changes on the District's near-term fiscal outlook. This financial plan focuses on the Proposed FY 2010 Budget and its impact on FY 2011 through FY 2013.

Below are line-item descriptions of the financial plan elements. For explanatory purposes, the plan is broken into two sections:

- Revenues; and
- Expenditures.

The numbering scheme noted below refers to the line numbers on Tables 3-1, 3-2, 3-3, and 3-4.

Revenues

2. Taxes – This category includes property, sales, income, and other taxes, which are projected by the Office of Revenue Analysis. See the Revenue chapter for details.

3. Dedicated Taxes – In Table 3-3, this line includes 11 types of taxes dedicated to: (a) the Neighborhood Investment Trust Fund; (b) Comprehensive Housing Task Force Trust Fund; (c) Housing Production Trust Fund; (d) Nursing Facility Quality of Care Fund; (e) Ball Park Fund; (f) the School Modernization Fund; (g) the Healthy DC Fund; (h) the District Department of Transportation's Unified Fund; (i) Convention Center Transfer Fund; (j) Tax Increment Financing (TIF) Fund; and (k) Highway Trust Fund.

3a. **Neighborhood Investment Trust Fund:** In 2004, District legislation created a Neighborhood Investment Fund and a Neighborhood Investment Program, which dedicates approximately \$10 million annually from personal property tax revenue to pay for a variety of community revitalization development purposes, including commercial, residential, and civic uses for 12 priority neighborhoods.

3b. **The Comprehensive Housing Task Force Fund:** The "Fiscal Year 2007 Budget Support Act of

2006” established the Comprehensive Housing Task Force (CHTF) Fund. A portion of the increase in the deed tax revenue that comes from the increase in the deed tax rates support this fund and a number of affordable housing initiatives including rent supplements, workforce housing and energy assistance. In FY 2009, CHTF Fund was moved to the Local Fund to better manage the use of these funds by several agencies like Department of Human Services, Department of Mental Health, and the District Department of Environment.

3c. The Housing Production Trust Fund: The Housing Production Trust Fund (HPTF) Second Amendment Act of 2002 requires that 15 percent of the District's Deed Recordation and Transfer Tax Revenue be transferred to the HPTF annually. The HPTF provides funds for the acquisition, construction and rehabilitation of affordable multifamily housing projects.

3d. The Nursing Facility Quality of Care Fund: The Healthcare Provider Tax imposes a 6 percent tax on the District's nursing homes. The legislation was passed during 2004. All of the funds raised are designated to go to the Nursing Facility Quality of Care Fund.

3e. Ballpark Fund: The “Ballpark Omnibus Financing and Revenue Act of 2004” (the “Ballpark Act”) provides for the creation of a Ballpark Revenue Fund, into which the Chief Financial Officer of the District (the “CFO”) is required to deposit “all receipts from those fees and taxes specifically identified by any provision of District of Columbia law to be paid into the fund and any rent paid pursuant to a lease of the ballpark.” Those fees and taxes include the Ballpark Fee, utility taxes, stadium revenue and rent. The Ballpark Revenue Fund pays for the debt service on the District's baseball stadium revenue bonds. See the Revenue chapter for details.

3f. The School Modernization Fund: In FY 2006, the District enacted the “School Modernization Financing Act of 2006,” which established the Public School Capital Improvement Fund. See Revenue chapter for details. Starting in FY 2009, this fund has been recorded in the Dedicated Taxes section to better portray the use of this fund.

3g. The Healthy D.C. Fund: The “Fiscal Year 2007 Budget Support Act of 2006”, Section 15b, established the Healthy DC Fund and Program. This act states that all tax revenue derived from hospital and medical services corporations, except for taxes upon real estate and fees and charges provided for by insurance laws of the District, shall be deposited into the fund and used to finance health care and medical services for qualifying individuals in the District of Columbia. This fund will be administered by the Department of Health Care Finance within the District of Columbia.

3h. The District Department of Transportation (DDOT). Pursuant to the D.C. Code, sales and use taxes collected by the District for parking and storing will be dedicated to the operations of the DDOT; provided that any such revenues in excess of \$30.0 million shall be deposited into the Highway Trust Fund. Starting in FY 2009, this fund has been recorded in the Dedicated Taxes section to better portray the use of this fund. A portion of this goes to debt service on borrowing for DDOT Capital Projects.

3i. The Tax Increment Financing (TIF) Fund and Community Benefit Fund (CBF). The TIF fund records the transfer of certain sales and property tax revenues from the District's General Fund to the special revenue funds that pay debt service on TIF transactions. The TIF method is used to assist in financing economic development projects. The CBF fund is a non-lapsing special revenue fund into which incremental property tax revenues and sales tax revenues of the D.C. Ballpark TIF Area are deposited. This line makes visible the flow of dedicated revenues through the General Fund. The funds are not new, but the presentation is new in FY 2010. See the Revenue Chapter for details on both sales and property taxes collected for TIF/CBF transactions.

3j. The Convention Center Transfer Fund: This fund records the transfer of certain sales tax revenues from the District's General Fund to the Walter E. Washington Convention Center Authority. This makes visible the flow of dedicated revenues through the General Fund. The funds are not new, but the presentation is new in FY 2010. See the Revenue Chapter for details on sales tax collected for the Convention Center.

3k. **The Highway Trust Fund:** This fund records the transfer of motor fuel tax revenues from the District's General Fund to the Highway Trust Fund. This makes visible the flow of dedicated revenues through the General Fund. The funds are not new, but the presentation is new in FY 2010. See the Revenue Chapter for details on motor fuel tax collected for the Highway Trust Fund.

4. **General Purpose Non-Tax Revenues.** This line includes revenue from licenses and permits, fines, charges for services, and other revenue sources that are not dedicated to particular purposes. See the Revenue chapter for details.

5. **Special Purpose (O-Type) Revenues.** Special purpose non-tax revenues, or O-Type or Other revenues, are funds generated from fees, fines, assessments, or reimbursements that are designated for use by the District agency that collects the revenues to cover the cost of performing the function. The designation of the revenue for the use of the collecting agency is what distinguishes this revenue from the general-purpose non-tax revenues.

6. **Transfer from the Lottery Board.** This line reflects the portion of D.C. Lottery and Charitable Games Control Board revenue that is transferred to the District's general fund.

7. **Sub-total, General Fund Revenues.** This line reflects the sum of lines 1 through 6.

8. **Bond Proceeds for Issuance Costs.** This is the portion of the bond proceeds that will be used to cover the cost of issuing General Obligation (or Income Tax Revenue) bonds.

9. **Transfer from Federal and Private Resources.** This line reflects the movement of federal grant dollars into Local funds to pay for certain indirect costs.

10. **Transfer from Enterprise Fund.** This line shows the amounts transferred from the HPTF Special Purpose Revenue fund to the General Fund to retire debt in FY 2008. This transaction is better portrayed through the dedicated taxes section of the financial plan starting in FY 2009.

11. **Transfer from Other.** This line shows a CAFR (Comprehensive Annual Financial Report) entry for miscellaneous revenue in FY 2008. A reversal of a disallowance by the Federal Health Resources Services Administration (HRSA) of \$1.4 million and funds received from two legal settlements of \$5.17 million makes up the amount in FY 2009 Revised column.

12. **Transfer from Capital Fund Balance.** Funds remaining from a capital project that are being transferred to the General Fund.

13. **Fund Balance Use.** This represents unexpended funds that fell to the "bottom line", or fund balance, in prior years but which the District is proposing to use in the current year. The General Fund Balance includes Local funds (including dedicated taxes) that finance transfers to other District funds, certain one-time expenditures, and Special Purpose Revenues that some agencies plan to spend from accumulated fund balances.

13a. **Conversion of Dedicated Tax to Local.** In Table 3-2, this line shows \$12.7 million of the first \$30 million of sales and use tax collected for parking and storing converted from the Highway Trust Fund to non-dedicated local funds in accordance with the "Fiscal Year 2009 Balanced Budget Support Temporary Amendment Act of 2008". Beginning in FY 2009 Revised and going forward, the corresponding amounts are part of the base revenue estimates.

13b. **Conversion of Dedicated Healthy DC Fund to Local.** In Table 3-2, this line shows \$8.5 million from the Healthy DC Fund authorized to be spent on purposes other than the Healthy DC Program in accordance with the "Fiscal Year 2009 Balanced Budget Support Temporary Amendment Act of 2008". In the FY 2009 Revised Budget, the corresponding amount is part of the base revenue estimates. An additional amount of \$13 million from the Healthy DC Fund was converted to Local funds in FY 2009 for the same purpose.

13c. **Conversion of Nursing Quality of Care Funds to Local.** In Table 3-2, this line shows \$16 million Healthcare Provider taxes in the Nursing Quality of Care fund converted to non-dedicated local funds.

13d. Conversion of Community Benefit Fund (CBF) to Local. In Table 3-2, this line shows \$23.41 million of sales tax and property taxes from the DC Ballpark TIF converted to non-dedicated local funds.

13e. Conversion of Special Purpose Revenue to Local. In Table 3-2, this line shows Special Purpose Revenue funds converted to local funds in accordance with the “Fiscal Year 2009 Balance Budget Support Temporary Amendment Act of 2008”.

13f. Fund Balance Use. In Table 3-2, this line shows \$426.6 million of fund balance use in FY 2008 as certified in the District’s Comprehensive Annual Financial Report (CAFR). The FY 2009 Approved Budget uses \$117.3 million of local fund balance, which includes \$10.0 million of FY 2008 additional certified revenues, \$13.8 million available balance of FY 2008 budgeted Operating Cash Reserve and \$93.5 million of prior year fund balance to finance one-time expenditures. The FY 2009 Revised Budget uses \$238.0 million of local fund balance, which includes the \$117.3 million in the FY 2009 Approved Budget, \$86.7 million of FY 2008 CAFR Unreserved Undesignated fund balance, \$17.7 million of planned holdover of FY 2008 revenues and \$16.3 million of the remaining FY 2008 Budgeted Operating Cash Reserve. The FY 2010 Proposed budget reflects the use of \$14.5 million of fund balance which includes \$8 million generated from Congressional changes to Emergency and Contingency Reserve Fund requirements and \$6.5 million derived from the sale of DC Village assets in FY 2009. The FY 2011 Projected Budget uses \$20.4 million of projected fund balance in FY 2010 reserved for subsequent years’ expenditures. The FY 2012 Projected Budget uses \$51.1 million of local fund balance which includes \$28.4 million of projected fund balance in FY 2010 reserved for subsequent years’ expenditures, \$12.4 million of fund balance designated for Integrated Services Fund, \$7.6 million of fund balance designated for Commodity Cost Reserve Fund and \$2.6 million remaining of FY 2008 Budgeted Operating Cash Reserve funds.

13g. Fund Balance Use: Neighborhood Investment Trust. In Table 3-3, this line shows \$7 million in FY 2009 and \$18.6 million in FY 2010 of the dedicated tax funds from the Neighborhood

Investment Trust fund used for the purposes of the fund.

13h. Fund Balance Use: the Ballpark Fund. In Table 3-3, this line shows \$6.5 million in FY 2009 Approved Budget and increased to \$7.1 million in FY 2009 Revised Budget of the dedicated tax funds from the Ballpark Fund used for the purposes of the fund.

13i. Fund Balance Use: Nursing Facility Quality of Care Fund. In Table 3-3, this line shows \$3.1 million in FY 2010 of the dedicated taxes from the Nursing Facility Quality of Care Fund used for the purposes of the fund.

13j. Fund Balance Use. In Table 3-4, this line shows total amount of fund balance use certified by the Office of Revenue Analysis in the relevant fiscal year for particular Special Purpose Revenue funds in agencies

13k. Certified Resources not used. In Table 3-4, this line shows the total amount of certified resources not used by agencies in their particular funds and returned to their relevant fund balances.

14. Revenue Proposals. This line reflects one-time revenues in FY 2010 and proposed revenue changes that are detailed in the Revenue chapter of this volume.

15. Total General Fund Resources – This line shows the sum of the individual revenue and fund balance items presented in lines 7 through 14 above.

16. Line intentionally left blank.

Expenditures (by Appropriation Title)

Lines 18 – 23. These lines reflect agency expenditures by appropriation title.

24. Financing and Other. This line includes Repayment of Debt, Short-Term Borrowings, Certificate of Participation, and other items in this appropriation title that are not specifically shown in lines 25 to 30.

25. Operating Cash Reserve. The requirement for the District to budget for a cash reserve of \$50.0 mil-

lion each year, to provide budgetary stability in the absence of the budgeted reserve, was eliminated after FY 2003. The FY 2009 Approved Budget included \$46 million. This is eliminated in FY 2010 to FY 2013.

26. Subtotal, Operating Expenditures. This line shows the sum of lines 19 through 25.

27. School Modernization Fund. This line reflects the pay-as-you-go (paygo) transfer of gross sales tax dedicated for the capital projects related to the School Modernization Program beginning in FY 2007. Starting in FY 2009, this fund is being recorded in the Dedicated Taxes section to better portray the use of this fund. In FY 2010 through FY 2013, bond financing will be used instead of paygo to fund these projects in the Capital Improvements Program.

28. Paygo Capital. In FY 2010, this line in Table 3-4 reflects the shift of stormwater project funding in the District Department of Environment to capital projects.

29. Transfer to Trust Fund for Post-Employment Benefits. This line reflects a transfer to reduce the District's accumulated liability for health insurance costs for retirees. These costs must be recognized beginning in FY 2008 in accordance with the Governmental Accounting Standards Board (GASB) ruling on the treatment of such costs. The FY 2009 to FY 2013 amounts reflects a change in policy governing these funds.

30a. Transfer to HPTF Special Revenue Fund (Enterprise Fund). This line in Table 3-3 reflects transfers of dedicated tax revenues to the Housing Production Trust Fund (HPTF) Special Revenue Funds outside of the General Fund.

30b. Transfer to Baseball Revenue Fund (Enterprise Fund). This line in Table 3-3 reflects transfers of dedicated tax revenues to the Baseball Revenue Fund Special Revenue Funds outside of the General Fund.

31. Total General Fund Expenditures. This is the sum of lines 26 through 30. This line is comparable to prior year Financial Plans.

32a to d. TIF/CBF, Transfer to Convention Center, Highway Trust Fund and CHFF. This is new in this budget. To add greater transparency, the transfer of (1) property and sales tax revenues to the TIF (Tax Increment Financing, Community Benefit Fund and PILOT – Payment in Lieu of Taxes funds) Enterprise Fund; (2) sales tax revenues to the Convention Center Enterprise Fund; (3) motor fuel and parking tax to the Highway Trust fund and (4) sales tax to the Community Healthcare Financing Fund (CHFF); are now shown in Table 3-3, the Dedicated Taxes Component of the Financial Plan. The Convention Center and TIF transfers offset the revenues shown in lines 3i and 3j, in Table 3-3. The Highway Trust fund transfer includes revenues from a portion of parking taxes and lines 3h and 3k. Line 32d in table 3-3 shows the amount of sales tax revenues transferred to CHFF reducing the amount transferred to the School Modernization Fund in FY 2009. This is part of a fund swap to use Tobacco funds to cover Schools Facilities Modernization capital costs.

33. Total transfer to TIF, Convention Ctr, Highway Trust and CHFF. This is the sum of lines 32a to 32d in table 3-3.

34. Total Expenditures and Transfers. This is the sum of lines 31 and 32 in table 3-1 and lines 31 and 33 in table 3-3.

35. Operating Margin, Budget Basis. This is the difference between Total General Fund Resources and Expenditures (line 15 minus line 34).

36. Line intentionally left blank.

37. Operating Cash Reserve. This line repeats line 25.

38. Emergency Cash Reserve Balance (2 percent, formerly 4 percent). The District was required to establish an Emergency Reserve, by the end of FY 2004, equal to 4 percent of the District's Local expenditures. The requirement was satisfied in FY 2002. In FY 2005, the requirement was changed to 2 percent, and the base for the calculation was also changed.

39. Contingency Cash Reserve Balance (4 percent, formerly 3 percent). The District was required to establish a Contingency Reserve, by the end of FY 2007, equal to 3 percent of the District's Local expenditures. The requirement was satisfied in FY 2002. In FY 2005, the requirement was changed to 4 percent, and the base for the calculation was also changed.

40. Total cash reserves – operating, emergency & contingency. This line reflects the cash reserves available during a given fiscal year.

Federal and Private Resources Fund:

- Federal Grants are grants the District receives from federal agencies, including block grants, formula grants, certain entitlements, and competitive grants.
- Federal Payments are direct appropriations from the Congress to the District, usually to a particular District agency for a particular purpose.
- Federal Medicaid Payments are the federal share of the District's Medicaid costs. Generally, the federal government pays 70 percent of the cost of Medicaid while the District pays 30 percent, although the proportions differ in certain circumstances.
- Private Grants are grants the District receives from non-Federal sources. This category includes private donations.

Table 3-5 displays a summary financial plan for the Federal and Private Resources Fund. The line items are as follows:

F1. Federal Grants. Federal grant awards received by District agencies.

F2. Federal Payment/Contribution. Funding contributed by the federal government for specific projects. These funds are restricted in use by the federal government.

F3. Federal Stimulus package. Funding made available to the District of Columbia in the "American Recovery and Reinvestment Act" of February 2009. Lines F3a to c shows the amounts expected for direct budgetary relief in FY 2009 through FY 2011.

F4. Private Grants. Revenues received from private grants.

F5. Federal and Private Resources. This line is the sum of lines F1 through F4.

F6. Fund Balance Use. This line reflects amounts previously contained in the fund balance that have been released for use in the current year.

F7. Transfer to General Fund. This line represents funds used to pay for indirect costs, as shown on line 13 of the General Fund financial plan.

F8. Total Federal and Private Resources. This is the sum of lines F4 through F6.

F9. Line intentionally left blank.

F10.–F17. Agency Expenditures by Appropriation Title. These items reflect agency expenditures by appropriation title. The growth of expenditures in the out-years is based on growth assumptions that are discussed in the Operating Expenditures chapter.

F18. Total Federal and Private Resources Fund Expenditures.

F19. Operating Margin, Budget Basis. This line provides the difference between Total Federal and Private Resources and Total Federal and Private Expenditures.

F20. Line intentionally left blank.

F21. - F25. Fund Balance Calculations.

A Note on Intra-District Budgets:

Intra-District budgets represent agreements between two agencies whereby one agency purchases services from the other. The buying agency spends its own budget (Local, Special Purpose Revenue, Federal, or Private). The selling agency receives this expenditure as intra-District revenue, establishes intra-District budget authority, and spends against that authority to provide the service.

Table 3-1

FY 2010 - 2013 Proposed Budget and Financial Plan: GENERAL FUND

(\$ thousands)

	FY 2008 Actual	FY 2009 Approved	FY 2009 Revised	FY 2010 Proposed	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Revenues							
2 Taxes	4,980,733	5,028,721	4,569,282	4,478,337	4,524,542	4,682,247	4,890,067
3 Dedicated Taxes	129,121	233,027	217,157	421,506	457,761	472,967	495,821
4 General Purpose Non-Tax Revenues	385,747	332,498	339,841	335,178	330,122	327,564	332,830
5 Special Purpose (O-type) Revenues	448,972	453,612	446,294	454,380	445,288	454,805	452,650
6 Transfer from Lottery	70,300	71,000	70,300	65,775	65,775	65,775	65,775
7 Sub-total, General Fund Revenues	6,014,873	6,118,858	5,642,874	5,755,176	5,823,488	6,003,358	6,237,143
8 Bond Proceeds for Issuance Costs	16,216	15,000	15,000	15,000	15,000	15,000	15,000
9 Transfer from Federal and Private Resources	1,850	3,497	3,497	3,497	3,497	3,497	3,497
10 Transfer from Enterprise Fund	2,512	0	0	0	0	0	0
11 Transfer from Other	1,938	0	6,570	0	0	0	0
12 Transfer from Capital Fund Balance	0	400	400	0	0	0	0
13 Fund Balance Use	473,383	226,428	470,136	106,636	20,443	51,109	0
14 Revenue Proposals	0	11,260	58,052	167,849	138,684	163,789	137,539
15 Total General Fund Resources	6,510,772	6,375,443	6,196,529	6,048,158	6,001,112	6,236,753	6,393,179
16							
17 Expenditures (by Appropriation Title)							
18 Governmental Direction and Support	372,071	401,676	397,145	373,597	366,411	369,152	370,546
19 Economic Development and Regulation	398,179	337,153	366,225	304,973	235,860	239,053	238,855
20 Public Safety and Justice	1,044,463	1,013,226	1,008,730	1,020,191	1,015,266	1,026,200	1,035,858
21 Public Education System	1,447,460	1,431,099	1,415,724	1,380,531	1,388,012	1,442,520	1,467,612
22 Human Support Services	1,606,979	1,587,952	1,514,787	1,410,424	1,467,384	1,566,297	1,624,301
23 Public Works	563,778	602,285	598,205	579,215	563,206	581,906	597,851
24 Financing and Other	547,842	665,668	636,637	616,681	623,361	659,509	688,452
25 Operating Cash Reserve	0	46,000	0	0	0	0	0
26 Sub-total, Operating Expenditures	5,980,772	6,085,059	5,937,453	5,685,612	5,659,500	5,884,638	6,023,474
27 School Modernization Fund	0	106,000	68,860	0	0	0	0
28 Paygo Capital	140,737	19,014	2,946	2,984	0	0	0
29 Transfer to Trust Fund for Post-Employment Benefits	110,907	81,100	81,100	90,700	96,700	103,200	110,200
30 Transfer to Enterprise Funds - HPTF and Baseball Revenue Fund	86,986	82,819	66,402	45,120	40,385	45,679	40,979
31 Sub-Total General Fund Expenditures and Transfers	6,319,402	6,373,992	6,156,761	5,824,416	5,796,585	6,033,517	6,174,653
32 Transfer to TIF/CBF, Convention Center, Highway Trust Fund and CHFF	0	0	37,140	168,808	203,810	202,475	213,190
34 Total Expenditures and Transfers	6,319,402	6,373,992	6,193,901	5,993,224	6,000,395	6,235,992	6,387,843
35 Operating Margin, Budget Basis	191,370	1,451	2,628	54,934	717	761	5,336
36							
37 Operating Cash Reserve	0	46,000	0	0	0	0	0
38 Emergency Cash Reserve Balance (2%, formerly 4%)	103,379	103,591	103,750	107,225	110,967	112,053	113,150
39 Contingency Cash Reserve Balance (4%, formerly 3%)	226,859	226,859	228,056	217,274	225,098	227,616	230,163
40 Total Cash Reserves - Operating, Emergency and Contingency	330,238	376,450	331,806	324,499	336,065	339,669	343,313

Notes:

Line 13 - Fund balance use in FY 2010 includes \$8 million from withdrawal of excess funds in the Emergency & Contingency Reserve Funds, due to over funding in light of the District's reduced expenditure target.

Line 27 - Paygo for School Modernization Funds is in the Dedicated Taxes portion of the Financial Plan in FY 2009. From FY 2010, bond financing will be used to fund these projects in the Capital Improvement Program.

Line 32 - This is new in FY 2010. To add greater transparency, the transfer of sales tax revenues to the Convention Center Enterprise Fund, property and sales tax revenues to TIF (Tax Increment Financing) and PILOT (Payment of Lieu of Taxes) Enterprise Fund, motor fuel tax to the Highway Trust fund is now shown in Table 3-3.

Line 35 - FY 2010 Proposed Budget Operating Margin includes \$48.85 million reserved for subsequent years expenditure leaving a true Local Fund Operating Margin of \$4.75 million.

Table 3-2

FY 2010 - 2013 General Fund - Local Funds Component

(\$ thousands)

	FY 2008 Actual	FY 2009 Approved	FY 2009 Revised	FY 2010 Proposed	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Revenues							
2 Taxes	4,980,733	5,028,721	4,569,282	4,478,337	4,524,542	4,682,247	4,890,067
4 General Purpose Non-Tax Revenues	385,747	332,498	339,841	335,178	330,122	327,564	332,830
6 Transfer from Lottery	70,300	71,000	70,300	65,775	65,775	65,775	65,775
7 Sub-total, Local Fund Revenues	5,436,780	5,432,219	4,979,423	4,879,290	4,920,439	5,075,586	5,288,672
8 Bond proceeds for Issuance Costs	16,216	15,000	15,000	15,000	15,000	15,000	15,000
9 Transfer from Federal and Private Resources	1,850	3,497	3,497	3,497	3,497	3,497	3,497
10 Transfer from Enterprise Fund (HPTF) for Debt Service	2,512	0	0	0	0	0	0
11 Transfer from Other	1,938	0	6,570	0	0	0	0
12 Transfer from Capital Fund Balance	0	400	400	0	0	0	0
13a Conversion of Dedicated Parking Tax to Local	0	12,700	0	0	0	0	0
13b Conversion of Dedicated Healthy DC Fund to Local	0	8,500	13,000	0	0	0	0
13c Conversion of Nursing Quality of Care Funds to Local	0	0	16,000	0	0	0	0
13d Conversion of Community Benefit Fund (CBF) to Local	0	0	23,409	0	0	0	0
13e Conversion of Special Purpose Revenue Fund Balance to Local	0	7,825	78,596	1,800	0	0	0
13f Fund Balance Use	426,550	117,260	237,964	14,450	20,443	51,109	0
14 Revenue Proposals - - Misc.	0	0	62,294	319,946	262,137	294,535	282,406
15 Total Local Fund Resources	5,885,846	5,597,401	5,436,153	5,233,983	5,221,516	5,439,727	5,589,575
16							
17 Expenditures (by Appropriation Title)							
18 Governmental Direction and Support	344,402	349,268	344,737	311,154	310,531	312,142	313,792
19 Economic Development and Regulation	224,192	181,745	210,817	130,431	91,802	92,221	92,650
20 Public Safety and Justice	976,359	942,350	938,129	931,795	936,160	945,496	955,515
21 Public Education System	1,440,831	1,398,680	1,383,305	1,359,696	1,369,367	1,423,498	1,448,675
22 Human Support Services	1,576,683	1,539,501	1,466,336	1,352,452	1,410,075	1,508,406	1,566,541
23 Public Works	408,984	419,393	415,313	400,602	399,999	415,704	432,326
24 Financing and Other	547,842	624,150	594,986	603,555	606,165	638,299	664,540
25 Operating Cash Reserve	0	46,000	0	0	0	0	0
26 Sub-total, Operating Expenditures	5,519,293	5,501,087	5,353,623	5,089,685	5,124,099	5,335,766	5,476,039
28 Paygo Capital	139,488	14,714	946	0	0	0	0
29 Transfer to Trust Fund for Post-Employment Benefits	110,907	81,100	81,100	90,700	96,700	103,200	110,200
34 Total Local Fund Expenditures and Transfers	5,769,688	5,596,901	5,435,669	5,180,385	5,220,798	5,438,964	5,584,238
35 Operating Margin, Budget Basis	116,158	500	484	53,598	718	763	5,337

Notes:

Line 13 - Fund balance use in FY 2010 includes \$8 million from withdrawal of excess funds in the Emergency & Contingency Reserve Funds, due to over funding in light of the District's reduced expenditure target.

Line 35 - FY 2010 Proposed Budget Operating Margin includes \$48.85 million reserved for subsequent years expenditure leaving a true Local Fund Operating Margin of \$4.75 million.

Table 3-3

FY 2010 - 2013 General Fund - Dedicated Taxes Component

(\$ thousands)

	FY 2008 Actual	FY 2009 Approved	FY 2009 Revised	FY 2010 Proposed	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Revenues							
3a Dedicated Taxes for the Neighborhood Investment Trust	11,977	10,000	10,000	10,000	10,000	10,000	10,000
3b Dedicated Taxes for Comprehensive Housing Trust Fund	24,194	0	0	0	0	0	0
3c Dedicated Taxes for Housing Production Trust Fund	40,589	38,775	22,358	17,900	18,092	21,074	23,289
3d Dedicated Taxes for Nursing Facility Quality of Care Fund	0	11,000	11,000	11,000	11,000	11,000	11,000
3e Dedicated Taxes for the Ballpark Fund	46,397	43,552	42,906	43,081	43,867	44,895	45,696
3f Dedicated Taxes for the School Modernization Fund	0	106,000	106,000	112,360	119,102	130,279	138,308
3g Dedicated Taxes for the Healthy DC Fund	5,964	6,400	7,593	17,486	17,486	17,486	17,486
3h Dedicated Taxes for DDOT	0	17,300	17,300	27,389	30,378	31,393	32,433
3i Dedicated Taxes for Tax Increment Financing (TIF) and Community Benefit Fund (CBF)	0	0	0	69,063	90,144	84,500	90,431
3j Dedicated Taxes for Convention Center	0	0	0	93,054	97,055	101,229	105,581
3k Dedicated Taxes for Highway Trust Fund	0	0	0	20,173	20,637	21,111	21,597
7 Sub-total, Dedicated Taxes	129,121	233,027	217,157	421,506	457,761	472,967	495,821
13g Fund Balance Use: Neighborhood Investment Trust	0	6,998	6,998	18,576	0	0	0
13h Fund Balance Use: the Ballpark Fund	0	6,492	7,138	0	0	0	0
13i Fund Balance Use: Nursing Facility Quality of Care Fund	0	0	0	3,064	0	0	0
14 Revenue Policy Proposals	0	0	(2,167)	(158,293)	(149,185)	(156,480)	(170,603)
15 Total Dedicated Taxes	129,121	246,517	229,126	284,853	308,575	316,487	325,219
16							
17 Expenditures (by Appropriation Title)							
18 Governmental Direction and Support	0	0	0	0	0	0	0
19 Economic Development and Regulation	39,623	16,998	16,998	21,164	6,800	6,800	6,800
20 Public Safety and Justice	0	0	0	0	0	0	0
21 Public Education System	0	0	0	0	0	0	0
22 Human Support Services	3,932	16,449	16,449	25,764	28,486	28,486	28,486
23 Public Works	0	11,420	11,420	13,000	15,000	15,000	15,000
24 Financing and Other	0	9,580	9,713	9,661	14,095	18,047	20,763
26 Sub-total, Operating Expenditures	43,555	54,447	54,580	69,589	64,381	68,333	71,049

(Continued on next page)

Table 3-3 (Continued)

FY 2010 - 2013 General Fund - Dedicated Taxes Component

(\$ thousands)

	FY 2008 Actual	FY 2009 Approved	FY 2009 Revised	FY 2010 Proposed	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
27 Paygo to School Modernization Capital Fund	0	106,000	68,860	0	0	0	0
28 Paygo Capital	0	2,300	0	0	0	0	0
30a Transfer to HPTF Special Revenue Fund (Enterprise Fund)	40,589	32,775	16,358	13,039	10,518	10,784	10,283
30b Transfer to Baseball Revenue Fund (Enterprise Fund)	46,397	50,044	50,044	32,081	29,867	34,895	30,696
31 Sub-total Dedicated Taxes Expenditures and Transfers	130,541	245,566	189,842	114,709	104,766	114,012	112,028
32a Transfer to TIF/CBF	0	0	0	45,992	75,540	68,542	73,379
32b Transfer to Convention Center	0	0	0	93,054	97,055	101,229	105,581
32c Transfer to Highway Trust Fund	0	0	0	29,762	31,215	32,704	34,230
32d Transfer to Community Healthcare Financing Fund (CHFF)	0	0	37,140	0	0	0	0
33 Total transfer to TIF/CBF, Convention Ctr, Highway Trust and CHFF	0	0	37,140	168,808	203,810	202,475	213,190
34 Total Dedicated Taxes Expenditures and Transfers	130,541	245,566	226,982	283,517	308,576	316,487	325,219
35 Operating Margin, Budget Basis	(1,420)	951	2,144	1,336	0	0	0

Notes:

Line 27 - Paygo for School Modernization Funds is in the Dedicated Taxes portion of the Financial Plan in FY 2009. From FY 2010, bond financing will be used to fund these projects in the Capital Improvement Program.

Line 32 - This is new in FY 2010. To add greater transparency, the transfer of sales tax revenues to the Convention Center Enterprise Fund, property and sales tax revenues to TIF (Tax Increment Financing) and PILOT (Payment of Lieu of Taxes) Enterprise Fund, motor fuel tax to the Highway Trust fund is now shown in Table 3-3, the Dedicated Taxes Component of the Financial Plan.

Table 3-4

FY 2010 - 2013 General Fund - Special Purpose Revenue Component

(\$ thousands)

	FY 2008 Actual	FY 2009 Approved	FY 2009 Revised	FY 2010 Proposed	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Revenues							
5 Special Purpose (O-type) Revenues	448,972	453,612	446,294	454,380	445,288	454,805	452,650
7 Sub-total, Special Purpose Revenue Funds	448,972	453,612	446,294	454,380	445,288	454,805	452,650
13j Fund Balance Use	46,833	77,524	87,031	72,623	0	0	0
13k Certified Resources not used	0	(10,871)	0	(3,877)	0	0	0
14 Revenue Proposals/Policy Proposals	0	11,260	(2,075)	6,196	25,732	25,734	25,736
15 Total Special Purpose Revenue Funds	495,805	531,525	531,250	529,322	471,020	480,539	478,386
16							
17 Expenditures (by Appropriation Title)							
18 Governmental Direction and Support	27,669	52,408	52,408	62,443	55,880	57,010	56,754
19 Economic Development and Regulation	134,364	138,410	138,410	153,378	137,258	140,032	139,405
20 Public Safety and Justice	68,104	70,876	70,601	88,396	79,106	80,704	80,343
21 Public Education System	6,629	32,419	32,419	20,835	18,645	19,022	18,937
22 Human Support Services	26,364	32,002	32,002	32,208	28,823	29,405	29,274
23 Public Works	154,794	171,472	171,472	165,613	148,207	151,202	150,525
24 Financing and Other	0	31,938	31,938	3,465	3,101	3,163	3,149
26 Subtotal, Operating Expenditures	417,924	529,525	529,250	526,338	471,020	480,539	478,386
28 Paygo Capital	1,249	2,000	2,000	2,984	0	0	0
34 Total Special Purpose Revenue Funds Component of General Funds	419,173	531,525	531,250	529,322	471,020	480,539	478,386
35 Operating Margin, Budget Basis	76,632	0	0	0	0	0	0

Table 3-5

FY 2010 - 2013 Federal and Private Resources Financial Plan

(\$ thousands)

	FY 2008 Actual	FY 2009 Approved	FY 2009 Revised	FY 2010 Proposed	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Revenues							
F1 Federal Grants	1,618,971	2,208,567	1,853,717	2,351,932	2,482,479	2,493,363	2,591,046
F2 Federal Payment/Contribution	81,029	89,874	156,874	199,022	133,721	133,721	133,721
F3 Federal Stimulus package:							
F3a State Fiscal Stabilization Fund	0	0	17,900	71,600	0	0	0
F3b Medicaid FMAP Increase	0	0	131,500	147,700	39,900	0	0
F3c Foster care\Adoption Assistance - Title IVE	0	0	2,400	2,400	600	0	0
F4 Private Grants	14,285	5,418	5,418	4,660	4,743	4,828	4,915
F5 Subtotal, Federal & Private Resources	1,714,285	2,303,859	2,167,809	2,777,314	2,661,443	2,631,912	2,729,682
F6 Fund Balance Use	14,736	0	0	0	0	0	0
F7 Transfer to General Fund	0	(3,497)	(3,497)	(3,497)	(3,497)	(3,497)	(3,497)
F8 Total Federal & Private Resources	1,729,021	2,300,362	2,164,312	2,773,817	2,657,946	2,628,415	2,726,185
F9							
F10 Expenditures (by Appropriation Title)							
F11 Governmental Direction and Support	24,621	25,196	25,196	28,280	27,751	27,319	27,508
F12 Economic Development and Regulation	100,379	99,928	99,929	115,456	104,743	95,410	95,905
F13 Public Safety and Justice	56,239	262,997	260,871	264,897	260,149	255,997	256,116
F14 Public Education System	195,051	269,828	174,728	358,726	303,740	255,875	256,295
F15 Human Support Services	1,357,969	1,580,356	1,580,356	1,950,366	1,918,560	1,962,290	2,058,672
F16 Public Works	22,653	23,232	23,232	56,092	43,003	31,526	31,689
F17 Financing and Other	11,215	38,825	0	0	0	0	0
F18 Total Federal & Private Expenditures	1,768,127	2,300,362	2,164,312	2,773,817	2,657,946	2,628,415	2,726,185
F19 Operating Margin, Budget Basis	(39,106)	0	0	0	0	0	0
F20							
F21 Beginning Federal & Private Fund Balance	134,249	83,794	83,794	83,794	83,794	83,794	83,794
F22 Operating Margin, Budget Basis	(39,106)	0	0	0	0	0	0
F23 Projected GAAP Adjustments (Net)	3,387	0	0	0	0	0	0
F24 Fund Balance Use	(14,736)	0	0	0	0	0	0
F25 Ending Federal & Private Fund Balance	83,794	83,794	83,794	83,794	83,794	83,794	83,794

Revenue

Introduction

This chapter presents the revenue outlook for the District of Columbia's General Fund for the FY 2009 to FY 2013 period. Since revenues are affected by the performance of the D.C. economy, this chapter includes a discussion of the economic outlook for the District of Columbia.

The first part of the chapter includes a description of the revenue-estimating assumptions for both the short run (FY 2009 and FY 2010) and over the longer term (FY 2011 – FY 2013). The chapter then turns to the outlook for the specific sources of revenue that flow to the General Fund. These include various tax and non-tax sources, as well as special purpose non-tax sources, which consist of fees, fines, assessments, and reimbursements dedicated to the District of Columbia agency that collects the revenues. For each General Fund revenue source a description of that revenue source is provided, along with a discussion of factors affecting the revenue being generated by that source.

This chapter also provides information on special funds financed by certain tax revenues. These dedicated tax revenues, which are not available for general budgeting, are transferred to the following funds: Convention Center, Tax Increment Financing, the Ballpark Fund, the Highway Trust Fund, the District Department of Transportation's Unified Fund, the School Modernization Fund, the Housing Production Trust Fund, the Comprehensive Housing Task Force Fund, the Neighborhood Investment Fund, the Nursing Facility Quality of Care Fund and the Healthy DC Fund.

The chapter concludes with a description of the procedures used to estimate revenue, followed by a presentation of additional detail on what the District of Columbia taxes and collects, and how much revenue these taxes and non-tax revenues yield.

D.C. Code § 47-318.01(b) requires the Chief Financial Officer to prepare, on a biennial basis a tax expenditure budget that estimates the revenue loss to the District government from each tax expenditure for the current fiscal year and the next two fiscal years. The tax expenditure budget was included in last year's document and therefore is not included in this one.¹

Summary

The revenue outlook for this year's Budget and Financial Plan is strongly influenced by two factors: (1) the severe national recession that began in December 2007, and (2) D.C.'s real estate markets. How deep the national recession will be and how long it will last are very uncertain, but as of May 2009 it is the longest, and probably the deepest, recession since the 1930s. The revenue forecast assumes the District will be significantly affected by the national recession, with resulting deterioration in local source revenues. The federal government's presence may provide an important element of stability to the District's economy, but many downside risks remain due to national financial market problems and difficulties in sectors such as real estate, hospitality, organizations, and professional and business services.

The FY 2009 estimate of \$5.04 billion in total local source revenue net of dedicated taxes and fees²

¹ See FY 2009 Proposed Budget and Financial Plan, Volume 1, appendix to the Revenue Chapter.

represents a \$286.5 million (5.4%) decline from FY 2008. (See Table 4-1.) The \$5.20 billion estimate for FY 2010 is an increase of \$157.6 million (3.1%) from FY 2009. Revenue growth declines in 2011 (a 0.3% decrease).

The FY 2009 through FY 2013 revenue estimates are affected by several policy initiatives. The policy initiatives, which add \$62.3 million to the unrestricted FY 2009 estimate and \$319.9 million to the FY 2010 estimate are spelled out in the Policy Proposals section later in the chapter. Baseline local revenues (i.e. total revenues including dedicated revenues, but excluding the effects of policy proposals) are forecast to decline in FY 2009 by \$381.4 million (6.1%) compared to actual FY 2008 revenues, and to decline by an additional \$65.6 million (1.1%) in FY 2010

The decline in revenues in FY 2009 follows five years of revenue increase. From FY 2003 to FY 2008 total unrestricted General Fund revenue grew a total of \$1,659 million, or 45.2 percent. During this time dedicated General Fund revenue grew much more rapidly than unrestricted revenue. Dedicated General Fund revenue increased by \$619 million over the five years, a 143 percent increase.

This chapter discusses only local source revenues. It should be noted, however, that in FY 2009, FY 2010, and FY 2011 the District will receive an estimated total of at least \$409 million to help balance the budget from the special stimulus activities of the federal government pursuant to the American Recovery and Reinvestment Act of 2009. In addition, the District expects to receive \$188 million in operating grants, and other funds will

Table 4-1

Actual and Estimated General Fund Revenues for FY 2005 –FY 2011: Unrestricted and Dedicated

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Est.	FY 2010 Est.	FY 2011 Est.
Unrestricted General Fund Revenue							
Baseline estimate (\$M)	4,466.0	4,652.5	5,188.1	5,328.2	4,979.4	4,879.3	4,920.4
Policy initiatives (\$M)					62.3	319.9	262.1
Total unrestricted revenue (\$M)	4,466.0	4,652.5	5,188.1	5,328.2	5,041.7	5,199.2	5,182.5
Change from prior year (\$M)	403.6	186.5	535.6	140.0	(286.5)	157.6	(16.7)
% change from prior year	9.9	4.2	11.5	2.7	(5.4)	3.1	(0.3)
Dedicated Revenue							
Baseline estimate (\$M)	458.2	586.1	737.7	873.9	841.3	875.9	903.0
Policy initiatives (\$M)					(17.5)	(152.1)	(123.5)
Total dedicated revenue (\$M)	458.2	586.1	737.7	873.9	823.8	723.8	779.5
Change from prior year (\$M)	129.1	127.9	151.6	136.3	(50.1)	(100.0)	55.7
% change from prior year	39.2	27.9	25.9	18.5	(5.7)	(12.1)	7.7
Total Revenue							
Baseline estimate (\$M)	4,924.1	5,238.6	5,925.8	6,202.1	5,820.8	5,755.2	5,823.5
Revenue initiatives (\$M)					44.8	167.8	138.6
Total revenue (\$M)	4,924.1	5,238.6	5,925.8	6,202.1	5,865.5	5,923.0	5,962.1
Change from prior year (\$M)	532.6	314.4	687.2	276.3	(336.6)	57.6	39.1
% change from prior year	12.1	6.4	13.1	4.7	(5.4)	1.0	0.7

Source: OCFO. Unrestricted General Fund revenue consists of tax and non-tax revenue available for appropriation that has not been dedicated for a particular purpose. Dedicated revenues are tax and non-tax receipts (including "O-type" funds) dedicated to the Convention Center, Tax Increment Financing, the Ballpark Fund, the Highway Trust Fund, the District Department of Transportation's Unified Fund, the School Modernization Fund, the Housing Production Trust Fund, the Comprehensive Housing Task Force Fund, the Neighborhood Investment Fund, the Nursing Facility Quality of Care Fund, the Healthy DC Fund, and other purposes. The baseline estimate is the revenue estimate transmitted in the June 22, 2009 letter to the Mayor and Council (except for "O-type" revenues which are not included in the revenue estimate letter). For details of each revenue type see Table 4-19. Policy initiatives are detailed in Table 4-19, Exhibit B. The fiscal years shown in this table differ from those shown in letter tables in order to highlight the comparison between the last 4 actual fiscal years and the years 2009 through 2011. To facilitate comparison on a consistent basis, Table 4-1 reflects adjustments to the way some items are classified in FY 2008 and FY 2009 in Table 4-19.

² Revenues after the dedication of revenue for the Convention Center, Tax Increment Financing, the Ballpark Fund, the Highway Trust Fund, the District Department of Transportation's Unified Fund, the School Modernization Fund, the Housing Production Trust Fund, the Comprehensive Housing Task Force Fund, the Neighborhood Investment Fund, the Nursing Facility Quality of Care Fund and the Healthy DC Fund. The dedicated revenue number includes "O" type revenues.

be available for capital projects and for D.C. entities not funded by this budget. These funds, which are in addition to the federal grants that the District has normally received each year, offset a portion of the reduction in local source revenues that are estimated to occur in FY 2009 and FY 2010.

The Economic Outlook

The U.S. economy was determined by the National Bureau of Economic Research to have entered a recession in December 2007, the 11th since World War II. May 2009 marked the recession's 17th month making this recession the longest since the 1930s; the two longest to this point were those which began in 1973 and 1981 and which each lasted 16 months.

As this budget was being prepared, the national economy continued to deteriorate. U.S. employment in the quarter ending March 2009 was 4.2 million (3.1%) below March 2008. The 6.1 percent annual rate of contraction of inflation-adjusted GDP that occurred in the first quarter of calendar year 2009 was the third quarter in a row with negative growth and the second in a row with growth less than -6.0 percent. National credit and equity markets continue to experience great difficulties. The stock market ended March 2009 3.4 percent below the end of December 2008 and 38.1 percent below a year earlier. Credit has tightened, investment is down, and unemployment is rising. Nationally, the sales prices of existing houses are declining.

As indicated, the FY 2010 Budget and Financial Plan takes into account the national economic slowdown and its expected adverse impact on the District of Columbia economy and revenues. In the past, when the U.S. economy has slowed the District's economy has also. This happened in the early 1990's and again before the 2001 recession. In both instances D.C. revenues were adversely affected. The bursting of the stock market bubble in 2001 was the most significant reason for the decline in D.C. revenues in FY 2003.

The District of Columbia economy is already experiencing impacts from the national recession. In the quarter ending in March 2009 the number of employed D.C. residents was 13,845 less (-4.5%) than a year earlier; unemployment rose by 59.7 percent and the unemployment rate hit 9.7 percent. In the March quarter the level of wage and salary employment in the

District was 8,100 (1.2%) greater than a year earlier. However, job growth has been slowing in recent months. Seasonally adjusted employment in March 2009 was 0.4 percent less than six months earlier. At the end of March 2009 there was 1.1 percent less commercial office space occupied than had been the case a year earlier. The OFHEO house price index for the 4th quarter of 2008 showed the value of single family homes in the District had declined 6.0 percent from a year earlier.

The current revenue forecast assumes D.C. economic conditions will continue to deteriorate: employment and wages edge downward, commercial office vacancies rise, real property transfers slow down, and construction projects are delayed. The stock market is expected to lose more ground in FY 2009, and the average selling price of homes is expected to decline in FY 2009. The estimating assumptions for FY 2009 and FY 2010, respectively, include a gain of 0.4 percent and a loss of 0.4 percent in total jobs, and growth of Personal Income of District residents of 0.8 percent in FY 2009 and 0.9 percent in FY 2010. In the 4th quarter of 2009, the stock market is expected to be 14 percent lower than it was a year earlier. In FY 2010, the average selling price of homes is expected to increase by just 0.7 percent compared to FY 2009.

In the first seven months of FY 2009 collections in several taxes experienced notable slowing compared to the same period of FY 2008. Corporate Income taxes were down 15.3 percent, the Unincorporated Business Income tax was down 34.8 percent, Deed taxes were down 46.5 percent, collections for the non-withholding portion of the Individual Income tax (primarily declarations related to capital gains) were down 95.6 percent, and the General Sales tax was virtually the same as last year. A sign of encouragement can be found in the gain of 3.5 percent that occurred in collections for withholding for the Individual Income tax.

According to the Nelson A. Rockefeller Institute of Government, in the first calendar quarter of 2009 state tax revenue (adjusted for legislative tax changes and inflation) declined by 14.0 percent compared to the same quarter in 2008.³ In the first quarter of 2009, the District's major state-type taxes (general sales, individual income, and corporate franchise) decreased by an inflation-adjusted 10.5 percent compared to the same

Table 4-2

Actual and Estimated General Fund Taxes (before fund dedication) for FY 2005 –FY 2011: Major Taxes and Other Taxes

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Est.	FY 2010 Est.	FY 2011 Est.
Major tax revenue							
Baseline estimate (\$M)	3,741.7	4,014.6	4,589.0	4,767.3	4,411.6	4,348.5	4,429.4
Policy initiatives (\$M)					(2.0)	48.6	32.0
Total major tax revenue (\$M)	3,741.7	4,014.6	4,589.0	4,767.3	4,409.6	4,397.1	4,461.4
Change from prior year (\$M)	408.7	272.9	574.4	178.3	(357.7)	(12.5)	64.2
% change from prior year	12.3	7.3	14.3	3.9	(7.5)	(0.3)	1.5
All other tax revenue							
Baseline estimate (\$M)	507.3	479.5	533.6	529.7	552.8	551.3	552.9
Policy initiatives (\$M)					0	16.4	13.5
Total all other taxes (\$M)	507.3	479.5	533.6	529.7	552.8	567.7	566.4
Change from prior year (\$M)	35.7	(27.8)	54.1	(3.9)	23.0	14.9	(1.3)
% change from prior year	7.6	(5.5)	11.3	(0.7)	4.3	2.7	(0.2)
Total tax revenue							
Baseline estimate (\$M)	4,249.0	4,494.1	5,122.6	5,297.0	4,964.3	4,899.8	4,982.3
Policy initiatives (\$M)					(2.0)	65.0	45.5
Total all taxes (\$M)	4,249.0	4,494.1	5,122.6	5,297.0	4,962.3	4,964.8	5,027.8
Change from prior year (\$M)	444.5	245.1	628.5	174.4	(334.7)	2.5	62.9
% change from prior year	11.7	5.8	14.0	3.4	(6.3)	0.1	1.3

Source:OCFO. Major taxes are: real property taxes, general sales and use tax, individual income tax, corporate and unincorporated business franchise taxes, and deed taxes (deed recordation, deed transfer, and economic interest taxes). The baseline estimate is the revenue estimate transmitted in the June 22, 2009 letter to the Mayor and Council. For details of each tax category see Table 4-19. Policy initiatives are detailed in Table 4-19, Exhibit B. The fiscal years shown in this table differ from those shown in latter tables in order to highlight the comparison between the last 4 fiscal years and the years 2009 through 2011. To facilitate comparison on a consistent basis, Table 4-2 reflects adjustments to the way some items are classified in FY 2008 and FY 2009 in Table 4-19.

quarter in 2008. Total D.C. tax collections (unadjusted for inflation) were also down by 9.4 percent in the first half of FY 2009 compared to the comparable period of FY 2008.

Major Taxes

The unique status of the District of Columbia, which has both local and state government responsibilities, means its revenue system draws from a broad range of tax sources. The different ways these sources are connected to the economy help to explain the pattern of revenue change as the unfolding recession affects both FY 2009 and FY 2010.

In FY 2008, 90.0 percent of all D.C. tax revenues (including all dedicated taxes) were derived from these major taxes: the real property tax, the general sales tax, the individual income tax, business income

taxes, and taxes on real estate transactions. As discussed below, based on their relationship to the economy, these taxes fall into three groups:

- the general sales tax and withholding (derived principally from monthly flows of transactions and earnings);
- the real property and deed taxes (derived from the assessed value of real property and real property transactions); and
- business income taxes and the non-withholding part of the individual income tax (derived principally from profits and changes in the value of financial assets).

General sales tax and withholding for individual income tax. These taxes are most directly connected to employment and earnings in the economy. From

³ Lucy Dadayan and Donald J. Boyd, Personal Income Tax Revenue Declined Sharply in the First Quarter, Nelson A. Rockefeller Institute of Government, May 13, 2009.

Table 4-3

Actual and Estimated General Sales and Individual Income Tax Withholding for FY 2005 –FY 2011

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Est.	FY 2010 Est.	FY 2011 Est.
Baseline estimate							
General Sales Tax (\$M)	861.1	908.9	960.0	1,015.2	983.9	987.9	1,025.7
Withholding for the Individual Income Tax (\$M)	918.7	970.5	974.8	994.9	999.2	998.5	1,017.7
Subtotal (\$M)	1,779.8	1,879.4	1,934.8	2,010.1	1,983.2	1,986.4	2,043.5
Policy initiatives (\$M)					-	33.5	25.3
Total (\$M)	1,779.8	1,879.4	1,934.8	2,010.1	1,983.2	2,019.9	2,068.8
Change from prior year (\$M)	171.0	99.6	55.3	75.4	(26.9)	36.7	48.9
% change from prior year	10.6	5.6	2.9	3.9	(1.3)	1.9	2.4

Source: OCFO. Revenues for withholding estimated by the Office of Revenue Analysis. The baseline estimate is the revenue estimate transmitted in the June 22, 2009 letter to the Mayor and Council. Policy initiatives are detailed in Table 4-19, Exhibit B. Amounts include dedicated funds. To facilitate comparison on a consistent basis, Table 4-3 reflects adjustments to the way some items are classified in FY 2008 and FY 2009 in Table 4-19.

FY 2006 to FY 2008 the general sales tax and withholding portion of the individual income tax grew by \$130.7 million (7.0%), accounting for:

- 37.9 percent of total tax revenue (before fund dedication) in FY 2008; and
- 16.7 percent of total tax growth from FY 2006 to FY 2008.

In FY 2009 and FY 2010 these taxes are expected to increase by \$9.8 million. This contrasts sharply with a net decline of \$333.1 million in total tax revenue over these two years.

Real property and deed taxes. Rising real estate assessments and the increase in the value of real property transactions were a major source of the District's extraordinary revenue growth through FY 2007, and

the real property tax continued to grow in FY 2008 even as deed transactions taxes (deed transfer, deed recordation, and economic interest taxes) declined. For FY 2009 and FY 2010, however, both the real property tax and the deed taxes are a major reason for declining local revenues. From FY 2006 to FY 2008 real property and deed transaction taxes increased by \$482 million (31.8%), accounting for:

- 37.7 percent of total tax revenue (before fund dedication) in FY 2008;
- 61.7 percent of total tax revenue growth from FY 2006 to FY 2008.

In FY 2009 and FY 2010 these taxes will decrease by \$76.7 million (3.8%). That these taxes are no longer an engine of growth for District revenues represents a major change in the District's revenue pic-

Table 4-4

Actual and Estimated Real Property and Deed Tax Revenues for FY 2005 –FY 2011

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Est.	FY 2010 Est.	FY 2011 Est.
Baseline estimate							
Real property tax (\$M)	1,060.6	1,153.8	1,448.7	1,673.0	1,803.2	1,781.3	1,743.7
All deed taxes (\$M)	347.6	360.4	443.9	323.2	167.0	133.4	131.2
Subtotal (\$M)	1,408.2	1,514.2	1,892.6	1,996.2	1,970.2	1,914.8	1,874.8
Policy initiatives (\$ M)					(1.0)	4.7	(1.2)
Total (\$M)	1,408.2	1,514.2	1,892.6	1,996.2	1,969.2	1,919.5	1,873.7
Change from prior year (\$M)	107.5	106.0	378.4	103.5	(27.0)	(49.7)	(45.8)
% change from prior year	8.3	7.5	25.0	5.5	(1.4)	(2.5)	(2.4)

Source: OCFO. Revenues for withholding estimated by the Office of Revenue Analysis. The baseline estimate is the revenue estimate transmitted in the June 22, 2009 letter to the Mayor and Council. Policy initiatives are detailed in Table 4-19, Exhibit B. Amounts include dedicated funds. To facilitate comparison on a consistent basis, Table 4-4 reflects adjustments to the way some items are classified in FY 2008 and FY 2009 in Table 4-19.

ture. (It should be noted that an additional decline of \$45.8 million (2.4%) in this source of revenues is expected in FY 2011 as well.)

In FY 2007 the assessed market value of all taxable property in the District (before the application of any caps or credits) for taxes collected in those years increased 26.8 percent, and grew by another 14.5 percent for FY 2008. For FY 2009, the assessed market-value of real property (which is based on property values as of January 1, 2008) is an estimated 12.0 percent higher than the prior year, and assessed values for FY 2010 (which are based on property values as of January 1, 2009) are expected to fall by 1.3 percent. Deed tax collections are expected to continue to fall through FY 2011 due to the falling total value of sales of residential and commercial property.

Business income and non-withholding part of the individual income tax.⁴

These taxes are connected to the most volatile parts of the national and District economies—the stock market, credit markets, and corporate and unincorporated business profits. These taxes provided a more than proportionate share of the revenue growth in the FY 2006 to FY 2008 period, and in turn are another contributor to the slowdown in revenues in Fiscal Years 2009 and 2010. From FY 2006 to FY 2008 business income and the non-withholding part of the individual

income tax increased by \$140.1 million (22.6%), accounting for:

- 14.4 percent of total tax revenue (before fund dedication) in FY 2008; and
- 17.9 percent of total tax revenue growth from FY 2006 to FY 2008.

In FY 2009 and FY 2010 these taxes are expected to decrease by \$301.4 million (39.6%). The decline in these taxes is the driving force for the absolute decline in revenue during the two fiscal years.

The capital gains portion of the individual income tax received in a fiscal year depends on changes in the stock market occurring at the end of the calendar year which falls in the first quarter of a fiscal year. Thus, FY 2009 revenues reflect the fact that in December 2008 the U.S. stock market (as measured by the Standard & Poor's 500 Index) was 39.1 percent below a year earlier. The 2010 revenue forecast assumes that the stock index will decline another 14.0 percent by the end of December 2009.

Risks

As indicated, how much the economy will slow and for how long is unknown. The May 2009 Blue Chip Economic Indicators report, which summarizes the forecasts of 50 private sector economists for the period through 2010, expects real GDP to again contract in the current quarter that ends in June with the growth rate

Table 4-5

Actual and Estimated Business Income Taxes and Non-withholding for the Individual Income Tax for FY 2005 –FY 2011

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Est.	FY 2010 Est.	FY 2011 Est.
Baseline estimate							
Non-withholding for individual income tax (\$M)	241.3	263.1	339.0	347.9	113.1	70.9	85.6
Corporate income tax (\$M)	195.5	215.3	255.5	286.2	237.3	252.1	282.4
Unincorporated business income tax (\$M)	116.9	142.6	167.0	126.9	107.8	124.4	143.0
Subtotal (\$M)	553.7	620.9	761.6	761.0	458.2	447.4	511.1
Policy initiatives (\$M)					(1.0)	12.1	9.5
Total (\$M)	553.7	620.9	761.6	761.0	457.2	459.5	520.6
Change from prior year (\$M)	130.3	67.2	140.6	(0.6)	(303.7)	2.3	61.1
% change from prior year	30.8	12.1	22.6	(0.1)	(39.9)	0.5	13.3

Source: OCFO. Non-withholding for the individual income tax, estimated by ORA, consists of declarations, payments with returns, refunds, and fiduciary returns. The baseline estimate is the revenue estimate transmitted in the June 22, 2009 letter to the Mayor and Council. Policy initiatives are detailed in Table 4-19, Exhibit B. To facilitate comparison on a consistent basis, Table 4-5 reflects adjustments to the way some items are classified in FY 2008 and FY 2009 in Table 4-19.

⁴ The non-withholding part of the individual income tax consists of declarations, payments with returns, refunds, and fiduciary returns.

scaling up over the next year. The level of economic activity, which peaked in the second quarter of 2008, is not expected to be reached again until some time in CY 2011. “The year-over-year contraction in real GDP this year is now expected to equal the decline registered in 1982 that was the largest in the post World War II era.”⁵ The high degree of uncertainty in the economy is reflected in the unusually large variation in the opinions among the economists surveyed by the Blue Chip Indicators.

A national downturn more severe than is now currently anticipated is a major risk to the District’s current revenue forecast. A more severe recession, with its consequent impact on the District tax bases, could adversely affect revenues derived from resident wages, tourism, construction, and real property transactions and, if accompanied by a further fall in the stock market and corporate profits, smaller payments and unusually large refunds for individual income and business income taxes. Another risk is that further deterioration in the economy and in credit markets could adversely affect residential or commercial real property values more than has already been assumed. Because real property tax collections in one fiscal year reflect economic conditions two years earlier, most of the additional decreases in property values, should

they occur, will be reflected in FY 2011 or FY 2012 revenues rather than in FY 2009 or FY 2010.

One of the stabilizing factors in the District’s economy is the presence of the federal government. Possible changes to the pattern of federal expenditures are, however, also a significant source of uncertainty—either positive or negative—for the District’s tax base. In FY 2007 federal spending in D.C. for wages, benefits, procurement, and grants to the District government was \$43.5 billion. Federal employment accounts for about 27 percent of all D.C. jobs and almost 1/3 of all wages and salaries, and many more people are employed as a result of contracting (procurement awards in D.C. totaled \$14.7 billion in FY 2007). Security concerns arising out of 9/11 and the Iraq war have resulted in large increases in government spending that benefited the Washington D.C. area. Federal economic stimulus activities in FY 2009 and FY 2010 may prove to have a similar effect on the District’s economy, although it is not known at the present time how they will affect the size of the federal presence in the District. Furthermore, efforts to reduce federal spending over the next few years in areas unrelated to economic stimulus could dampen growth in the District of Columbia.

Table 4-6

Selected U.S. Economic Indicators, CY 2007Q4 – 2009Q1

(Percent change from same calendar year quarter of previous year unless noted)

	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1
GDP						
Real	2.3	2.5	2.1	0.7	-0.8	-2.6
Nominal	4.9	4.7	4.1	3.3	1.2	-0.5
Employment (wage and salary)	0.9	0.5	-0.1	-0.4	-1.5	-3.1
Income						
Wages	4.9	3.6	3.5	3.2	1.6	-0.3
Total Personal Income	5.6	4.3	5.0	3.8	2.2	0.9
Inflation (CPI)	4.0	4.1	4.4	5.3	1.6	0.0
S & P 500 (Level)	1494	1353	1372	1252	910	793
Change from Prior Quarter	0.2	-9.5	1.4	-8.7	-27.3	-12.8
Change from Prior Year	7.5	-5.1	-8.3	-16.0	-39.1	-41.4
Interest Rate (10-yr. Treasuries)	4.3	3.6	3.9	3.8	3.2	2.7

Source: Bureau of Economic Analysis, Bureau of Labor Statistics, and Yahoo financial.

⁵ Blue Chip Economic Indicators, Aspen Publishers, May 10, 2009.

Economic Assumptions for the FY 2010-2013 Revenue Estimates and Financial Plan

The U.S. Economy

As indicated earlier, a number of recent indicators show that the national economy is in the midst of a severe recession. According to the U.S. Bureau of Economic Analysis, U.S. Real Gross Domestic Product in the quarter ending March 31, 2009, was 2.6 percent less than the same quarter a year earlier. Nominal Gross Domestic Product was 0.5 percent lower than a year earlier. (See Table 4-6.) In the quarter ending March 31, 2009, national employment was down 3.1 percent, and wage and salary earnings were down 0.3 percent from the prior year.

For guidance, the survey of the economic factors affecting the District's revenue base uses forecasts of the U.S. economy prepared by the Congressional Budget Office (CBO) and the Blue Chip Economic Indicators, along with those of two forecasting services, Global Insight and economy.com, that also make forecasts of the District's economy.

Highlights of the forecasts for the United States economy are:

- *Slower GDP growth.* In real terms, economic growth is forecast by Blue Chip Economic Indicators to decline 2.9 percent in FY 2009, the greatest fiscal year decline since the negative 2.7 percent change in 1982. Blue Chip forecasts a modest 0.8 percent increase in FY 2010. Growth rates in nominal GDP for the U.S. are expected by Blue Chip Economic Indicators to be -0.8 percent in FY 2009 and 2.3 percent in FY 2010.
- *Slower growth in wages and salaries.* According to the CBO, wage and salary growth will be 0.4 percent in FY 2009 and 1.5 percent in FY 2010, compared to 3.8 percent in FY 2008.
- *Inflation will fall in FY 2009.* According to the Congressional Budget Office, the Consumer Price Index (CPI), is expected to increase 0.5 percent in FY 2009, and rise by 1.4 percent in FY 2010.
- *Interest rates remain low.* The interest rate on 10-

year Treasury securities is expected to be below FY 2008's average rate (4.0 percent). According to the Blue Chip Economic Indicators, the rate will be 3.0 percent for FY 2009 and 3.4 percent in FY 2010.

- *Stock market decline.* Neither the Blue Chip Economic Indicators nor CBO provide a stock market forecast. The stock market declined by 39.1 percent in the last quarter of CY 2008 compared to a year earlier. Global Insight expects the stock market to decline another 14.0 percent by the end of CY 2009. The Financial Plan adopts the Global Insight estimate of the stock market.
- *Falling corporate profits.* CBO forecasts that the economic profits of corporations will fall by 9.7 and 1.6 percent in Fiscal Years 2009 and FY 2010, respectively, following a 5.3 percent decline in FY 2008. The revenue impact would tend to lag the period when profits are earned, and CBO forecasts reductions in federal corporate income tax receipts in Fiscal Years 2009, 2010, and 2011.

The District of Columbia Economy

As already noted, the outlook for the District of Columbia assumes that the District will be adversely affected by the national economic recession and the turbulence in U.S. financial markets. The forecast assumes that the District will experience a recession and that measures such as jobs and personal income will be affected by what happens nationally. The forecast also assumes that there will be no sharp cutback in government spending that affects the D.C. area, and that the contraction already being experienced in the real estate markets will continue into FY 2010.

The economic assumptions underlying the revenue outlook are provided in Table 4-7. For the most part, these are based on forecasts made in January by Global Insight and economy.com.⁶ These assumptions include:

- *Slower growth in D.C.'s nominal Gross Domestic Product.*⁷ Growth rates in FY 2009 and FY 2010 are projected to be 0.3 percent in FY 2009 and zero in FY 2010, a sharp decline from the 6.1 percent growth for FY 2008. Real GDP is expected to

⁶ Relatively severe recession scenarios were used. ORA's methodology for preparing the economic forecast is explained in ORA's draft briefing note.

⁷ D.C.'s Gross Domestic Product, formerly called Gross State Product, is the value added in production by the labor and property located in the District and is a measure of the gross output of all industries in D.C.

⁸ Personal income is a measure of before-tax income received by all persons in a state. It is the total of net earnings by place of residence, rental income, personal dividend income, personal interest income, and transfer payments. Wages and salaries are the biggest component of personal income. Health and other employee benefits are also a significant component.

Table 4-7

Estimated Key Variables for the D.C. Economy for the Forecast Period, FY 2007 –FY 2013

	FY 2007 Actual	FY 2008 Actual	FY 2009 Est.	FY 2010 Est.	FY 2011 Est.	FY 2012 Est.	FY 2013 Est.
Gross State Product (nominal; billions of \$)	92.21	97.81	98.13	98.17	102.09	107.69	112.64
	5.9%	6.1%	0.3%	0.0%	4.0%	5.5%	4.6%
Personal Income (billions of \$)	36.14	38.14	38.44	38.77	39.91	41.42	43.27
	6.9%	5.5%	0.8%	0.9%	3.0%	3.8%	4.5%
Wages and Salaries of DC Residents (billions of \$)	19.4	20.3	20.2	20.3	21.0	21.8	22.7
	7.3%	5.0%	-0.8%	0.5%	3.6%	4.0%	4.3%
Population (thousands)	587.5	591.3	594.1	596.3	597.6	598.9	601.2
	0.4%	0.6%	0.5%	0.4%	0.2%	0.2%	0.4%
Households (thousands)	255.1	256.6	257.8	258.7	259.2	259.6	260.6
	0.4%	0.6%	0.5%	0.3%	0.2%	0.2%	0.4%
At-place Employment (thousands)	691.7	702.5	705.5	702.5	710.1	720.2	727.7
	0.8%	1.6%	0.4%	-0.4%	1.1%	1.4%	1.0%
Civilian Labor Force (thousands)	325.8	332.0	329.9	329.7	333.4	334.9	336.2
	1.8%	1.9%	-0.6%	0.0%	1.1%	0.4%	0.4%
Resident Employment (thousands)	307.8	310.7	297.2	296.3	304.0	309.3	313.8
	2.2%	1.0%	-4.4%	-0.3%	2.6%	1.8%	1.4%
Unemployment Rate (percent)	5.5	6.4	9.9	10.1	8.8	7.6	6.7
Housing Starts	1,895	613	282	317	378	833	1,377
Housing Stock (thousands)	283.7	285.8	287.8	289.1	290.2	292.7	295.2
Sale of Housing Units	9,800	7,581	7,296	7,989	8,871	9,364	9,547
	-9.3%	-22.6%	-3.8%	9.5%	11.0%	5.6%	2.0%
Average Housing Price (\$)	612,000	612,300	569,400	573,200	580,000	590,000	604,900
	6.5%	0.0%	-7.0%	0.7%	1.2%	1.7%	2.5%
Washington Area CPI (% change from prior year)	2.5	5.1	0.4	1.0	2.2	2.2	2.2
Interest Rate on 10-year Treasury Notes (%)	4.7	3.9	2.9	2.8	3.6	5.7	6.5
Change in S&P Index of Common Stock (%)*	7.5	-39.1	-14.0	15.2	19.3	10.7	7.2

* Change in S and P 500 Stock Index is the change from the 4th quarter to the 4th quarter on a calendar year (rather than fiscal year) basis. For example, the value in FY 2008 is the % change from CY 2007.4 to CY 2008.4.

Sources: Estimated by the D.C. Office of Revenue Analysis based on forecasts of the D.C. and national economies prepared by Global Insight (May 2009) and Economy.com (May 2009); on forecasts of the national economy prepared by the Congressional Budget Office (January 2009) and Blue Chip Economic Indicators (May 2009); on Bureau of Labor Statistics labor market information from April 2009; on Bureau of Economic Analysis estimates of D.C. personal income (December 2008); on Census Bureau estimates of D.C. population (December 2008); on D.C. housing sales data (April 2009) from the Metropolitan Regional Informational Systems (MRIS), accessed through the Greater Capital Area Association of Realtors (GCAAR); and on D.C. Office of Planning information on housing construction activity (which included occupied units that have been or are being rehabilitated; Winter 2008). The actual housing information in this table is based on Global Insight data that includes non-brokered sales.

decline by 1.0 percent in FY 2009 and another 0.5 percent in FY 2010.

- *Decline in jobs located in D.C.* The number of jobs in the District in FY 2009 is expected to show a net increase of 3,000 (0.4 percent) in FY 2009, then decrease by 3,000 (0.4 percent) in FY 2010. The gain in FY 2008 was 10,800 jobs (1.6 percent).

- *Slower growth of personal income.*⁸ The growth rate in FY 2009 is expected to slow to 0.8 percent in FY 2009, and to 0.9 percent in FY 2010. This contrasts sharply with the 5.5 percent increase in FY 2008. Increases in the number of households residing in D.C. will continue to contribute to the District's personal income levels.

⁹ In the table, the number of sales and average price of residential real estate is measured by the average selling price of single family and condominium units as reported by Global Insight.

- *Lower inflation by 2009.* The Financial Plan assumes that the increase in the D.C. Consumer Price Index will fall to 0.4 percent in FY 2009, rising to 1.0 percent in FY 2010. The rate in FY 2008 was 5.1 percent.
- *Declining home sales and prices.* The number of housing sales (the combined total of single family and condominium units) and average selling price are projected to continue to decline through FY 2009, and then begin to increase in FY 2010 when the market stabilizes.⁹
- *Commercial office space.* Sales levels and total value of sales in the commercial real estate market are also expected in FY 2009 and FY 2010 to be below the level of FY 2008.
- *Households and resident employment rise.* In FY 2009, the D.C. labor force is expected to decline by 0.6 percent and, combined with a rise in the unemployment rate, result in a 4.4 percent reduction in employed residents. The Financial Plan assumes estimated households in FY 2009 of 257,800, up 1,200 (0.5 percent) from FY 2008,

Table 4-8

Percent Change in Wage and Salary Employment in D.C., the Washington Metropolitan Area, and the U.S., CY 2007Q4 – 2009Q1

(Percent change from same calendar year quarter of previous year unless noted)

	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1
Total Employment						
DC	1.2	0.9	1.8	2.4	1.3	1.2
US	0.9	0.5	-0.1	-0.4	-1.6	-3.1
Metro Area	0.8	0.6	0.8	0.8	0.0	-0.3
Private Sector						
DC	1.5	0.6	1.8	2.4	1.6	1.3
US	0.8	0.3	-0.3	-0.8	-2.0	-3.8
Metro Area	0.6	0.1	0.4	0.3	-0.4	-0.7

Source: Bureau of Labor Statistics.

Table 4-9

D.C. Wage and Salary Employment by Sector in the Quarter Ending March 31, 2009

Sector	Change from one year ago		
	Level	Amount	Percent
Government		+2,000	+0.9
Federal Government	193,867	+2,600	+1.4
Local Government	39,000	-600	-1.5
Private Sector		+6,133	+1.3
Professional and Business	151,000	-933	-0.6
Information and Financial	47,000	-2,533	-5.1
Education and Health	107,933	+7,367	+7.3
Trade and Hospitality	80,633	+2,567	+3.3
Organizations and Other Services	64,567	+933	+1.5
All Other	17,733	-1,267	-6.7
Total	701,733	+8,133	+1.2

Note: Percent changes calculated from un-rounded numbers; detail may not add to totals due to rounding.

Source: Bureau of Labor Statistics.

and 258,700 in FY 2010 (up another 900 or 0.3 percent). The unemployment rate is expected to rise to 9.9 percent in FY 2009 and to 10.1 percent in FY 2010.

Employment

As already noted the forecast for wage and salary jobs located in D.C. is for a decrease of 0.4 percent in FY 2009 and an increase of 0.4 percent in FY 2010. Employment in the District continued to grow through the first quarter of CY 2009. (See Table 4-8.) Of the 8,133 net annual increase in employment that occurred in that quarter, education and health services, and the federal government accounted for the largest gains. (See Table 4-9.)

Trade and hospitality are important sources of employment and tax revenue. In the quarter ending March 31, 2009, these sectors added 2,567 jobs, a 3.3

percent gain. (See Table 4-9.) In that quarter, which included the Presidential Inauguration, revenues earned from guests by hotels were up 12.0 percent from a year earlier. (See Table 4-10.)

Wages and Salaries

Wages and salaries earned in the District of Columbia are expected to grow by 2.3 percent in FY 2009 and by 0.5 percent during FY 2010, down from the 4.9 percent increase in FY 2008. (See Table 4-11.)

D.C. Real Estate Markets

As noted earlier, the assessed value of real estate has slowed during FY 2009 and is expected to decline in FY 2010. Assessments for these years, which incorporate changes in value and new construction that have already occurred, are now substantially complete. The value of residential and commercial sales in both FY

Table 4-10

Hospitality Sector Indicators for the Quarter Ending March 31, 2009

	Change from one year ago		
	Level	Amount	Percent
Hotel Occupancy Rate (percent)	67.8	-0.2	-0.3%
Hotel Room Rate (\$)	\$226.81	\$22.01	10.7%
Amount Spent for Hotel Stays (millions of \$)	\$364.1	\$39.0	12.0%

Note: Percent changes calculated from un-rounded numbers.

Source: Smith Travel Research.

Table 4-11

Growth in Wages and Salaries in D.C., the Washington Metropolitan Area, and the U.S., FY 2006 – FY 2008

(Percent change from the prior year)

	FY 2006	FY 2007	FY 2008
Wages and Salaries			
DC			
Earned in DC	5.3	5.6	4.9
Earned by DC Residents	8.2	7.3	5.0
US	6.0	5.9	3.8
Washington Metropolitan Area	5.9	5.6	4.2

Sources: Bureau of Economic Analysis, Personal Income by State. Washington Metropolitan Area estimated by Economy.com.

Table 4-12

D.C. Residential Real Estate Transactions, FY 2006 – FY 2008

	FY 2006	FY 2007	FY 2008
Level			
Sales	8,227	8,020	6,277
Value of Transactions (millions of \$)	\$4,459.8	\$4,277.1	\$3,433.9
Percent Change from Prior Year			
Sales	-16.0%	-2.5%	-21.7%
Value of Transactions	-10.5%	-4.1%	-19.7%

Note: Data include both single family and condominium units.

Source: Metropolitan Regional Information System (MRIS) accessed through the Greater Capital Area Association of Realtors.

2009 and FY 2010 are also expected to be lower than the FY 2008 level.

Residential Markets

In FY 2009 the number of housing sales is expected to decrease about 3.8 percent, following a 22.6 percent decline in FY 2008, continuing a decline in the number of sales that began in FY 2005. Indeed, the level of sales forecast for FY 2009 is about 56.0 percent of the peak level reached in FY 2004. The number of sales is expected to begin a series of pickups in FY 2010 and each of the following years. The revenue forecast

assumes that the average price of units sold is expected to decline by 7.0 percent in FY 2009 and increase by 0.7 percent in FY 2010. (See Table 4-7) When it becomes evident that the recession is ending, anticipated gains in D.C. employment and wages, together with the strength of federal government activity and public confidence about safety and other city services, should continue to make the D.C. location attractive for households that prefer not to be committed to a long daily commute.

In the quarter ending March 31, 2009, the average selling price in the single family residential market was

Table 4-13

Single Family and Condominium Home Sales for the Quarter Ending March 31, 2009

Sector	Change from one year ago		
	Level	Amount	Percent
Single Family			
Units Sold	790	55	7.5%
Average Price	\$532,850	-\$141,913	-21.0%
Median Price*	\$367,500	-\$163,500	-30.8%
Total Value of Transactions (millions of \$)	\$421.0	-\$75.0	-15.1%
Condominium			
Units Sold	575	-86	-13.0%
Average Price	\$457,000	+\$68,431	+17.6%
Median Price*	\$360,000	+5,250	+1.5%
Total Value of Transactions (millions of \$)	\$262.8	+\$5.9	+2.3%

Note: *Median price is for calendar year 2009 through March 31, 2009.

Source: MRIS, accessed through the Greater Capital Area Association of Realtors.

Table 4-14

D.C. Area Office Vacancy Rates, CY 2007Q1, 2008Q1, 2009Q1

	D.C.	No. Virginia	Suburban MD	Metro Area
March 31, 2007	7.6%	9.8%	10.2%	9.2%
March 31, 2008	6.5%	11.3%	11.0%	9.7%
March 31, 2009	8.3%	12.9%	12.8%	11.4%

Note: Data are for the end of the quarter.

Source: Delta Associates (includes sublet space).

down 21.0 percent from the same quarter of 2008. Average selling prices of condominium units, however, increased by 17.6 percent. (See Table 4-13.)

The price conditions in the residential market reflects high inventory (in the fourth quarter of CY 2008 the ratio of inventory to sales contracts was 6.5, about 50 percent more than the FY 2007 ratio of 4.15) and the effects of foreclosure activity. There is considerable unsold inventory in the condominium market and a significant number of units are still under construction. In the first quarter of 2009 the ratio of active listings to contracts was 7.51, compared to 3.88 in FY 2007. Delta Associates reports that as of March 31, 2009, there were 1,578 condominiums and 4,864 apartment units under construction in the District of Columbia, and 1,626 additional new condominiums and 4,383 additional apartment units that could be built by some time in CY 2011.

Commercial Real Estate Markets

In the quarter ending March 31, 2009, the inventory of commercial office space was up by 1.01 million square feet (0.8 percent) from the prior year, and the

vacancy rate (including space for sublet) rose to 8.3 percent (low compared to the rest of the nation) from the 6.5 percent level of March 31, 2008. (See Table 4-15.)

The District remains a top commercial office market in the nation as a result of a strong office tenant base comprised of the federal government, the legal sector and large associations. This tenant base has been a source of growth since 2001 for commercial office space demand and commercial real estate investment. However the amount of leased commercial office space in the District of Columbia actually decreased by 0.8 percent from the first quarter of CY 2008 to the first quarter of CY 2009, and problems in the credit markets have resulted in a sharp decrease of property sales. In its March 31, 2009 report on the D.C. office market, Delta Associates noted that primarily due to new construction already underway, by March 2011 the percentage of space that is vacant will rise to about 12.9 percent, slightly above the then average level for the metropolitan area as a whole (about 12.5 percent).

As reflected in Deed Taxes, the amount of proper-

Table 4-15

Commercial Office Space in the District of Columbia, 2007Q1, 2008Q1, 2009Q1

(Million square feet unless otherwise indicated)

	Mar. 31, 2007	Mar. 31, 2008	Mar. 31, 2009
Inventory	119.72	123.75	124.76
Vacancy Rate (no sublet)	6.7	5.8	7.3
Vacancy Rate (with sublet)	7.6	6.5	8.3
Under Construction	6.19	8.69	8.80
Net Increase in Leased Space from Prior Year	+3.86	+4.91	-0.93

Note: Data are for the end of the quarter.

Source: Delta Associates.

Table 4-16

Value of Real Property Transferred or Transfer of Economic Interest in Real Property, CY 2007Q4 – 2009Q1

	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1
Value of Property sold or interest transferred sales (billions of \$)						
Deed Transfer	2.37	2.08	1.54	2.04	1.43	0.75
Economic Interest	1.73	0.34	0.16	0.26	0.28	0.00
Total	4.09	2.43	1.70	2.30	1.71	0.76
Percent Change from same quarter of Prior Year						
Deed Transfer	-15.4	1.2	-57.8	-39.7	-39.6	-63.8
Economic Interest	770.1	-81.8	-69.3	-22.9	-83.7	-99.7
Total	36.6	-38.6	-59.2	-38.2	-58.2	-68.9

Sources: Office of the Chief Financial Officer. Calculated by ORA from Deed Transfer Tax and Economic Interest Tax Collections.

ty transferred, either by outright transfer of the deed or by transfer of economic interest has been somewhat volatile from quarter to quarter. In the first quarter of CY 2009, however, the total value of property subject either to taxes on outright transfer or on transfer of economic interest was \$0.76 billion, a 68.9 percent drop from the same quarter of 2008. (See Table 4-16.)

Population and D.C. Labor Market

For the quarter ending March 31, 2009, the District's labor force declined by 1,897 persons compared to the same quarter of 2008. (See Table 4-17.) The number of employed residents fell by 13,845 (4.5%) compared to the prior year, as the unemployment rate rose to 9.7 percent, and the number of unemployed residents increased by 11,947 (59.7%) to a level of 31,955. The number of unemployed in this quarter was comparable to the levels reached in the downturn of the 1990's.

The U.S. Bureau of the Census shows, in a report dated December 2008, that the District's population grew steadily over the past four years. The population in July 2008 was estimated to be 591,833, an increase of 3,965 (0.7 percent) from 2007 and 19,774 (3.5 percent) from the 2000 Census count of 572,059.

The FY 2010 Budget and Financial Plan anticipates that housing construction and renovation, together with improvements in city services and amenities, will continue to attract more households to the District even as the economy slows down.

Longer Term (Fiscal Years 2011-2013)

In looking further ahead to FY 2011 to FY 2013, the expectation for the Budget and Financial Plan is that the period of severe recession will have passed, both nationally and in the District of Columbia. Gross

Table 4-17

Labor Force, Resident Employment, and Unemployment in Quarter Ending March 31, 2009

	Change from one year ago		
	Level	Amount	Percent
Labor Force	328,387	-1,897	-0.6
Resident Employment	296,432	-13,845	-4.5
Resident Unemployment	31,955	+11,947	59.7
Unemployment Rate	9.7	+3.7	--

Source: Bureau of Labor Statistics.

Table 4-18

D.C. Tax Revenue (including revenue initiatives and before earmarking) and D.C. Personal Income, FY 2005 to FY 2013 (estimated)

(Percent change from prior year)

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
	Actual	Actual	Actual	Est.	Est.	Est.	Est.	Est.	Est.
Tax Revenue	11.7	5.8	14.0	3.4	-6.3	0.0	1.3	4.0	3.9
D.C. Personal Income	9.5	8.2	6.9	5.5	0.8	0.9	3.0	3.8	4.5

Source: OCFO/OTR, U.S. Bureau of Economic Analysis, OCFO/ORR
Forecasts of Tax Revenue and DC Personal Income are from ORR's June 2009 Revenue Estimate

State Product growth is expected to average about 4.7 percent per year, Personal Income 3.7 percent per year, and close to 8,400 additional jobs will be added each year. Inflation is expected to drift upward (CPI increases by about 2.2 percent each year), interest rates rise modestly (to a 6.5 percent rate for 10-year Treasury securities), and the stock market grows at a steady pace (a gain of about 15.0 percent per year over the 3-year period).

In the years 2011 through 2013, 2,588 new housing starts are anticipated, and 1,900 households will be added. In the FY 2011 to FY 2013 period it is also anticipated that the residential housing market will show signs of recovery, although not returning to the surging prices and sales of the FY 2003 to FY 2005 period.

For the years FY 2011 through FY 2013 tax revenues (before earmarking) are expected to grow at a rate somewhat below that of D.C. Personal Income, primarily because the recovery of real property taxes occurs only with a lag and the increase in the value of real property sales will not reach levels achieved prior to the recession.

Revenues

The chapter now turns its focus to District of Columbia revenues. Table 4-19 reports estimated revenue by revenue source for the period FY 2009 to FY 2013, along with actual FY 2008 revenues. Tables 4-36 and 4-37, at the end of this chapter, provide information on year-to-year percentage and absolute changes in revenue.

Figure 4-1 shows the actual FY 2008 distribution of local revenues net of dedicated taxes by the source of the revenue.

Specific Revenue Sources

Property Taxes

Real Property Tax

Real Property in the District

The District divides all taxable properties into three separate tax classes depending on the use of the real property. The three real property classes in the District are residential (Class 1), commercial (Class 2) and vacant/abandoned (Class 3). The District taxes real property based on 100 percent of assessed value and taxes each class with a different tax rate. The District's total real property tax base had an assessed value of \$143.0 billion in 2008. Taxable residential value, 38.6 percent of all property value in the District, amounted to \$81.4 billion in 2008, an increase of 11.3 percent from 2007. Taxable nonresidential value (commercial and vacant/abandoned), 29.2 percent of all property value, amounted to \$61.6 billion, an increase of 19.0 percent from 2007. The District of Columbia differs from most other major cities around the country because of the exceptionally large proportion of real property that is exempt from paying the District's real property tax, roughly 57 percent of the city's land area. In 2008, the value of all real property (taxable and non taxable) in the District in 2008 was \$210.8 billion, up 15.5 percent from \$182.6 billion in 2007. The value of all exempt property, 32 percent of all property value, had a total value of \$67.9 billion. Tax-exempt properties primarily include those owned by the federal government, as well as properties owned by foreign governments, non-profit organizations, educational institutions, and the District government.

Figure 4-1

FY 2008 Distribution of General Fund Local Revenue

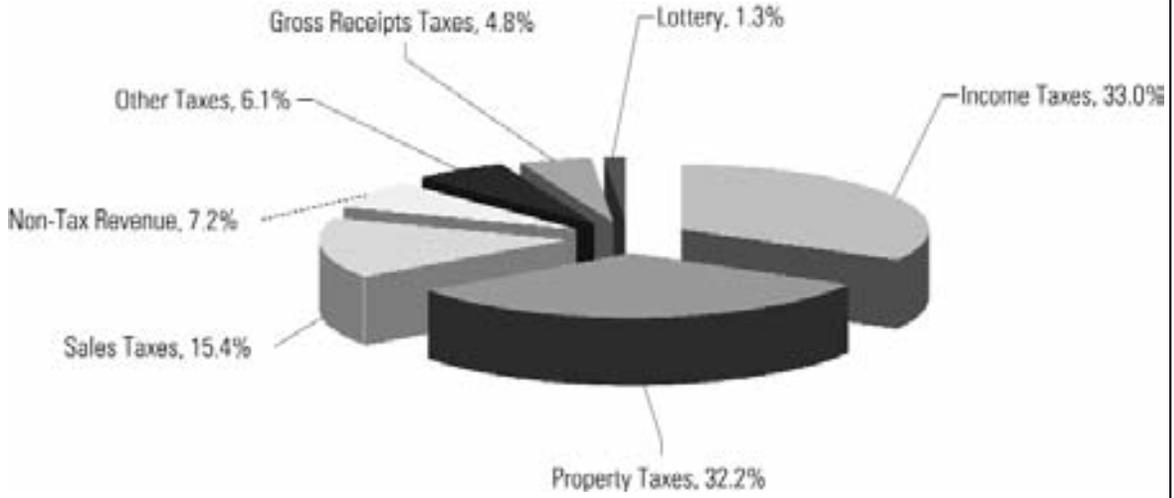


Table 4-19

Operating Revenue by Source, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY2013 Projected
Property Taxes						
Real Property (gross)	1,672,969	1,803,171	1,781,331	1,743,688	1,743,688	1,824,944
<i>Transfer to TIF/CBF</i>	<i>(6,654)</i>	<i>(29,963)</i>	<i>(42,860)</i>	<i>(48,496)</i>	<i>(52,105)</i>	<i>(56,053)</i>
Real Property (net)	1,666,315	1,773,208	1,738,471	1,695,192	1,691,583	1,768,891
Personal Property (gross)	59,690	57,422	56,216	56,834	57,488	58,166
<i>Transfer to Neighborhood Investment Fund</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(10,000)</i>
Personal Property (net)	49,690	47,422	46,216	46,834	47,488	48,166
Public Space	27,697	30,467	31,381	32,322	33,292	34,291
<i>Transfer to DDOT</i>	<i>(27,697)</i>	<i>(30,467)</i>	<i>(31,381)</i>	<i>(32,322)</i>	<i>(33,292)</i>	<i>(34,291)</i>
Total Property Taxes (net of dedicated taxes)	1,716,005	1,820,630	1,784,687	1,742,027	1,739,071	1,817,057
Sales and Excise Taxes						
General Sales (gross)	1,015,182	983,948	987,895	1,025,734	1,070,661	1,123,137
<i>Transfer to Convention Center</i>	<i>(91,493)</i>	<i>(91,950)</i>	<i>(93,054)</i>	<i>(97,055)</i>	<i>(101,229)</i>	<i>(105,581)</i>
<i>Transfer to TIF/CBF</i>	<i>(23,450)</i>	<i>(27,440)</i>	<i>(26,203)</i>	<i>(41,648)</i>	<i>(32,395)</i>	<i>(34,377)</i>
<i>Transfer to DDOT</i>	<i>(37,420)</i>	<i>(26,112)</i>	<i>(27,389)</i>	<i>(30,378)</i>	<i>(31,393)</i>	<i>(32,433)</i>
<i>Transfer to Ballpark Fund</i>	<i>(12,364)</i>	<i>(8,900)</i>	<i>(9,212)</i>	<i>(9,663)</i>	<i>(10,204)</i>	<i>(10,766)</i>
<i>Transfer to School Modernization Fund</i>	<i>(100,000)</i>	<i>(106,000)</i>	<i>(112,360)</i>	<i>(119,102)</i>	<i>(130,279)</i>	<i>(138,308)</i>
General Sales (net)	750,455	723,545	719,677	727,888	765,162	801,671
Alcohol	5,190	5,157	5,126	5,096	5,069	5,043
Cigarette	23,900	47,586	45,411	44,275	43,168	42,380
Motor Vehicle	40,160	40,160	40,963	42,192	43,458	44,762
Motor Fuel Tax	(23,199)	(19,719)	(20,173)	(20,637)	(21,111)	(21,597)
<i>Transfer to Highway Trust Fund</i>	<i>(23,199)</i>	<i>(19,719)</i>	<i>(20,173)</i>	<i>(20,637)</i>	<i>(21,111)</i>	<i>(21,597)</i>
Total Sales Taxes (net of dedicated taxes)	819,705	816,448	811,178	819,452	856,856	893,855
Income Taxes						
Individual Income	1,342,799	1,112,357	1,069,361	1,103,373	1,166,113	1,215,836
Corporate Franchise	286,204	237,264	252,121	282,428	309,104	326,220
U. B. Franchise	126,891	107,822	124,395	143,020	159,873	173,257
Total Income Taxes	1,755,894	1,457,444	1,445,877	1,528,821	1,635,090	1,715,313
Gross Receipts Taxes						
Public Utility (gross)	153,543	153,627	153,696	153,751	153,796	153,832
<i>Transfer to Ballpark Fund</i>	<i>(9,228)</i>	<i>(10,600)</i>	<i>(10,605)</i>	<i>(10,609)</i>	<i>(10,612)</i>	<i>(10,614)</i>
Public Utility (net)	144,315	143,027	143,091	143,142	143,184	143,217
Toll Telecommunication (gross)	65,741	63,283	63,360	63,418	63,463	63,496
<i>Transfer to Ballpark Fund</i>	<i>(2,559)</i>	<i>(2,658)</i>	<i>(2,661)</i>	<i>(2,664)</i>	<i>(2,665)</i>	<i>(2,667)</i>
Toll Telecommunication (net)	63,182	60,625	60,699	60,755	60,797	60,830
Insurance Premiums (gross)	52,636	64,050	74,767	74,767	74,767	74,767
<i>Transfer to Healthy DC Fund</i>	<i>(5,964)</i>	<i>(7,593)</i>	<i>(17,486)</i>	<i>(17,486)</i>	<i>(17,486)</i>	<i>(17,486)</i>
Insurance Premiums (net)	46,672	56,457	57,281	57,281	57,281	57,281

Table 4-19 (continued)

Operating Revenue by Source, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY2013 Projected
Healthcare Provider Tax	13,771	11,000	11,000	11,000	11,000	11,000
<i>Transfer to Nursing Facility Quality of Care Fund (13,771)</i>		<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>
Baseball Gross Receipts Tax	24,989	20,748	20,603	20,932	21,414	21,649
<i>Transfer to Ballpark Fund</i>	<i>(24,989)</i>	<i>(20,748)</i>	<i>(20,603)</i>	<i>(20,932)</i>	<i>(21,414)</i>	<i>(21,649)</i>
Total Gross Receipts Taxes (net of dedicated taxes)	254,169	260,109	261,070	261,178	261,262	261,328
Other Taxes						
Estate	66,899	70,000	60,000	60,000	60,000	60,000
Deed Recordation (gross)	155,974	89,014	71,746	72,456	84,795	94,877
<i>Transfer to HPTF</i>	<i>(23,853)</i>	<i>(13,352)</i>	<i>(10,762)</i>	<i>(10,868)</i>	<i>(12,719)</i>	<i>(14,232)</i>
<i>Transfer to Comp. Housing Strategy Fund</i>	<i>(13,819)</i>	-	-	-	-	-
Deed Recordation (net)	118,302	75,662	60,984	61,587	72,076	80,646
Deed Transfer (gross)	112,434	60,040	47,588	48,156	55,702	60,380
<i>Transfer to HPTF</i>	<i>(16,736)</i>	<i>(9,006)</i>	<i>(7,138)</i>	<i>(7,223)</i>	<i>(8,355)</i>	<i>(9,057)</i>
<i>Transfer to Comp. Housing Strategy Fund</i>	<i>(9,460)</i>	-	-	-	-	-
Deed Transfer (net)	86,238	51,034	40,449	40,932	47,346	51,323
Economic Interests	54,815	17,955	14,091	10,545	10,545	10,545
Total Other Taxes (net of dedicated taxes)	326,254	214,651	175,524	173,065	189,967	202,514
Tax Revenue Net of Dedicated Taxes	4,872,027	4,569,282	4,478,337	4,524,542	4,682,247	4,890,067
Non-Tax Revenue						
Licenses & Permits	84,921	60,892	60,034	63,043	60,043	63,053
Fines & Forfeits	98,932	129,582	133,211	130,041	129,885	127,540
Charges for Services	43,493	48,050	45,901	48,300	45,925	48,775
Miscellaneous	158,510	101,316	96,032	88,737	91,711	93,462
Total Non-Tax Revenue	385,856	339,841	335,178	330,122	327,564	332,830
Lottery/Interfund Transfer	70,300	70,300	65,775	65,775	65,775	65,775
Total Revenue Net of Dedicated Taxes	5,328,183	4,979,423	4,879,290	4,920,439	5,075,586	5,288,672
<i>plus Total Dedicated Tax Revenue (see Exhibit C)</i>	<i>424,959</i>	<i>395,042</i>	<i>421,505</i>	<i>457,761</i>	<i>472,967</i>	<i>495,821</i>
<i>plus Splus Special Purpose (O-Type)</i>						
Fund Revenue	448,972	446,294	454,380	445,288	454,805	452,650
Total Revenue	6,202,114	5,820,759	5,755,176	5,823,487	6,003,358	6,237,144

Table 4-19 (continued)

EXHIBIT A: General Fund Components

(\$ thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013
Revenue Net of Dedicated Taxes	5,328,183	4,979,423	4,879,290	4,920,439	5,075,586	5,288,672
School Modernization Fund	100,000	-	-	-	-	-
Local Fund Revenue	5,428,183	4,979,423	4,879,290	4,920,439	5,075,586	5,288,672
Dedicated Taxes	180,163	217,157	421,505	457,761	472,967	495,821
Nursing Facility Quality of Care Fund	13,771	11,000	11,000	11,000	11,000	11,000
Housing Production Trust Fund	40,589	22,358	17,900	18,092	21,074	23,289
Comprehensive Housing Task Force Fund	23,279	-	-	-	-	-
Neighborhood Investment Fund	10,000	10,000	10,000	10,000	10,000	10,000
School Modernization Fund	-	106,000	112,360	119,102	130,279	138,308
Ballpark Fund	49,140	42,906	43,081	43,867	44,895	45,696
Healthy DC Fund	5,964	7,593	17,486	17,486	17,486	17,486
DDOT	37,420	17,300	27,389	30,378	31,393	32,433
Convention Center	-	-	93,054	97,055	101,229	105,581
Tax Increment Financing	-	-	69,063	90,144	84,500	90,431
Highway Trust Fund	-	-	20,173	20,637	21,111	21,597
Special Purpose (O-Type) Fund Revenue	448,972	446,294	454,380	445,288	454,805	452,650
General Fund Revenue	6,057,318	5,642,874	5,755,176	5,823,487	6,003,358	6,237,144

Table 4-19 (continued)

EXHIBIT B: Policy Proposals Impacting General Fund Revenue

(\$ thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013
Local Fund Revenue	5,428,183	4,979,423	4,879,290	4,920,439	5,075,586	5,288,672
plus Local Fund Revenue Proposals:		62,294	319,946	262,137	294,535	282,406
Establish a DC One Card Replacement Fee (BSA Title I.A)			10	10	10	10
Revise the Schedule of Fees Collected by the Office of the Surveyor (BSA Title II.D)			(204)	(204)	(204)	(204)
Transfer Half of NOI Fines to BBL Fund (BSA Title II.E)			(200)	(200)	(200)	(200)
Establish a DCRA BBL Expedited Service Fee (BSA Title II.E)			417	417	417	417
Establish an Elevator Licensing Fee (BSA Title II.P)			208	104	104	104
Elimination of 50% Discount on Most Parking Citations for Fleet Adjudication Program Participants			120	120	120	120
Elimination of Adjudication Option for Fleet Reconciliation Program Participants (BSA Title VI.A)			162	162	162	162
Raise Taxi and Limo License Fees (BSA Title VI.F)			382	382	382	382
Incorporate Acts Passed Subject to Appropriation (BSA Title VII.A):						
Southwest Waterfront			-	(4,000)	(4,000)	(4,000)
National Public Radio			(192)	(211)	(242)	(2,405)
O Street			-	-	-	-
Georgia Commons			(100)	(328)	(328)	(328)

(continued)

Table 4-19 (continued)

EXHIBIT B: Policy Proposals Impacting General Fund Revenue

(\$ thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013
Incorporate Acts Passed Subject to Appropriation (BSA Title VII.A) (Cont)						
Urban Institute			(200)	(625)	(925)	(1,500)
Tregaron Conservancy Tax Exemption			(134)	(27)	(27)	(28)
St. Martin Apartments Tax Exemption			(35)	(418)	(383)	-
Gateway Market Center and Residences Tax Exemption			(254)	(47)	(52)	(54)
Asbury United Methodist Church Tax Relief			(15)	-	-	-
Eckington One Residential Economic Development			-	-	(75)	(91)
Ft. Chaplin Park South Congregation of Jehovah's Witnesses Tax Relief			(19)	-	-	-
NoMA Residential Development Tax Abatement			(417)	(1,935)	(4,263)	(5,000)
Randall School Development Project Tax Abatement			(425)	(437)	(451)	(464)
So Others Might Eat Tax Exemption		(412)	-	-	-	-
Eliminate Sales Tax Holidays (BSA Title VII.B)			1,283	1,358	1,436	1,510
Transfer School Paygo from Dedicated Tax to Local (BSA Title VII.E)			112,360	119,102	130,279	138,308
Set Floor on Taxable Assessments (BSA Title VII.F)			5,200	5,000	4,900	5,200
Close Delaware Holding Company Loophole (BSA Title VII.G)			10,000	11,200	12,300	12,900
Apply Economic Interest Taxes to Sale of Co-op Units (BSA Title VII.H)			5,100	5,200	6,000	6,600
Tax Compliance Initiative (BSA Title VII.J)			20,000	-	-	-
Revenue Effect of Stimulus Tax Relief (BSA Title VII.K)						
Increase the EITC			(1,800)	(1,700)	-	-
Unemployment Insurance Benefits Exclusion		(1,000)	(4,100)	-	-	-
Building Bridges Across the River Tax Exemption (BSA Title VII.M)			(34)	(11)	(11)	(11)
14W and YMCA Anthony Bowen Project Tax Exemption and Tax Relief (BSA Title VII.R)			(938)	(1,231)	(701)	(766)
View 14 Economic Development (BSA Title VII.S)			(1,206)	(1,244)	(433)	(473)
God of a Second Chance Ministry Real Property Tax Relief (BSA Title VII.V)			(19)	-	-	-
Mandate Combined Reporting for TY 2011 (BSA Title VII.W)			-	-	22,600	19,400
Delay Implementation of Homestead Deduction Indexing through FY 2013 (BSA Title VII.X)			4,000	4,100	4,100	4,100
Delay Implementation of Standard Deduction Indexing through FY 2013 (BSA Title VII.X)			2,300	3,600	4,900	5,160
Delay Implementation of Personal Exemption Indexing through FY 2013 (BSA Title VII.X)			2,900	4,600	6,400	6,760
Increase Retail Sales Tax Rate to 6% with certain exemptions (BSA Title VII.X)			20,528	21,321	22,253	-
Increase Gasoline Excise Tax to \$0.235/gallon (BSA Title VII.X)			3,500	3,600	3,700	3,700
Increase Cigarette Excise Tax to \$2.50/pack (BSA Title VII.X)			9,700	9,457	9,221	9,052
Increase Little Cigar Excise Tax to \$2.50/pack (BSA Titles VII.X and Y)			515	472	487	501
Revenue from Community Health Care Financing Fund (BSA Titles VIII.A, C and D)		18,300	14,840	4,000	-	-
Tobacco Trapping Event Revenue		23,000	-	-	-	-
Use Portion of Parking Tax Revenue as Local (BSA Title VIII.A)		2,167	-	-	-	-

(Continued on next page)

Table 4-19 (continued)

EXHIBIT B: Policy Proposals Impacting General Fund Revenue

(\$ thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013
Use Motor Vehicle Theft Prevention Commission Fund Revenue as Local (BSA title VIII.A)		250				
Use Community Benefit Fund Revenue as Local (BSA Titles VIII.A, C and D)		13,271	13,271	12,883	13,001	14,095
Use Portion of NIF Revenue as Local (BSA Titles VIII.C and D)			7,412	3,200	3,200	3,200
Use Portion of Baseball Fund Revenue as Local (BSA Titles VIII.C and D)			11,000	14,000	10,000	15,000
Use Portion of Healthy DC Fund Revenue as Local (BSA Title VIII.C)			3,850	-	-	-
Use Portion of Nursing Quality of Care Fund Revenue as Local (BSA Title VIII.C)			600	-	-	-
Use Portion of TIF Revenue as Local			9,800	-	-	-
Increase DC Employee Parking Fees (BSA Titles I.AA and VIII.C and D)			2,260	2,260	2,260	2,260
Convert Certified Unbudgeted O-type Revenue to Local (BSA Title VIII.C)			6,422	-	-	-
Transfer Office of Cable TV Revenues to Local (BSA Title VIII.C)			942	-	-	-
Transfer DDOT Unified Fund Revenues to Local (BSA Title VIII.C)			3,842	-	-	-
Reclassify Class III properties as Class I or Class II except for blighted properties			(12,756)	(12,214)	(11,823)	(11,431)
Transfer Tax on Retail Service Stations			2,700	-	-	-
Convert E911 Fee to Local			6,950	-	-	-
Retail service station transfer tax			2,700	-	-	-
Transfer Additional Certified Revenue from DDOT TCO Issued Parking Tickets and Moving Violations to Local			2,000	2,000	2,000	2,000
Allen Chapel AME Senior Residential Rental Project Tax Exemption and Tax Relief		(474)	-	-	-	-
CEMI-Ridgecrest - Walter Washington Community Center Tax Exemption and Tax Relief		(133)	-	-	-	-
Increase Parking Meter Rates		5,500	-	-	-	-
Hire New ABRA Inspectors			120	120	120	120
Enhanced Parking Control Initiative (New Parking Control Officers)			16,731	16,731	16,731	16,731
Enhanced Parking Control Initiative (Sweeper Cam Program)			7,128	7,128	7,128	7,128
SWEEP Inspector Initiative			3,059	3,059	3,059	3,059
Additional Hack Inspectors Initiative			192	192	192	192
Expand Automated Enforcement of Traffic Violations			20,000	20,000	20,000	20,000
Transfer from Other Funds (Convention Center)			613	613	613	613
Transfer Certain DISB O-type Revenues to Local Fund		1,825	10,579	10,579	10,579	10,579
Local Fund Revenue with Policy Proposals	5,428,183	5,041,717	5,199,236	5,182,576	5,370,121	5,571,078

Table 4-19 (continued)

EXHIBIT B: Policy Proposals Impacting General Fund Revenue (cont)

(\$ thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013
Dedicated Taxes	180,163	217,157	421,505	457,761	472,967	495,821
plus Dedicated Tax Proposals:	0	(2,167)	(158,293)	(149,185)	(156,480)	(170,603)
Transfer School Paygo from Dedicated Tax to Local (BSA Title VII.E)		-	(112,360)	(119,102)	(130,279)	(138,308)
Use Portion of Parking Tax Revenue as Local (BSA Title VIII.A)		(2,167)	-	-	-	-
Use Community Benefit Fund Revenue as Local (BSA Titles VIII.A, C and D)			(13,271)	(12,883)	(13,001)	(14,095)
Use Portion of NIF Revenue as Local (BSA Titles VIII.C and D)		-	(7,412)	(3,200)	(3,200)	(3,200)
Use Portion of Baseball Fund Revenue as Local (BSA Titles VIII.C and D)		-	(11,000)	(14,000)	(10,000)	(15,000)
Use Portion of Healthy DC Fund Revenue as Local (BSA Title VIII.C)		-	(3,850)	-	-	-
Use Portion of Nursing Quality of Care Fund Revenue as Local (BSA Title VIII.C)			(600)	-	-	-
Use Portion of TIF Revenue as Local		-	(9,800)	-	-	-
Dedicated Taxes with Policy Proposals	180,163	214,990	263,213	308,576	316,487	325,218
Special Purpose (O-Type) Fund Revenue	448,972	446,294	454,380	445,288	454,805	452,650
plus Special Purpose Fund Revenue Proposals:	0	(2,075)	6,196	25,732	25,734	25,736
Extend Current UI Administrative Assessment Rate to FY 2014 (BSA Title I.B)			4,150	5,530	5,530	5,530
DDOE Environmental Fine Increases (BSA Title I.Y)			33	33	33	33
Modify DCRA Administrative Fees for Abatement of Housing Code Violations (BSA Title II.A)			342	342	342	342
Institute DCRA Fee to Recover Costs of Zoning Compliance Letters (BSA Title II.C)			16	16	16	16
Revise Schedule of Fees Collected by the Office of the Surveyor (BSA Title II.D)			541	541	541	541
Increase DCRA BBL Fees and Fines (BSA Title II.E)			1,296	1,296	1,296	1,296
Transfer Half of NOI Fines to BBL Fund (BSA Title II.E)			200	200	200	200
Establish Filming Permit Fees for Movie and Television Productions (BSA Title II.H)			52	53	54	56
Establish Sports Facilities Account (BSA Title II.I)			5,085	5,085	5,085	5,085
Increase Parking Meter Rates and Repeal the Saturday Moratorium (BSA Title VI.C)			9,000	9,000	9,000	9,000
Use Motor Vehicle Theft Prevention Commission Fund Revenue as Local (BSA title VIII.A)		(250)				
Convert Certified Unbudgeted O-type Revenue to Local (BSA Title VIII.C)			(6,422)	-	-	-
Transfer Office of Cable TV Revenues to Local (BSA Title VIII.C)			(942)	-	-	-
Transfer DDOT Unified Fund Revenues to Local (BSA Title VIII.C)			(3,842)	-	-	-
Convert E911 Fee to Local			(6,950)	-	-	-

(Continued on next page)

Table 4-19 (continued)

EXHIBIT B: Policy Proposals Impacting General Fund Revenue (cont)

(\$ thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013
Transfer Additional Certified Revenue from DDOT TCO Issued Parking Tickets and Moving Violations to Local			(2,000)	(2,000)	(2,000)	(2,000)
Expand Automated Enforcement of Traffic Violations			15,600	15,600	15,600	15,600
Dept. of Mental Health Billing Initiatives			616	616	616	616
Transfer Certain DISB O-type Revenues to Local Fund		(1,825)	(10,579)	(10,579)	(10,579)	(10,579)
Special Purpose Fund Revenue with Policy Proposals	448,972	444,219	460,576	471,020	480,539	478,386
General Fund Revenue with Policy Proposals	6,057,318	5,700,926	5,923,025	5,962,172	6,167,147	6,374,682

Table 4-19 (continued)

EXHIBIT C: Dedicated Tax Revenues

(\$ thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013
Convention Center						
<i>Sales Tax</i>	91,493	91,950	93,054	97,055	101,229	105,581
Tax Increment Financing						
<i>Real Property Tax</i>	6,654	29,963	42,860	48,496	52,105	56,053
<i>Sales Tax</i>	23,450	27,440	26,203	41,648	32,395	34,377
Ballpark Fund						
<i>Sales Tax</i>	12,364	8,900	9,212	9,663	10,204	10,766
<i>Public Utility Tax</i>	9,228	10,600	10,605	10,609	10,612	10,614
<i>Toll Telecommunications Tax</i>	2,559	2,658	2,661	2,664	2,665	2,667
<i>Baseball Gross Receipts Tax</i>	24,989	20,748	20,603	20,932	21,414	21,649
Highway Trust Fund						
<i>Motor Fuel Tax</i>	23,199	19,719	20,173	20,637	21,111	21,597
DDOT Unified Fund and Highway Trust Fund						
<i>Parking Tax</i>	37,420	26,112	27,389	30,378	31,393	32,433
School Modernization Fund						
<i>Sales Tax</i>	100,000	106,000	112,360	119,102	130,279	138,308
Housing Production Trust Fund						
<i>Deed Tax</i>	40,589	22,358	17,900	18,092	21,074	23,289
Comprehensive Housing Task Force Fund						
<i>Deed Tax</i>	23,279	-	-	-	-	-
Neighborhood Investment Fund						
<i>Personal Property Tax</i>	10,000	10,000	10,000	10,000	10,000	10,000
Nursing Facility Quality of Care Fund						
<i>Healthcare Provider Tax</i>	13,771	11,000	11,000	11,000	11,000	11,000
Healthy DC Fund						
<i>Insurance Premiums</i>	5,964	7,593	17,486	17,486	17,486	17,486
Total Dedicated Tax Revenue	424,959	395,042	421,505	457,761	472,967	495,821
Policy Proposals Affecting Dedicated Tax Revenue	0	(2,167)	(158,293)	(149,185)	(156,480)	(170,603)
Transfer School Paygo from Dedicated Tax to Local		-	(112,360)	(119,102)	(130,279)	(138,308)
Use Community Benefit Fund Revenue as Local			(13,271)	(12,883)	(13,001)	(14,095)
Use Portion of Parking Tax Revenue as Local		(2,167)	-	-	-	-
Use Portion of NIF Revenue as Local		-	(7,412)	(3,200)	(3,200)	(3,200)
Use Portion of Healthy DC Fund Revenue as Local		-	(3,850)	-	-	-
Use Portion of TIF Revenue as Local		-	(9,800)	-	-	-
Use Portion of Baseball Fund Revenue as Local		-	(11,000)	(14,000)	(10,000)	(15,000)
Use Portion of Nursing Quality of Care Fund Revenue as Local	-		(600)	-	-	-
Total Dedicated Tax Revenue with Policy Proposals	424,959	392,875	263,213	308,576	316,487	325,218

Table 4-19 (continued)

EXHIBIT D: Summary of General Fund and Non-General Fund Revenue Sources with Policy Proposals

(\$ thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013
Revenue Net of Dedicated Taxes	5,328,183	4,979,423	4,879,290	4,920,439	5,075,586	5,288,672
<i>plus</i> Local Fund Revenue Policy Proposals		62,294	319,946	262,137	294,535	282,406
<i>plus</i> Total Dedicated Tax Revenue with Policy Proposals	424,959	392,875	263,213	308,576	316,487	325,218
<i>plus</i> Special Purpose (O-Type) Revenue with Policy Proposals	448,972	444,219	460,576	471,020	480,539	478,386
Total Revenue with Policy Proposals	6,202,114	5,878,811	5,923,025	5,962,172	6,167,147	6,374,682

Table 4-19 (continued)

EXHIBIT E: Gross Tax Revenue Before Policy Proposals

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013
Tax Revenue Net of Dedicated Taxes	4,872,027	4,569,282	4,478,337	4,524,542	4,682,247	4,890,067
<i>plus</i> Dedicated Tax Revenue (see Exhibit C)	424,959	395,042	421,505	457,761	472,967	495,821
Gross Tax Revenue (Before Transfer of Dedicated Taxes)	5,296,986	4,964,325	4,899,842	4,982,303	5,155,214	5,385,888

Tax Rates

As mentioned above, the District's real property tax system divides taxable properties into three separate tax classes, and each class is taxed at a different rate. (See table 4-20) For FYs 2008 and 2009, the tax rate for Class 1 properties (both owner-occupied and non owner-occupied residential properties), was \$0.85 per \$100 of assessed value. For FY 2008, the tax rate for Class 2 properties was \$1.85 per \$100 of assessed value. However, via the "Commercial Real Property Tax Relief Act of 2008" all Class 2 properties are subject to a split tax rate beginning in FY 2009. Under this arrangement, the tax rate for the first \$3 million in assessed value for every Class 2 property is \$1.65 per \$100 of assessed value and the tax rate for the assessed valued greater than \$3 million for every Class 2 property is to remain \$1.85 per \$100 of assessed value. In FY 2010 if projected growth in real property tax revenue from all Class 2 properties exceeds \$1.312 billion, this potential excess revenue is to be used to finance a further tax rate reduction for the first \$3 million in assessed value for Class 2 properties. The Class 2 tax rate for the assessed valued greater than \$3 million is to remain \$1.85 per \$100 of assessed value. Furthermore, beginning in 2011 the legislation limits the growth in total Class 2 revenue to 10 percent annually. If the growth in projected revenue exceeds this threshold, this potential excess revenue is to be used to finance an additional tax rate reduction for the first \$3 million in assessed value for Class 2 properties so as to limit total growth in total Class 2 revenue to 10 percent annually.

In an effort to encourage the development of vacant and abandoned properties around the city the "Real Property Tax Revision Amendment Act of 2002" established a Class 3 for such properties. These properties were taxed at a rate of \$5.00 per \$100 of assessed value. The significantly higher Class 3 tax rate (relative to the tax rates for the other two classes of

property) was intended to decrease the number of such properties by penalizing the owners of vacant and abandoned properties with a punitively high tax rate. However, in response to the growing number of complaints from residents about the seeming proliferation of vacant properties in numerous neighborhoods in 2007 and 2008, elected officials enacted the "Nuisance Properties Abatement Reform and Real Property Classification Amendment Act of 2008" which increased the tax rate on Class 3 properties to an even higher rate of \$10 per \$100 of assessed value effective beginning in FY 2009. There remains several exemptions from this higher tax rate for both residential and commercial properties that might potentially be affected, such as for buildings that are under construction, for sale, or have been damaged by flood or fire.

Revenue

Real property tax revenue in any given year is based on market conditions and property assessments made by OTR two years prior. For example, FY 2010 real property tax revenue is based on assessment notices that were mailed to property owners in early 2009 but reflect actual market conditions in 2008. After property owners receive their property assessment notices, owners are afforded the opportunity to formally contest their assessment value via the appeals process if they chose to before their tax payment is due in FY 2010.

A phenomenal number of property sales, at ever increasing sale prices, took place between the years 2002 and 2004. The two years of 2005 and 2006 was a period when the city's property market dynamics began to moderate, and 2007 and 2008 were years when the city's overall property market dynamics began to dramatically weaken, as indicated by the declining number of annual property sales. The general cause for this relatively sudden and dramatic

Table 4-20

Real Property Tax Classes and Rates for FY 2010

Real Property Tax Class	Tax Rate
Class 1 (Residential)	\$0.85 per \$100 of assessed value
Class 2 (Commercial)	a) \$1.65 per \$100 of assessed value for the first \$3 million in assessed value, and b) \$1.85 per \$100 of assessed value for assessed value in excess of \$3 million
Class 3 (Vacant/Abandoned)	\$10.00 per \$100 of assessed value

weakening was the national subprime mortgage crisis (that began in earnest August 2007), the current national economic recession (that began December 2007), and the financial/banking crisis (that began in earnest September 2008). On the residential side, 2006 was the first time in recent years in which the number of sales of both single-family homes and condominiums declined relative to the preceding year. And while the number of sales of both single-family homes and condominiums also declined further in 2007 and 2008, it is important to not interpret these statistics as an indication of a significant waning of overall desire of potential home buyers to purchase homes in the District. This is evidenced by the facts that the average annual sale price of single-family homes increased by 4.5 percent in 2006 and 6.1 percent in 2007 before declining slightly by 1.9 percent in 2008. And while the average annual sale price of condominiums decreased by 3.8 percent in 2006 and 0.5 percent in 2007, the average annual sale price of condominiums increased by 2.3 percent in 2008. Taken altogether, these statistics suggest that the fundamental demand to live and purchase residential property in the city has not disappeared. Instead, perhaps, the pervasive dismal economic environment and lack of economic certainty has caused many to re-evaluate and/or postpone their plans to purchase residential property in the city. However, it is important to note that among the few sales that took place since 2005 there has not been a dramatic deterioration in the value of residential property in the city as indicated by the absence of a continued and significant annual decline in average residential sale prices for years 2006 to 2008.

On the commercial side of the market, the number of square feet of quality commercial office space sold increased 20.1 percent annually on average between 2002 and 2005. However, the number of square feet sold decreased by 14.9 percent in 2006, 24.1 percent in 2007, and an additional 43.1 percent in 2008. However, the average price of quality commercial office buildings increased 14.2 percent annually between 2002 and 2005. The average sale price for commercial office buildings increased by 1.8 percent in 2006, 4.9 percent in 2007, and by 25.8 percent in 2008. Again, these statistics suggest that the fundamental desire among large investors to own large office buildings in the city has not disappeared. Notwithstanding the strong underlying fundamentals

of the local real estate market over the next few years, which include slight growth in the total number of new jobs, population, and households over the next few years, as well as a growing list of entertainment/retail outlets and other attractive amenities throughout the city, it appears that the pervasive dismal economic environment and more specifically the lack of debt financing and overall financial crisis is preventing new commercial developments and office building sales from taking place. And as indicated from the few sales that took place in 2007 and 2008 at increasing average sale prices these large assets are maintaining their market value.

The average annual real property tax revenue growth between FYs 1999 and 2008 was 12.1 percent. Real property tax revenue is expected to grow 7.8 percent in FY 2009. But the dramatic weakening in the city's overall property market dynamics is expected to significantly impact real property tax revenue for FY 2010. The real property tax revenue is expected to decline 1.2 percent (the first decrease since 1999) in FY 2010, and this is the direct result of the dearth of residential and commercial property sales and general lack of growth in the average sale price of residential homes in 2008. The annual growth rate in real property tax revenue is expected to continue to decline by 2.1 percent in 2011 and to show no growth in 2012. The real property tax revenue is expected to grow 4.7 percent in FY 2013. It is expected that the dismal economic environment caused by the current national economic recession and the financial/banking crisis will preclude growth in real property tax revenue in FYs 2010 to 2012. But, it is expected that the financial crisis will be mostly resolved and that national economic growth will resume in late 2010 and 2011. These conditions are expected to lead to a plethora of property sales in the city which will serve as the basis for growth in real property tax revenue in FY 2013.

Many real property tax relief initiatives have been implemented since 2002 that have abated the overall growth in total real property tax revenue. Notwithstanding the lack of growth in the city's real property market over the next few years, the growing importance of real property tax revenue as the major revenue source to the Local Fund is not without significance. In FY 2008 real property tax revenue was the largest single source of revenue (approximately 31.3 percent) to the Local Revenue Fund. FY 2007

marked the first time since the early 1990s—the last time the local real estate market was extremely robust—that revenue from the real property tax surpassed total individual income tax revenue as the major source of tax revenue to the District government. While real property tax revenue as a share of total Local Fund revenue was 20.8 percent in FY 2002, the share is expected to remain high (33.3 percent) at least through 2013. These results stem from the fact that the city’s entire 2007 property tax base has almost tripled in value since 1997, presumably due to the aforementioned strong fundamentals and other favorable market dynamics that have been in play up to 2006 and which is expected to resume in 2010. Actual FY 2008 and projected FY 2009 to FY 2013 revenues from the real property tax are shown in table 4-21.

General Obligation Bond - Debt Service

Each year the District dedicates a percentage of its real property tax collections to pay off the principal and interest on its General Obligation Bonds. For FY 2009, the percentage of real property tax collections dedicated to the repayment of principal and interest on the District’s General Obligation Bonds is 28 percent.

Personal Property Tax

The District’s personal property tax is levied on the depreciated value of all tangible personal property used in a trade or business, including computers, vehicles, plant and equipment. Inventories held for sale are excluded from the tax base. The strength of

the District’s economy in recent years has resulted in greater investment in personal property used for commercial purposes.

In January 2008, elected officials enacted the “Small Business Commercial Property Tax Relief Act of 2007” in efforts to provide small businesses in the city with more comprehensive tax relief beyond the scope of the real property tax. More specifically, this legislation increased the tangible personal property tax exemption amount from \$50,000 to \$225,000 beginning in FY 2008. In FY 2007, gross total personal property tax collections totaled \$67.4 million, a 2.9 percent increase over FY 2006 collections of \$65.5 million. In FY 2008, gross total personal property tax collections totaled \$59.7 million (see table 4-21), this 11.4 percent decrease over FY 2007 collections is likely and primarily due to the higher exemption level. Based on national and regional economic indicators that suggest a decrease in the level of business activity and subsequent decrease in the total level of new business investment, gross collections are expected to decline to \$57.4 million in FY 2009 and to \$56.2 million in FY 2010. But, annual growth in collections is expected to resume in FY 2011 but at about 1.1 percent per annum for FYs 2011 to 2013.

In 2004 District legislation created a Neighborhood Investment Fund (NIF) and a Neighborhood Investment Program that dedicates a maximum of \$10 million annually from personal property tax revenue to pay for a variety of community revitalization projects, including commercial, residential, and civic uses for twelve priority neighbor-

Table 4-21

Property Tax Revenue, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Real Property (gross)	1,672,969	1,803,171	1,781,331	1,743,688	1,743,688	1,824,944
<i>Transfer to TIF/CBF</i>	<i>(6,654)</i>	<i>(29,963)</i>	<i>(42,860)</i>	<i>(48,496)</i>	<i>(52,105)</i>	<i>(56,053)</i>
Real Property (net)	1,666,315	1,773,208	1,738,471	1,695,192	1,691,583	1,768,891
Personal Property (gross)	59,690	57,422	56,216	56,834	57,488	58,166
<i>Transfer to Neighborhood Investment Fund</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(10,000)</i>	<i>(10,000)</i>
Personal Property (net)	49,690	47,422	46,216	46,834	47,488	48,166
Public Space	27,697	30,467	31,381	32,322	33,292	34,291
<i>Transfer to DDOT</i>	<i>(27,697)</i>	<i>(30,467)</i>	<i>(31,381)</i>	<i>(32,322)</i>	<i>(33,292)</i>	<i>(34,291)</i>
Total Property Taxes	1,716,005	1,820,630	1,784,687	1,742,027	1,739,071	1,817,057

hoods. In FY 2008, approximately \$10.0 million of personal property tax revenue was diverted to the NIF, and it is estimated that the same amount will go to the NIF in FYs 2009 through 2013. (See table 4-21.)

Public Space Rental

There are three categories of public space rentals: sidewalks/surfaces, vaults and fuel tanks. Public space rental of sidewalks/surfaces includes enclosed cafes, unenclosed cafes, and merchandise display areas (including used car lots). Vaults are underground areas that extend wider than an owner's property to spaces beneath the surface of public real property. For public space rental purposes, fuel oil tanks are areas used for tanks that hold heating fuel.

In FY 2008, revenue from public space rentals amounted to \$27.7 million (see table 4-21), a 14.1 percent decrease from FY 2007.

The "District Department of Transportation Unified Fund Amendment Act of 2007" requires that all revenue from the public space rentals be deposited annually into the District Department of Transportation Unified Fund. Therefore, the revenue will no longer be available to the General Fund. It is planned to be used for local road construction and maintenance and related debt servicing.

Sales and Excise Taxes

General Sales and Use Tax

Revenue from the District's sales and use tax is collected using a five-tier structure. Sales of tangible personal property and certain specified services are taxed at 5.75 percent. Sales of alcoholic beverages for consumption outside the premises are taxed at 9 percent. Sales of food and drink for immediate consumption, the rental or leasing of motor vehicles and sales of prepaid phone cards are taxed at 10 percent (with one percent supporting the Convention Center Authority). Parking and storing of vehicles are taxed at 12 percent. Transient accommodations are taxed at 14.5 percent (with 4.45 percent supporting the Convention Center Authority).

The multiplicity of rates is intended to accomplish several goals, including revenue generation from visitors to the District and supporting the hospitality industry via the Convention Center transfer. The multiplicity of rates, with special exemptions provided in each category, complicates the administration of sales tax for the Office of Tax and Revenue and adds to compliance costs for businesses such as hotels and food stores, where transactions may involve several tax categories.

Revenue collected under the sales and use tax in FY 2008 was \$1,015.2 million (see Table 4-22), gross of the Convention Center transfer of \$91.5 million, a TIF transfer of \$23.5 million, a Ballpark Fund transfer of \$12.4 million, a transfer to DDOT of \$37.4 million, and a transfer to the School Modernization Fund of \$100 million. In FY 2007 net sales and use tax collections were 13.8 percent of total local fund revenue net of dedicated taxes. This

Table 4-22

Estimated Sales Tax Base and Payments by Tax Type, FY 2008

(\$ millions)

	Retail	Liquor	Restaurant	Parking	Hotel	Transfer	Total
Base	8,012.5	273.2	2,882.9	311.7	1,408.2		
Rate	5.75%	9.0%	10.0%	12.0%	14.5%		
Collections	460.7	24.6	288.3	37.4	204.2		1,015.2
Convention Center Transfer			28.8		62.7		91.5
TIF Transfer						23.5	23.5
Ballpark Transfer						12.4	12.4
Parking Tax Transfer				37.4			37.4
School Modernization Fund Transfer						100.0	100.0
Local Fund	460.7	24.6	259.5	0.0	141.5	(135.9)	750.4

Table 4-23

General Sales and Use Tax Revenue, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
General Sales and Use	1,015,182	983,948	987,895	1,025,734	1,070,661	1,123,137
<i>Convention Center Transfer</i>	<i>(91,493)</i>	<i>(91,950)</i>	<i>(93,054)</i>	<i>(97,055)</i>	<i>(101,229)</i>	<i>(105,581)</i>
<i>Transfer to TIF/CBF</i>	<i>(23,450)</i>	<i>(27,440)</i>	<i>(26,203)</i>	<i>(41,648)</i>	<i>(32,395)</i>	<i>(34,377)</i>
<i>Transfer to DDOT Unified Fund (parking tax)</i>	<i>(37,420)</i>	<i>(26,112)</i>	<i>(27,389)</i>	<i>(30,378)</i>	<i>(31,393)</i>	<i>(32,433)</i>
<i>Transfer to Ballpark Fund</i>	<i>(12,364)</i>	<i>(8,900)</i>	<i>(9,212)</i>	<i>(9,663)</i>	<i>(10,204)</i>	<i>(10,766)</i>
<i>Transfer to School Modernization Fund</i>	<i>(100,000)</i>	<i>(106,000)</i>	<i>(112,360)</i>	<i>(119,102)</i>	<i>(130,279)</i>	<i>(138,308)</i>
General Sales and Use (net)	750,455	723,545	719,677	727,888	765,162	801,671

amount can be compared to sales and use taxes comprising 14.1 percent of total local fund revenue net of dedicated taxes in FY 2008. 14.5 percent is the projected percentage for FY 2009. However the percentage of gross sales tax revenue to the total local fund revenue net of dedicated taxes was 19.1 percent in FY 2008 and is estimated to be 19.8 percent in FY 2009. These ratios show that the amount contributed to the general fund by the sales and use tax is not growing as quickly as the growth in sales and use taxes.

The national economy has been in a recession since December 2007. The turnaround is expected to occur in FY 2011. As a result of the general economy, we expect a slowing of the growth rate of tourism spending in the District. Sales and use tax revenues in FY 2010 are estimated to be \$719.7 million (see Table 4-23), net of the Convention Center Transfer of \$93.1 million, a TIF/CBF transfer of \$26.2 million, a DDOT Unified Fund (parking tax) transfer of \$27.4 million, a Ballpark Fund transfer of \$9.2 million, and the School Modernization Fund transfer of \$112.4 million. Sales tax revenue net of dedicated taxes is projected to grow at an annual average rate of 3.7 percent for FY 2010 through FY 2013.

Convention Center Transfer

The convention center transfer in FY 2009 is estimated to be 0.5 percent higher than the transfer in FY 2008. During the period FY 2010 to FY 2013, the convention center transfer is expected to grow at an annual average rate of 4.3 percent.

Sales Tax TIF/CBF Transfer

The District utilizes an economic development tool called Tax Increment Financing (TIF) to assist in financing economic development projects. TIF allows the incremental future revenue stream from a development project to be pledged to pay back bonds issued to help finance the development. The Community Benefit Fund (CBF) is a nonlapsing dedicated tax revenue fund into which incremental property tax revenues and sales tax revenues of the D.C. Ballpark TIF Area are deposited. The Ballpark Omnibus Financing and Revenue Act of 2004 specifies how the District may spend funds in the Community Benefit Fund or allocate them to back bonds. No bonds have been issued to date. In FY 2007, \$14.2 million in sales tax revenue was transferred to the TIF/CBF program. In FY 2008, \$23.5

Table 4-24

Sales Tax Revenue for the Convention Center Fund, Fiscal Years 2008-2013

(\$ thousands)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Restaurant Sales Tax	28,829	28,973	29,321	30,581	31,896	33,268
Hotel Sales Tax	62,664	62,977	63,733	66,474	69,333	72,313
Total	91,493	91,950	93,054	97,055	101,229	105,581

million in sales tax revenue was transferred to the TIF /CBF program. In FY 2009, the transfer is expected to be \$27.4 million. In FY 2010 and FY 2011 the estimated transfers are \$26.2 million and \$41.6 million respectively. The transfer is projected to decrease in FY 2012 to \$32.4 million and to increase to \$34.4 million in FY 2013.

Parking Tax Transfer

As part of the FY 2006 budget, the parking tax revenue stream was transferred out of the general fund to the District Department of Transportation (DDOT). With the exception of parking taxes that are from the sale or charge for the service of parking motor vehicles that shall reasonably relate to the performance of baseball games or professional baseball related events and exhibitions at the ball park, parking taxes up to a maximum of \$30 million per fiscal year are transferred to DDOT’s Unified Fund. Any revenues in excess of \$30 million are to be deposited into the Highway Trust Fund. In FY 2008, total parking tax revenue was \$37.4 million. From this amount, \$30.0 million was dedicated to DDOT’s Unified Fund and \$7.4 million was directed to the Highway Trust Fund. In FY 2009, parking tax revenue is estimated to increase to \$38.8 million. This revenue is estimated to be transferred as follows: \$12.7 million will remain in the local fund as “undedicated” revenue, \$5.9 million will be dedicated to debt service, \$11.4 million will be dedicated to DDOT’s Unified Fund, and \$8.8 million will go to the Highway Trust Fund. Parking tax revenue is estimated to increase to \$39.6 million in FY 2010. This revenue is estimated to be allocated as follows: \$12.2 million will remain as “undedicated” local revenue, \$4.8 million will be dedicated to debt service, \$13.0 million will be dedicated to DDOT’s Unified Fund, and \$9.6 million will go to the Highway Trust Fund.

Transfer to Ballpark Fund

Stadium related sales tax streams are dedicated to the Ballpark Fund to pay the debt service on the baseball stadium revenue bonds. These revenue streams include taxes on tickets sold, taxes on parking at the stadium, taxes on stadium concessions and taxes on food and beverages sold in the stadium. In FY 2008, \$12.4 million was transferred to the Ballpark Fund. In FY 2009, \$8.9 million is estimated to be transferred to the Ballpark Fund. The transfer is projected to be \$9.2 million in FY 2010 and grow to \$10.8 million in FY 2013, an average growth rate of 5.3 percent. For more information on this revenue transfer, see the separate section on the Ballpark Fund that appears later in this chapter.

Transfer to School Modernization Fund

In FY 2006, the District enacted the “School Modernization Financing Act of 2006” which established the Public School Capital Improvement Fund for the purpose of funding capital improvements throughout the District of Columbia school system. In FY 2008 \$100 million of sales tax revenue was transferred to this fund. In fiscal years 2009-2013, \$106.0 million, \$112.4 million, \$119.1 million, \$130.3 million, and \$138.3 million, respectively, will be transferred to the fund. Beginning in FY 2012, the amount of funds transferred to the Public School Capital Improvement Fund will be indexed based on the RSMMeans Construction Cost Index for Washington, DC.

Transfer to the Verizon Center

Effective March 2008, in order to service a loan to renovate the Verizon Center at Gallery Place, merchandise and tickets for events at the Verizon Center will be subject to a tax of 10 percent (compared to the prior rate of 5.75 percent). The revenue collected from the increased rate (10 percent less 5.75 percent

Table 4-25

Selective Sales and Excise Tax Revenue, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY2013 Projected
Alcoholic Beverages	5,190	5,157	5,126	5,096	5,069	5,043
Cigarette	23,900	47,586	45,411	44,275	43,168	42,380
Motor Vehicle Excise	40,160	40,160	40,963	42,192	43,458	44,762
Total Selective Sales and Excise	69,250	92,903	91,501	91,564	91,694	92,184

or 4.25 percent) will be placed into a separate fund and used to make principal and interest payments on the loan. The amount of the Verizon Center transfer is included in the TIF transfer amount.

Selective Sales and Use Taxes

In addition to the multi-rate general sales and use tax, the District imposes excise taxes on alcoholic beverages, cigarettes, motor vehicles, and motor fuel. The motor fuel tax is deposited directly to a special account (the Highway Trust Fund) to match federal funds for the construction, repair and management of eligible District roadways. As a result, motor fuel tax revenue is not considered part of the General Fund for budgetary purposes.

Alcoholic Beverage Tax

The alcoholic beverage tax is levied on wholesale sales of beer, wine, and liquor in the District. The tax rates vary by type of product. Beer is taxed at \$2.79 per 31 gallon barrel; light wine (14 percent alcohol or less) is taxed at \$0.30 per gallon; heavy wine (over 14 percent alcohol) is taxed at \$0.40 per gallon; champagne and sparkling wines are taxed at \$0.45 per gallon; and spirits are taxed at \$1.50 per gallon.

After a peak in the first quarter of FY 2004, revenue collected from the alcoholic beverage tax has declined at a moderate pace. There has been no change in the tax rate since 1990. This suggests the change in revenue is directly linked to consumption patterns. If individuals are consuming as much alcohol as before, they are buying less from District retailers. Alcohol tax collections are projected to be \$5.2 million in FY 2009 and \$5.1 million in FY 2010. (See Table 4-25.) Alcohol tax collections are expected to decrease slightly throughout the FY 2011 through FY 2013 projection period because alcohol purchased in the District is expected to continue to decrease moderately.

Cigarette Tax

The cigarette tax is levied on the sale or possession of all cigarettes in the District with the exception of sales to or by the United States or the District government or their instrumentalities (e.g., the military and Congress). Cigarette consumption had been declining in recent years. An increase in wholesale prices (as a result of the settlement between tobacco companies and states and the District of Columbia), an increase

in taxes on cigarettes, anti-smoking efforts, and a greater awareness of health risks are likely factors contributing to this decline. Collections in the last two quarters of FY 2008 were stronger than expected. Perhaps the substantial increase in cigarette tax in neighboring Maryland from \$1.00 to \$2.00 per pack of twenty cigarettes contributed to the revenue increase. In January 2009, after six years since the last increase, the District increased its tax on cigarettes from \$1.00 from \$2.00 per pack of twenty cigarettes. We expect increased revenue resulting from the increase in the tax rate, but we expect some slowing of the increase due to fewer cross-border purchases from Maryland and the 158 percent increase in the federal tax on cigarettes effective April 1, 2009. The federal tax was \$0.39 and is now \$1.01 per pack. Virginia, which borders both the District and Maryland and has a much lower tax on cigarettes, will likely see their cigarette tax collections increase in 2009. Revenue collected from the cigarette tax in FY 2008 was approximately \$23.9 million. Revenues are estimated to be \$47.6 million in FY 2009. We estimate an annual average decrease of 2.3 percent in collections between FY 2010 and FY 2013. (See Table 4-25.)

Motor Vehicle Excise Tax

The motor vehicle excise tax is imposed on the issuance of every original and subsequent certificate of title on motor vehicles and trailers. The tax is 6 percent of fair market value for vehicles 3,499 pounds or less, 7 percent of fair market value for vehicles 3,500 pounds to 4,999 pounds, and 8 percent for vehicles weighing more than 5,000 pounds. The 8 percent rate was introduced in April 2005. Collections from motor vehicle excise taxes totaled \$40.2 million in FY 2008. Collections are projected to increase by an annual average growth rate of 3.0 percent between FY 2010 and FY 2013. (See Table 4-25.) The growth rate expected is due to a combination of continued growth in the numbers of cars sold (new and used), the price of cars sold, and the percentage of cars sold that are in the heavier category. Based on the economy and slow lending by financial institutions stated in news reports, the estimates may be optimistic.

Income Taxes

The individual income tax, the corporate franchise tax, and the unincorporated business franchise tax are significant sources of District revenue. In FY 2008,

Table 4-26

Income Tax Revenue, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Individual Income	1,342,799	1,112,357	1,069,361	1,103,373	1,166,113	1,215,836
Corporate Franchise	286,204	237,264	252,121	282,428	309,104	326,220
U.B. Franchise	126,891	107,822	124,395	143,020	159,873	173,257
Total Income Taxes	1,755,894	1,457,444	1,445,877	1,528,821	1,635,090	1,715,313

these taxes accounted for 33.0 percent of local source revenue. Actual FY 2008 revenue from these sources is shown in Table 4-26. This table also shows projected revenue from each of these taxes for the period FY 2009 through FY 2013.

Individual Income Tax**Base and Rate**

The individual income tax base consists of the income of individuals who maintain a permanent residence in the District at any time during the tax year and individuals who maintain a residence for a total of 183 or more days during the tax year. The District's tax base also includes the income of individuals who were members of the armed forces and listed the District as their home of record for either a part of or the full taxable year, as well as the spouse of an exempt military person or of any other exempt person such as a non-resident presidential appointee or an elected official. Those individuals that are exempt from income tax in the District (and as such whose income is not included in the tax base) include elected officials of the federal government, presidential appointees subject to confirmation by the U.S. Senate, United States Supreme Court justices who are not domiciled in the District, employees of legislative staffs who are resi-

dents of the state of their elected official, and, of great importance, all persons who are employed in the District but live outside of the District.

The individual income tax accounted for 25.2 percent of total local source revenue in FY 2008. Table 4-27 reports the tax rates and brackets scheduled to be applied to net taxable income (NTI) across the planning period. The current tax rate is 4 percent for NTI up to \$10,000. For NTI between \$10,001 and \$40,000, the marginal tax rate is 6 percent, while a marginal rate of 8.5 percent is applicable for NTI greater than \$40,000. Because marginal tax rates increase as income rises, Table 4-27 suggests that the District has a progressive tax system.

Effective January 2009 the standard deduction and personal exemption amounts were adjusted for inflation. As a result of this adjustment the standard deduction increased from \$4,000 (\$2,000 for married filing separate) to \$4,200 (\$2,100 for married filing separate), while the personal exemption increased from \$1,675 to \$1,750.

FY 2008

In FY 2008, individual income tax revenue grew by 2.2 percent, which is less than half of the 6.3 percent and 6.5 percent growth rates that were experienced in FY 2006 and FY 2007 respectively. The earnings of District residents increased by 4.9 percent in FY 2008, which is lower than the 5.2 percent growth rate experienced in FY 2007, and the 6.2 percent growth rate in FY 2006. The wages and salaries of the District's residents increased by 5.0 percent in FY 2008, a rate that was lower than FY 2007 growth of 7.3 percent and FY 2006 growth of 8.2 percent. The withholding component of the individual income tax, which is tied directly to wages and salaries, grew by 2.1 percent in FY 2008; this was higher than the

Table 4-27

Income Tax Rates, Fiscal Years 2008-2013

Net Taxable Income	FY 2008 to FY 2013
\$0 - \$10,000	4.0%
\$10,001 - \$40,000	6.0%
Greater than \$40,000	8.5%

0.4 percent growth that was experienced in FY 2007, but lower than the 5.6 percent growth rate in FY 2006.

The declarations component (also called estimated payments) of total revenue from individual income declined by 0.2 percent in FY 2008; this was significantly smaller than the approximately 20 percent growth in FY 2007 and the 10 percent growth in FY 2006. The behavior of the declarations component is tied to the performance of the stock market, so that the decline in FY 2008 was assisted by a weakened stock market. Relative to FY 2006 and FY 2007, the stock market experienced a decline of 5.8 percent in FY 2008. This was a significant change from the performance in FY 2006 and FY 2007 where growth rates of 6.8 percent and 14.1 percent respectively were experienced.

FY 2009-FY 2013

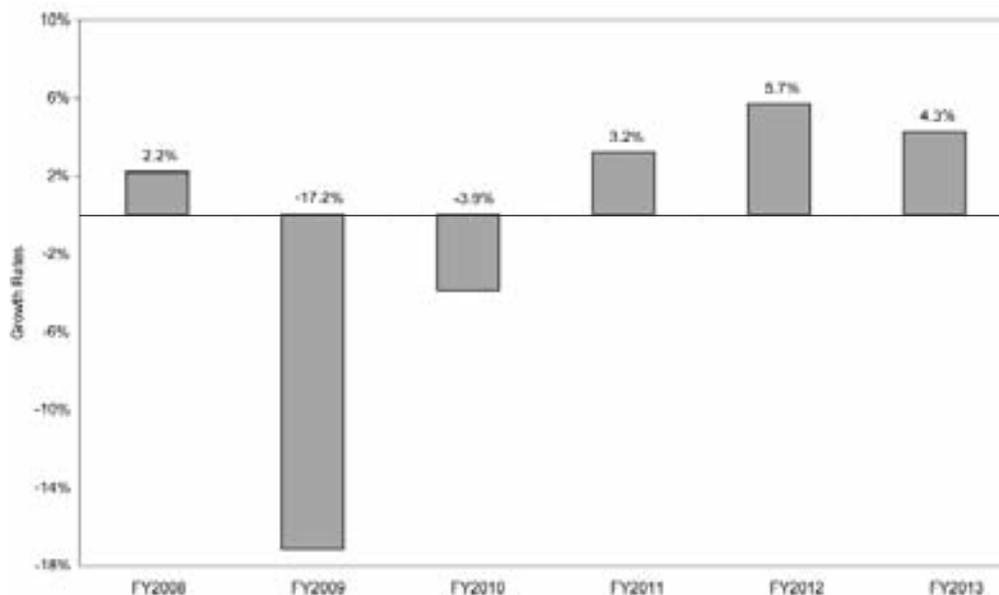
In FY 2009 the District anticipates \$1,112.4 million in individual income tax revenue; which is a 17.2 percent decline from FY 2008. In FY 2010 it is anticipated that individual income tax revenue would be even lower with a decline of 3.9 percent resulting in revenue of \$1,069.4 million. In FY 2011 it is projected that revenue would be \$1.103.4 million, which represents growth of 3.2 percent over FY 2010.

Growth is expected to continue in FY 2012 and FY 2013 with revenue amounts of \$1,166.1 million and \$1,215.8 million respectively. The growth in FY 2012 is expected to be 5.7 percent, followed by slower growth of 4.3 percent in FY 2013.

As uncertainty about the regional and national economies persists, the District anticipates that revenue from the individual income tax would be affected. Based on forecasts from Global Insight and Economy.com, it is expected that there would be a significant downturn in the stock market in FY 2009; the stock market is expected to experience a double digit decline of 38.5 percent in FY 2009. In FY 2010 it is anticipated that there would be a decline of 2.4 percent before rebounding in FY 2011. Because of the uncertainty in the stock market, the behavior of individual income tax revenue continues to be a source of volatility in the city's revenue. Based on employment data from the Bureau of Labor Statistics (BLS), resident employment is expected to experience a decline of 4.4 percent in FY 2009. The decline in resident employment is expected to continue in FY 2010; however, this drop in employment would be lower (0.3 percent) than the FY 2009 decline. It is expected that in FY 2011 and FY 2012 resident employment would grow at 2.6 percent and 1.8 percent respectively before slowing in FY 2013 with an

Figure 4-2

Individual Income Tax Revenue Growth Rate for FY 2008 and Estimated Growth Rates for FY 2009 to FY 2013)



expected growth rate of 1.4 percent. In addition, there is the expectation that the wages and salaries of District residents would decline in FY 2009 (by 0.8 percent) but rebound in FY 2010 with growth of 0.5 percent. In FY 2011 through FY 2013, wages earned by District residents are expected to grow by 3.6 percent, 4.0 percent and 4.3 percent respectively. The performance of the wages and salaries of the District's residents influences the behavior of the withholding component of the individual income tax.

Corporate Franchise and Unincorporated Business Franchise Taxes

The District's franchise tax is imposed on all corporations and unincorporated businesses having nexus in the District of Columbia. The tax liability is determined by multiplying the rate of 9.975 percent (9.5 percent rate plus a surtax of 5 percent of the base rate) by the net taxable business income that is apportioned to the District of Columbia. Business income is apportioned to the District of Columbia based on a three-factor formula—sales, payroll, and property—with each factor weighted equally. When this apportionment formula does not fairly represent the extent of the taxpayer's business activities in the District, that taxpayer may petition for (or the Office of Tax and Revenue may require) consideration of a different formula.

Corporate Franchise

Corporate franchise tax revenue as a share of total local fund revenues has declined as a percentage of total revenues. Corporations have increasingly used tax planning techniques to lower their taxable income. As a result, many corporations, regardless of the amount of their gross profits, have only a minimum tax liability. This situation exists nationwide. Some state taxing authorities have attempted to disallow specific types of deductions through the courts (for example: *Geoffrey, Inc. v. South Carolina Tax Commission*).

Corporate franchise tax and unincorporated business revenue is a small share of total revenues both because a large number of business taxpayers pay the minimum tax liability and because the minimum tax liability is \$100. The minimum amount has been unchanged since 1983. If the minimum tax had grown with inflation since 1983, the minimum tax amount would be about \$200. Growth rates of net

incomes and taxes from them since 1983 are not reflected in minimum tax payments. Over the years, other categories of tax collections have therefore shown more growth when compared to the growth of corporate franchise tax collections. In 2006 approximately 64 percent of the District's corporate franchise taxpayers paid the minimum tax. Approximately 45 percent of unincorporated business taxpayers paid the minimum tax.

The District estimates approximately \$237.3 million of corporate franchise tax revenue in FY 2009 (see Table 4-26), a 17.1 percent decrease over the \$286.2 million revenue amount in FY 2008. We project growth of 6.3 percent in FY 2010, and an annual average of 9.0 percent for FY 2011 to FY 2013.

Unincorporated Business Franchise

Income from unincorporated businesses with annual gross receipts of \$12,000 or less is excluded from the tax base. Also excluded from the tax base is income from nonresident-owned unincorporated businesses that provide professional services (e.g. law firms). For taxable unincorporated businesses, owners are allowed a 30 percent salary allowance along with a \$5,000 exemption. When 80 percent or more of the entity's income is derived from personal services, the unincorporated business income is taxed under the individual income tax if owners are District residents.

The District estimates approximately \$107.8 million in unincorporated business franchise tax revenue in FY 2009 (see Table 4-26), a 15.0 percent decrease over FY 2008 revenue of \$126.9 million. We project recovery in FY 2010 with a strong growth rate in FY 2010 (15.4 percent) and an average annual growth rate of approximately 11.7 percent between FY 2011 and FY 2013.

Real estate investors are a large component of unincorporated business taxpayers. Collections from this revenue source, which are based on profits from unincorporated businesses located in the District, are linked to factors such as personal income growth, the local commercial real estate sector, and collections in the transfer and recordation taxes. In FY 2003 and FY 2004 the real estate market in the District saw real estate investors' profits substantially increase from sales and leases of commercial and residential property. As a result, there was strong growth in unincorporated business collections between FY 2003 and FY 2007. Compared to that period, the real estate market in FY

2008 and in the FY 2009 to FY 2013 period is expected to be much less robust. Unincorporated Business revenue will reflect the downturn in the real estate market.

Gross Receipts Taxes

Taxes in this category include: a tax on the gross receipts of public utilities and toll telecommunications companies operating in the District (the rate is 10 percent for residential use and 11 percent for non-residential use where 1 percent of the 11 percent is dedicated to financing the new baseball stadium), a tax of 1.7 percent on the gross receipts of insurance companies, a tax of 6 percent of net resident revenue on each nursing facility in the District of Columbia.

Table 4-28 shows actual revenue in FY 2008, estimates for FY 2009 and FY 2010 and projected revenue from public utilities, toll telecommunications and insurance premiums for fiscal years 2011 through 2013.

Public Utility Taxes

The public utility tax is imposed on the gross receipts of gas, electric, and local telephone, television, and radio companies. Washington Gas and Pepco are the

leading suppliers of natural gas and electricity to customers in the Washington area. As a result of electricity deregulation, Pepco has lost some of its market share, but remains the dominant electricity distributor. In the District, electricity is used more to cool and natural gas is used more to heat buildings. Cold winters tend to result in an increase in collections from Washington Gas and hot, humid summers tend to result in higher collections from Pepco.

In FY 2000, as part of the process of deregulation of the electricity market and Pepco's transformation from an electric power producer to an electric power distribution company, the District replaced the gross receipts tax imposed on electric utilities with a unit tax on electricity distribution companies. This "distribution" tax revenue is included with the city's gross receipts tax collections. The tax is imposed on electricity distributors who operate in the District. The tax rate was \$0.007 per kilowatt-hour. This rate was equivalent to the gross receipts tax at the time of conversion. Effective January 1, 2003, the rate was changed to \$0.0077 per kilowatt-hour for non-residential customers.

In FY 2006, the tax structure on natural gas was changed from a rate on the gross receipts to a charge

Table 4-28

Gross Receipts Tax Revenue, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Public Utility (gross)	153,543	153,627	153,696	153,751	153,796	153,832
<i>Transfer to Ballpark Fund</i>	<i>(9,228)</i>	<i>(10,600)</i>	<i>(10,605)</i>	<i>(10,609)</i>	<i>(10,612)</i>	<i>(10,614)</i>
Public Utility (net)	144,315	143,027	143,091	143,142	143,184	143,217
Toll Telecommunication (gross)	65,741	63,283	63,360	63,418	63,463	63,496
<i>Transfer to Ballpark Fund</i>	<i>(2,559)</i>	<i>(2,658)</i>	<i>(2,661)</i>	<i>(2,664)</i>	<i>(2,665)</i>	<i>(2,667)</i>
Toll Telecommunication (net)	63,182	60,625	60,699	60,755	60,797	60,830
Insurance Premiums (gross)	52,636	64,050	74,767	74,767	74,767	74,767
<i>Transfer to Healthy DC Fund</i>	<i>(5,964)</i>	<i>(7,593)</i>	<i>(17,486)</i>	<i>(17,486)</i>	<i>(17,486)</i>	<i>(17,486)</i>
Insurance Premiums (net)	46,672	56,457	57,281	57,281	57,281	57,281
Healthcare Provider Tax	13,771	11,000	11,000	11,000	11,000	11,000
<i>Transfer to Nursing Facility</i>						
<i>Quality of Care Fund</i>	<i>(13,771)</i>	<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>	<i>(11,000)</i>
Baseball Gross Receipts Tax	24,989	20,748	20,603	20,932	21,414	21,649
<i>Transfer to Ballpark Fund</i>	<i>(24,989)</i>	<i>(20,748)</i>	<i>(20,603)</i>	<i>(20,932)</i>	<i>(21,414)</i>	<i>(21,649)</i>
Total Gross Receipts Taxes	254,169	260,109	261,070	261,178	261,262	261,328

based on the amount used. For residential users, the tax per therm of natural gas was \$0.0703 from 12/02/05 to 9/28/06 and \$0.0707 after 09/29/06. For non-residential users, the tax per therm of natural gas was \$0.0703 from 12/02/05 to 9/28/06 and \$0.0707 plus \$0.00707 from 09/29/06. The current charge for heating oil is \$0.17 per gallon and \$0.187 per gallon for residential and nonresidential customers respectively. For electricity, natural gas and heating oil, the additional surcharge on nonresidential customers is dedicated to funding the baseball stadium.

Because of the current tax structure, the tax collected is closely related to energy use. Therefore tax collections from electricity, natural gas and heating are more closely linked to weather extremes rather than to the fuel cost. During the forecast period, we assume average weather patterns.

We estimate gross revenue from public utilities taxes (before the transfer for baseball stadium funding is taken) to be \$153.6 million in FY 2009 and \$153.7 million in FY 2010. Gross revenue from public utility taxes is estimated to remain at roughly this level from FY 2011 through FY 2013.

Toll Telecommunication Taxes

The toll telecommunications tax is levied on the gross receipts of long distance and wireless telecommunications companies.

Effective August 2002, the District enacted legislation to conform to the federal "Mobile Telecommunications Sourcing Act" (MTSA). The legislation simplifies the billing process and ensures that calls from mobile phones are exempt from taxation by multiple jurisdictions. The legislation defines and designates a user's place of primary use (PPU) as either the user's residence or business address. The District both lost and gained revenue as a result. Some cell phone users, who use their cell phones in the District and thus used to pay D.C. taxes on their long distance calls, selected the District as their PPU and some cell phone users selected other jurisdictions.

In recent years the telecommunications industry has faced challenges. Changes in regulation, overcapacity of lines, and stiff competition to long distance providers (such as AT&T, MCI, Sprint) by local telephone companies such as Verizon are among these challenges. Long distance providers are also suffering because of the growth of the wireless telephone indus-

try. Most wireless telephone companies now include inexpensive long-distance calling plans as a standard feature. The technological advancement known as Voice Over Internet Protocol (VOIP) is another challenge to traditional long distance/overseas telephone service providers. VOIP providers allow users with a high speed internet connection to make telephone calls from their computer to another telephone anywhere in the world. This service is normally provided at a flat rate for unlimited use. The challenges that long distance service providers face are balanced with the opportunities provided by wireless, cable and data service providers. As technology develops, more features are offered. Consumers seem eager for the ability to use the available service and features of 3G networks. As these services, and charges for them, grow so will toll telecommunications gross receipts tax revenue.

We estimate gross revenue from the Toll Telecommunications tax (before the 1 percent transfer on the gross receipts of non-residential customers for baseball stadium funding) to be approximately \$63.3 million in both FY 2009 and FY 2010. We project gross revenue to remain roughly flat for the period FY 2011 to FY 2013.

Insurance Premiums Tax

The District's insurance premiums tax rate is 1.7 percent of gross premium receipts. Annuities are tax-exempt. The insurance premiums tax is levied on insurance policies taken out by District residents as well as on property that is registered in the District, regardless of where the policies are written or initiated. Approximately 50 percent of the revenue from the insurance premiums tax comes from life insurance policies, with a combination of other premiums (including business, health, property and motor vehicle) making up the other half. After September 11, 2001 and the Atlantic Ocean hurricane season of 2005, insurance rates increased. Following 2001, many insurers either substantially increased the price for terrorism coverage or dropped the coverage completely. District regulators reached an agreement that capped premium increases for terrorism coverage at 24 percent.

In FY 2008, revenue collected from the insurance premium tax, before the transfer to the Healthy DC Fund was \$52.6 million; net revenue (after the transfer) was \$46.7 million. Collections from taxes on insurance premiums are estimated to be \$56.5

million in FY 2009 and \$57.3 million in FY 2010 (after the transfer of insurance premium taxes to the Healthy DC Fund). The net revenue from the insurance premiums tax is expected to be flat through FY 2013, unless there is an external jolt to the insurance industry.

Healthcare Provider Tax

The healthcare provider tax imposes a 6 percent tax on the District's nursing homes. The legislation was passed during 2004. The tax is estimated to generate \$11 million annually in general fund revenue from FY 2009 through FY 2013. All of the funds raised are designated to go to the Nursing Facility Quality of Care Fund.

Other Taxes

Deed Recordation and Deed Transfer Taxes

While the real property tax is an annual tax on the value of all existing taxable properties in the District, deed taxes are levied only when taxable properties are sold or transferred. More specifically, the deed recordation tax is imposed on the recording of all deeds to real estate in the District, and the deed transfer tax is imposed on each transfer of real property at the time the deed is submitted for recordation. The deed recordation tax must also be paid on the increased value when commercial property is refinanced.

The "Deed Transfer and Recordation Clarification Act of 2006" increased both the deed recordation and deed transfer tax rates from 1.1 percent to 1.45 percent effective October 1, 2006. However, both the deed recordation and deed transfer tax rates for residential property transfers with a total consideration of less than \$400,000 remain 1.1 percent.

In light of recent deed tax rate changes, the following analysis of deed tax trends uses normalized deed tax collection data. Normalized deed tax data transforms all deed tax revenue, regardless of the effective tax rate, into tax revenue as if it was taxed at a 1.1 percent tax rate. This method nullifies the effect of the two tax rate changes in recent years in order to extract and better understand the underlying economic activity that is reflected by deed tax collections.

There are three general component sources of

deed tax revenue: commercial property sales, residential property sales and refinancing of commercial property. In FY 2008, it is estimated that the commercial sales sector accounted for 35.7 percent of deed tax collections, the residential property sales sector accounted for 47.8 percent, and the commercial refinancing sector accounted for 16.6 percent. Refinancing activity is measured by the difference between deed recordation and deed transfer taxes. Deed tax revenue from commercial property sales was 44.0 percent lower in FY 2008 than in FY 2007, while deed tax revenue from residential property sales was down 5.9 percent and commercial refinancing down 41.2 percent. As stated earlier, the city's real estate market for calendar years 2001 to 2005 was spectacular in terms of the number of sales and continuously increasing sale prices. But 2006 was the year in which the market began to soften in terms of the number of property sales and the average sale price for certain types of properties. This increasing softness remained in the marketplace through 2008, particularly in the commercial sales sector.

Using normalized deed tax data, deed recordation tax revenue declined by 11.6 percent in FY 2007, and deed transfer tax revenue declined by 10.9 percent in FY 2007. Deed recordation tax revenue in FY 2008 declined by an additional 31.1 percent, and deed transfer tax collections also declined by an additional 26.2 percent in FY 2008. The general cause for this relatively sudden and dramatic weakening was the national subprime mortgage crisis (that began in earnest August 2007), the current national economic recession (that began December 2007), and the financial/banking crisis (that began in earnest September 2008). Notwithstanding the strong underlying fundamentals of the local real estate market over the next few years, which include slight growth in the total number of new jobs, population, and households, as well as a growing list of entertainment/retail outlets and other attractive amenities throughout the city, it appears that the pervasive dismal economic environment and more specifically the lack of debt financing and overall financial crisis has caused many to re-evaluate and/or postpone their plans to purchase property in the city. However as indicated from the few sales that took place in 2007 and 2008 at increasing average sale prices, real estate in the city is maintaining its market value. It is expected that the dismal economic environment will pre-

clude growth in the city's property market in FYs 2009 and 2010, but it is expected that financial crisis will be mostly resolved and the national economic growth will resume in late 2010 and 2011. These conditions are expected to lead to a plethora of property sales in the city which will serve as the basis for growth in deed tax collections starting in late FY 2011.

The deed taxes have also been subject to major legislative changes in recent years. The "Housing Production Trust Fund Second Amendment Act of 2002" requires that 15 percent of the District's deed recordation and transfer tax revenue be transferred to the Housing Production Trust Fund annually. The Housing Production Trust Fund (HPTF) provides funds for the acquisition, construction and rehabilitation of affordable multifamily housing projects. The amount of Deed Recordation taxes transferred to the HPTF in FY 2008 was \$23.9 million, and the amount of Deed Transfer taxes transferred to the HPTF in FY 2008 was \$16.7 million. Total Deed Tax Revenue dedicated to the HPTF are projected to be \$22.4 million in FY 2009 and \$17.9 million in FY 2010.

The net deed recordation tax revenue expected to go to the General Fund is estimated to be \$75.7 million in 2009 and \$61.0 million in 2010. (See table 4-29.) This is a 36.0 percent decrease in net revenue to the General Fund in FY 2009 and a 19.4 percent decrease in FY 2010. Net deed transfer revenue

expected to go to the General Fund is estimated to be \$51.0 million in 2009 and \$40.4 million in 2010. This is a 40.8 percent decrease in net revenue to the General Fund in FY 2009 and a 20.7 percent decrease in FY 2010.

Economic Interests Tax

The economic interest transfer tax is triggered by the sale of a controlling interest in a business entity that includes one or two of the following elements: 1) 80 percent or more of the assets of the entity consist of real property located in the District of Columbia; or 2) more than 50 percent of the gross receipts of the entity are derived from ownership or disposition of real property in the District. In FY 2008, if either of these two elements was present, then the tax rate was 2.2 percent of the consideration. This tax is generally paid by real estate investment trusts and similar partnerships.

Economic interest transfers are normally very large and infrequent. It is difficult to predict when business entities that are subject to the economic interest tax will sell their ownership interest instead of just selling the property. But, by examining the trends of recent years, it can be determined that the increase in revenue from this source is correlated with the overall robustness of the commercial real estate market.

Between 1990, the year this tax was first enacted,

Table 4-29
Other Tax Revenue, Fiscal Years 2008-2013
(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Estate	66,899	70,000	60,000	60,000	60,000	60,000
Deed Recordation (gross)	155,974	89,014	71,746	72,456	84,795	94,877
Transfer to HPTF	(23,853)	(13,352)	(10,762)	(10,868)	(12,719)	(14,232)
Transfer to Comp. Housing Strategy Fund	(13,819)	-	-	-	-	-
Deed Recordation (net)	118,302	75,662	60,984	61,587	72,076	80,646
Deed Transfer (gross)	112,434	60,040	47,588	48,156	55,702	60,380
Transfer to HPTF	(16,736)	(9,006)	(7,138)	(7,223)	(8,355)	(9,057)
Transfer to Comp. Housing Strategy Fund	(9,460)	-	-	-	-	-
Deed Transfer (net)	86,238	51,034	40,449	40,932	47,346	51,323
Economic Interests	54,815	17,955	14,091	10,545	10,545	10,545
Total Other Taxes	326,254	214,651	175,524	173,065	189,967	202,514

and 2005, the annual revenue from this tax did not exceed \$17 million. But because of the extremely robust activity in the city's commercial real estate sector in 2006 and 2007, the revenue from transactions subject to the economic interest tax reached \$30.3 million in FY 2006, a record level of \$64.8 million in FY 2007, and \$54.8 million in FY 2008. For the first three months of FY 2009, cash collections for this revenue source amounted to only \$8.1 million (an 82.0 percent decline from the same period in FY 2008). This appears to be a combination of 1) the residual effects of the weakening dynamics of the real estate market in 2008 and 2) increasing the tax rate for this tax from 2.2 percent to 2.9 percent beginning in FY 2009 via the "FY 2009 Budget Support Act of 2008". It is expected that total revenue from economic interest transfers will total \$17.9 million in FY 2009 and \$14.1 million in FY 2010. It is expected that the District will receive approximately \$10.5 million annually in economic interest tax collections in FYs 2011 to 2013.

The Estate Tax

Prior to 2002, the District of Columbia piggybacked on the federal estate tax system, using the federal "state death tax credit" as the starting point for the District's estate tax computation. Under this system, District taxpayers received a dollar-for-dollar credit against their federal estate tax payments for any estate tax due to the District of Columbia. District estate taxes, therefore, imposed no additional burden on decedent estates and did not increase the total estate tax payment beyond what would have been paid under federal law. This revenue-sharing approach provided for a system of uniformity across all states and the District of Columbia in the collection of death taxes. It resulted in minimal estate tax administration on the part of the District and minimized the impacts of "death shopping" to reduce estate taxes at death.

The federal "Economic Growth and Tax Relief Reconciliation Act" (EGTRRA) of 2001 changed this situation. This legislation gradually eliminates the federal estate tax over the next several years, with full repeal taking effect in year 2010. However, the estate tax elimination is only temporary with the full estate tax scheduled to return in 2011. The major aspects of the EGTRRA legislation are:

- Lowered tax rates for the largest estates;

- Raised the current exemption level from \$1.5 million to \$2 million in 2006, and further to \$3.5 million in 2009; and
- Eliminated the state credit.

District law, however, stipulates that existing District estate tax laws are automatically decoupled from the recent and forthcoming federal estate tax law changes. For example, while the federal threshold was \$2 million in FYs 2006 and 2007 the District threshold was \$1 million. Furthermore, when the federal threshold is raised to \$3.5 million in FY 2009, the District threshold will remain \$1 million. Hence, some District estate tax payers may be required to file and pay District estate taxes even when no federal filing or tax is due. This divergence in thresholds for the District and federal estate taxes increases the complexity for applicable District tax payers and is more likely to adversely affect collections in terms of tax compliance.

From the Government of the District of Columbia's perspective, it is important to note that the current estate tax is primarily a federal tax that is overwhelmingly governed by complex federal regulations. The federal estate tax return takes at least nine months to complete and practically compels affected decedent estates to hire lawyers to ensure compliance. Also, federal estate tax forms must be filled-out completely in order to calculate District estate tax liability, even when no federal estate tax is due but District estate tax is due. Essentially, the District does not have a stand alone estate tax structure. District estate tax legislation is a diminutive appendage to a complicated set of unwieldy federal rules and regulations. Therefore, no District legislative action, short of creating an entirely stand-alone estate tax system, will completely offset the adverse effects of EGTRRA, which is estimated to adversely affect estate tax revenues at the federal and District levels annually.

Notwithstanding the current status of federal legislation and District legislation and its interplay, there is evidence that many wealthy District residents, potentially subject to the estate tax, have significantly enhanced their wealth positions in recent years (possibly through the stock markets and/or real estate related developments). And while District estate tax revenue between years 1995 and 2006 amounted to an average of approximately \$30 million a year, enormous equity and asset appreciation for the city's

wealthiest residents is believed to have been a factor in \$30.1 million being collected in FY 2006, \$54.3 million being collected in FY 2007, and \$66.9 million being collected in FY 2008. It is expected that total revenue from the estate tax will total \$70.0 million in FY 2009. In FYs 2010 to 2012 annual revenue is expected to amount to approximately \$60 million annually. (See table 4-29.)

Non-Tax Revenues

General Purpose Non-Tax Revenues

Total general purpose non-tax collections are projected to be \$339.8 million in FY 2009. (See Table 4-30.) This is \$46.0 million or 11.9 percent less than FY 2008 non-tax revenue collections. Factors contributing to this decrease in general purpose non-tax revenue in FY 2009 include the following:

- Collections from licenses and permits are projected to be \$24.0 million lower or 28.3 percent lower than FY 2008 revenue collections.
- Collections from fines and forfeitures are expected to be \$30.7 million higher or 31.0 percent higher in FY 2009 than in FY 2008.
- Collections from charges for services are expected to be \$4.6 million or 10.5 percent higher in FY 2009 than in FY 2008.
- Collections from miscellaneous revenues are estimated to be \$57.2 million or 36.1 percent lower in FY 2009 than in FY 2008, primarily due to a \$19.6 million decline in interest income, and a \$45.7 million decline in other revenue.

For FY 2010, total general purpose non-tax collections are expected to be \$335.2 million (see Table 4-30), which is down \$4.7 million (1.4 percent) from

FY 2009. Contributing factors to this decrease in general purpose non-tax revenue in FY 2010 include:

- Collections from licenses and permits are expected to be down \$0.9 million (1.4 percent) from FY 2009.
- A 2.8 percent increase in fines and forfeitures is expected in FY 2010. This increase is mainly due to an expected increase in red light camera fines of \$2.5 million.
- A 5.2 percent decrease in miscellaneous revenue is expected in FY 2010 from FY 2009. This is due to an expected decrease in interest income of \$7.5 million or 17.4 percent from FY 2009.
- Revenue from charges for services is expected to decrease by 4.5 percent in FY 2010 from FY 2009. This is due to an expected decrease in corporate recordation fees (\$2.0 million or a 22.2 percent decrease).

Special Purpose Non-Tax Revenue

Special purpose non-tax revenues, often times referred to as O-Type or Other revenues, are funds generated from fees, fines, assessments, or reimbursements that are dedicated to the District agency that collects the revenues to cover the cost of performing the function. The “dedication” of the revenue to the collecting agency is what distinguishes this revenue from the general-purpose non-tax revenues. The legislation that creates the fee, fine or assessment must stipulate its purpose-designation and must also state whether any unspent funds are to retain designation at the conclusion of the fiscal year or revert to general-purpose funds. Unspent revenue in certain funds cannot revert to general purpose funds. Dedicated revenues limit the use of the District's General Fund

Table 4-30

General Purpose Non-Tax Revenue, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Licenses & Permits	84,921	60,892	60,034	63,043	60,043	63,053
Fines & Forfeitures	98,932	129,582	133,211	130,041	129,885	127,540
Charges for Services	43,493	48,050	45,901	48,300	45,925	48,775
Miscellaneous	158,510	101,316	96,032	88,737	91,711	93,462
Total General Purpose Non-Tax Revenue	385,856	339,841	335,178	330,122	327,564	332,830

Note: Table 4-40 (at the end of this chapter) provides a detailed listing of non-tax revenue by source.

Table 4-31

Motor Fuel Tax Dedicated to the Highway Trust Fund, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Motor Fuel Tax	23,199	19,719	20,173	20,637	21,111	21,597

revenue by earmarking a portion of the revenue for special purposes. Prior to FY 2002 dedicated non-tax revenues were not considered local revenues and as such were reported differently in the Comprehensive Annual Financial Report (CAFR) and reported with the District's federal and private grants in the Financial Plan.

In FY 2010 the District is anticipating \$454.4 million in revenue and use of fund balance of \$72.6 million for a total of \$527.0 million to cover the cost of performing the functions associated with these resources. The use of fund balance is a one-time revenue source and as such is not projected for FY 2011 – FY 2013. Table 4-41 (at the end of this chapter) shows the current law or baseline dedicated non-tax revenue by agency and fund. Proposed policy initiatives that would change the D.C. Official Code or the D.C. Municipal Regulations may, if enacted, provide additional revenue to specific Special Purpose Revenue funds in addition to the current law projected revenues shown in this table. Exhibit B of Table 4-19 shows proposed policy initiatives affecting Special Purpose Revenue funds and their estimated revenue impact.

Special Funds

The District operates several special funds financed by tax revenues. These revenues are not available to the General Fund and the Appropriated Budget.

Convention Center Fund. Beginning in FY 1999, the formula financing the Convention Center Fund includes only sales tax revenue from hotels, restaurants, rental vehicles, and sale of prepaid phone cards. Prior to FY 1999, revenues from a surtax of 5 percent on franchise taxes and a \$1.50 tax on each hotel room-night were dedicated to the Convention Center Fund. These funding sources were eliminated and replaced by a larger share of the hotel sales tax dedicated to that purpose. The hotel tax rate is 14.5 percent— a 4.45 percent rate dedicated to the Convention Center Fund

and a 10.05 percent rate to the District's General Fund. The 10 percent sales tax rate applies mainly to restaurants but also includes rental cars, prepaid telephone cards, tickets sold for baseball games, merchandise at the baseball stadium, tickets sold for events at the Verizon Center and merchandise at the Verizon Center. Of sales taxed at the 10 percent rate, 1 percent is dedicated to the Convention Center Fund and a 9 percent rate to the General Fund.

Highway Trust Fund. The motor fuel tax is assessed at \$0.20 per gallon and is levied on fuel wholesalers. Motor vehicle fuel tax revenue is deposited directly into a special account, the Highway Trust Fund, and is not General Fund revenue. The Highway Trust Fund uses both local-source and federal matching funds to construct, repair and manage eligible District roads and bridges. Approximately 400 of the 1,020 miles (or 39.2 percent) of streets and highways, as well as 229 bridges in the District, are eligible for federal aid.

In the Mid-Atlantic region of the United States, according to the Energy Information Agency (EIA), the growth in fuel consumption has fluctuated in recent years. Fuel consumption in the region grew 0.38 percent in 2007 but declined 2.8 percent in 2008. Locally, District annual fuel tax collections have also been fluctuating in recent years. Collections declined 3.7 percent in FY 2006, increased 7.3 percent in FY 2007, and declined 13.4 percent in FY 2008 collections.

It believed that the weakening economy, increased joblessness, and high fuel prices are the reasons for the declines in the demand for motor fuel both in the region and city in 2008. These factors are expected to continue more so in 2009. Therefore, as the EIA is forecasting growth regionally to be -0.85 percent in 2009 and 0.63 percent in 2010, the forecast model for local collections predicts that annual fuel consumption demanded of District fuel retailers will decline at a rate of 15.0 percent in 2009 but grow

Table 4-32

Ballpark Fund Revenue, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Ballpark Fee	24,989	20,748	20,603	20,932	21,414	21,649
Utility Taxes Dedicated to Ballpark	11,787	13,258	13,266	13,272	13,277	13,281
Stadium Revenue	12,364	8,900	9,212	9,663	10,204	10,766
Rent Payment	0	7,250	4,000	4,500	5,000	5,500
Total Ballpark Fund Revenue	49,140	50,156	47,081	48,367	49,895	51,196

annually beginning in 2010 at an average annual rate of 2.3 percent. Thus, District fuel tax cash collections for FYs 2009 and 2010 are expected to be \$19.7 million and \$20.2 million, respectively.

Beginning in FY 2007, the following additional revenue sources were dedicated to the Highway Trust Fund:

- The incremental revenue from a 20 percent increase in the right-of-way fees paid by utility companies.
- The incremental revenue from a 20 percent increase in the public space rental fees paid on underground vaults.
- The incremental revenue from charging cable companies 20 percent of the revised right-of-way fee rates paid by utility companies.

Ballpark Fund. The “Ballpark Omnibus Financing and Revenue Act of 2004” (the “Ballpark Act”) provides for the creation of a Ballpark Revenue Fund, into which the Chief Financial Officer of the District (the “CFO”) is required to deposit “all receipts from those fees and taxes specifically identified by any provision of District of Columbia law to be paid into the fund and any rent paid pursuant to a lease of the ballpark.” Those fees and taxes are described below (see Table 4-32), and

include the Ballpark Fee, utility taxes, stadium revenue and rent. The Ballpark Revenue Fund will be established within the District’s General Fund, and will be pledged to pay debt service on the District’s baseball stadium revenue bonds (the “Baseball Stadium Bonds”).

The Ballpark Fee is a gross receipts fee that is levied on businesses within the District with over \$5 million in gross receipts. (See Table 4-33 for the fee schedule.) On or before December 1 of each year, the CFO is required to compute the amount of the Ballpark Fee collected in the prior fiscal year and the amount estimated to be collected in the current fiscal year. If the estimate for the current fiscal year is less than \$14 million, the CFO must calculate an adjustment of the schedule to provide for an estimated receipt of \$14 million in the next fiscal year. This adjusted schedule will then take effect on the following October 1. The fees are due in a single payment on June 15th annually. The District expects to receive about \$21 million annually from the Ballpark Fee.

The District collects a fee of 11 percent of the gross receipts from sales for nonresidential customers of telephone companies, television and radio broadcasting companies. 1 percent of the 11 percent is deposited into the Ballpark Revenue Fund to be used for debt

Table 4-33

Ballpark Fee Schedule

Gross Receipts	Fee	Approximate Number of Fee-payers in CY 2008
\$5,000,000 - \$8,000,000	\$5,500	489
\$8,000,001 - \$12,000,000	\$10,800	472
\$12,000,001 - \$16,000,000	\$14,000	205
Greater than \$16,000,000	\$16,500	638

Table 4-34

Neighborhood Investment Fund, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Personal Property Tax	10,000	10,000	10,000	10,000	10,000	10,000

service on the Baseball Stadium Bonds. In FY 2000 the tax structure on electricity distribution was changed. In FY 2006, the tax structure on natural gas and heating oil was changed. Currently in addition to 1 percent of the gross receipts of nonresidential customers' telephone, cable and radio subscription bills, the District collects and deposits to the Ballpark Revenue Fund a tax of \$0.0007 for each kilowatt-hour of electricity delivered to non residential end-users in the District of Columbia, \$0.00707 per therm of natural gas, and \$0.017 per gallon of heating oil. Taxes are remitted to the District monthly. The District expects to receive about \$13.3 million in FY 2009 and FY 2010 from these utility taxes.

The stadium-related sales tax streams include:

- Taxes on tickets sold. In addition to the 5.75 percent generally applicable tax, there is an additional 4.25 percent Stadium-specific tax.
- Taxes on parking at the stadium for baseball games. This tax is a 12 percent generally applicable tax.
- Taxes on stadium concessions (excluding food and beverages). In addition to the 5.75 percent generally applicable tax, there is an additional 4.25 percent Stadium-specific tax.
- Taxes on food and beverages sold in the stadium. This tax is a 10 percent generally applicable tax, less one-tenth that must be transferred to the Washington Convention Center Authority Fund

for payment of debt service on Washington Convention Center bonds.

The District expects to receive about \$8.9 million in FY 2009 and \$9.2 million in FY 2010 from these stadium-related sales taxes.

The stadium rent payment amounts shown in Table 4-32 are based on a schedule of payments agreed upon in the Baseball Stadium Agreement signed by the team, the Mayor, and the District of Columbia Sports and Entertainment Commission on September 29, 2004. The payments in FY 2005 through FY 2007 were not deposited in the Ballpark Revenue Fund. Those rent payments were deposited with the District of Columbia Sports and Entertainment Commission for the operations at RFK Stadium.

Neighborhood Investment Fund. In 2004, District legislation created a Neighborhood Investment Fund and a Neighborhood Investment Program which dedicates approximately \$10 million annually from personal property tax revenue to pay for a variety of community revitalization development purposes, including commercial, residential, and civic uses for twelve priority neighborhoods. (See table 4-34.)

Housing Production Trust Fund. The "Housing Production Trust Fund Second Amendment Act of

Table 4-35

Estimated Deed Tax Receipts Transferred to the Housing Production Trust Fund and the Comprehensive Housing Task Force Fund, Fiscal Years 2008-2013

(\$ thousands)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Total Deed Tax Receipts Transferred to HPTF	40,589	22,358	17,900	18,092	21,074	23,289
Total Deed Tax Receipts Transferred to CHTFF	23,279	-	-	-	-	-
Total	63,868	22,358	17,900	18,092	21,074	23,289

2002” requires that 15 percent of the District’s deed recordation and transfer tax revenue be transferred to the Housing Production Trust Fund annually. The Housing Production Trust Fund provides funds for the acquisition, construction and rehabilitation of affordable multifamily housing projects. Funds newly dedicated to housing production will be \$22.4 million in FY 2009 and \$17.9 million in FY 2010. (See table 4-35.)

Comprehensive Housing Task Force Fund. The “Fiscal Year 2007 Budget Support Act of 2006” established the Comprehensive Housing Task Force Fund and increased the deed tax rates from 1.1 percent to 1.45 percent beginning in FY 2007. A portion of the increase in the deed tax revenue that comes from the increase in the deed tax rates is the funding source for this fund. This fund will support a number of affordable housing initiatives including rent supplements, workforce housing and energy assistance. \$23.3 million was transferred to the fund in FY 2008. (See table 4-35.)

The “Fiscal Year 2009 Budget Support Act of 2008” included a provision to deposit in the General Fund the deed recordation and transfer taxes that had been dedicated to the Comprehensive Housing Task Force Fund by the “Fiscal Year 2007 Budget Support Act of 2006”. Consequently, as is shown in Table 4-35, no deed recordation or transfer tax revenue is transferred to the Comprehensive Housing Task Force Fund after FY 2008.

School Modernization Fund. In FY 2006, the District enacted the “School Modernization Financing Act of 2006” which established the Public School Capital Improvement Fund for the purpose of funding capital improvements throughout the District of Columbia school system. In FY 2008 \$100 million of sales tax revenue was transferred to this fund. In fiscal years 2009-2011, \$106.0 million, \$112.4 million, and \$119.1 million, respectively, will be transferred to the fund. Beginning in FY 2012, the amount of funds transferred to the Public School Capital Improvement Fund will be indexed based on the RSMMeans Construction Cost Index for Washington, DC. (See Table 4-23 for the amount of sales tax transferred to the Public Capital Improvement Fund in each year of the Financial Plan.)

Policy Proposals

A number of policy proposals and other revenue-affecting actions would affect District of Columbia Local and Special Purpose revenue in FY 2010. Table 4-19, Exhibit B in the Revenue Chapter of the FY 2010 Proposed Budget and Financial Plan reports the revenue impact of these proposals.

The following proposals would affect the District’s revenue for the Local Fund component of the General Fund.

- **Establish a DC One Card Replacement Fee.** Subtitle I.A of the *Fiscal Year 2010 Budget Support Act of 2009* (BSA) establishes a nonrefundable fee of \$5 for replacement of any DC One Card that contains an electronic chip.
- **Revise the Schedule of Fees Collected by the Office of the Surveyor.** BSA Subtitle II.D amends D.C. Official Code Section 1-1329 to establish a new fee schedule for services provided by the DCRA’s Office of Surveyor. Fees affected include those relating to: building plats, registration of land surveyors, street and alley closings, subdivision of land plats, filing wall examination reports, project review fees for fire suppression systems for hoods and ducts, construction modification and specialized shop drawing review requests, elevator repair permits, and new elevator permits. Additionally, this Subtitle establishes an “Enhanced Surveyor Function Fund.” All revenue received from fees for services provided by the Office of the Surveyor is to be deposited into this fund and be used to maintain and upgrade the surveying systems and enhancing customer service delivery by the Office of the Surveyor. Since this new fund is a Special Purpose Revenue fund, revenue from existing fees would now be deposited into this fund rather than be accounted for as non-tax revenue. The Fiscal Impact Statement (FIS) for this Subtitle estimates a non-tax revenue loss of \$233,808. This Subtitle also requires that \$29,750 be annually deposited in the District’s General Fund from the Enhanced Surveyor Function Fund. Consequently, the net revenue loss in non-tax revenue would be approximately \$204,000 in FY 2010.
- **Transfer Half of NOI Fines to the BBL Fund.** BSA Subtitle II.E directs half of the fines collected from “Notice of Infraction Fines” (NOI) to be

deposited into the Basic Business License (BBL) Fund and be used to pay for costs of the basic business licensing system. By directing half of the fines to the BBL Fund, which is a Special Purpose Revenue Fund, this provision reduces the amount of Local Fund nontax revenue.

- **Establish a DCRA BBL Expedited Service Fee.** BSA Subtitle II.E also amends D.C. Official Code Section 29-101.121 to establish an optional expedited service fee structure for individuals filing corporations-related documents. A \$50 fee will be charged for expedited 3-day service, in addition to all other fees required by statute or regulation. For expedited same-day service, a \$100 fee will be charged in addition to all other fees required by statute or regulation. No additional fees will be charged for regular, non-expedited service.
- **Establish an Elevator Licensing Fee.** BSA Subtitle II.P amends Chapter 28 of Title 47 of D.C. Official Code to establish a \$260 fee for the issuance, renewal, or reinstatement of a license for elevator contractors, mechanics and inspectors in the District.
- **Elimination of the 50% Discount on Most Parking Citations for Fleet Adjudication Program Participants.** During the FY 2008-09 oversight process, the Council's Committee on Public Works and Transportation learned that the District had earlier established a 50% discount on most parking citations for participants in the Fleet Adjudication Program at DMV. This policy was abandoned prior to FY 2009. However, due to a miscommunication within the DMV, the District was still providing the discount on these citations. While the District is no longer providing these discounts, revenue for these citations was not accounted for in the Mayor's submitted FY 2010 budget proposal. As such, the Chief Financial Officer certified \$120,000 of additional, previously unaccounted for revenue from these citations.
- **Elimination of the Adjudication Option for Fleet Reconciliation Program Participants.** BSA Subtitle VI.A replaces the current Fleet Adjudication Program with the Fleet Reconciliation Program. One difference between the two programs is that participants in the Fleet Reconciliation Program will not be able to contest any issued citations. Additional citation revenue will result from citations that would have otherwise been dismissed through the adjudication process.
- **Raise Taxi and Limo License Fees.** BSA Subtitle VI.F increases certain taxicab and motor vehicles for hire fees. Fees that increase include: annual licenses for taxicab and motor vehicles for hire operators; the annual processing fee paid by taxicab companies and associations; not valid for hire and taxicab annual operator ID cards; public vehicles for hire licenses; and licenses to operate an ambulance, funeral car, or sightseeing vehicle. This Subtitle also amends 31 DCMR 1101 so that all public vehicles for hire operators (not just taxicab operators) will pay the annual assessment that is deposited into the D.C. Taxicab Commission Fund. In addition, this Subtitle increases the limousines business license fee for a D.C.-based limousine organization, and the business license fee for a D.C.-based independently operated limousine.
- **Incorporate Acts Passed Subject to Appropriation.** BSA Subtitle VII.A repeals the "subject-to-appropriations" clauses for a number of legislative actions that are already funded, or would be funded by the proposed FY 2010 through FY 2013 budget and financial plan. The subtitle also provides various technical amendments and re-regulates certain funding requirements.
- **Eliminate Sales Tax Holidays.** BSA Subtitle VII.B amends Chapter 20 of Title 47 of the D.C. Official Code to eliminate time-sensitive exemptions to the application of the gross sales tax. These sales tax exemptions are commonly known as "Sales Tax Holidays".
- **Transfer School Paygo from Dedicated Tax to Local.** In FY 2006, the District enacted the School Modernization Financing Act of 2006, which established the Public School Capital Improvement Fund for the purpose of funding capital improvements throughout the District of Columbia school system. The Act specified the amount of sales tax revenue to be dedicated to this fund. Under BSA Subtitle VII.E sales tax revenue would no longer be dedicated to this fund,

- but would remain in the Local Fund.
- **Set Floor on Taxable Assessments.** Due to the interplay of the property tax cap on assessments and the homestead exemption, 21,898 (23 % of all Class I homesteads) paid less than 40 percent of the market value of their 2009 Market Assessment. BSA Subtitle VII.F amends the law so that if the current tax year's taxable assessment of a real property receiving the homestead deduction is less than 40% of the current tax year's assessed value, then the current tax year's taxable assessment (for purposes of D.C. Official Code Section 47-864(b)(1) as revised by this Subtitle) shall be 40% of the current tax year's assessed value.
 - **Close Delaware Holding Company Loophole.** Currently corporations may use passive investment companies (PICs), also known as Delaware Holding Companies, to shelter income from D.C. tax. For example, the D.C. firm may be required to pay license or royalty fees to the PIC, which may serve as the holder of trademarks or other intangible assets. The fees paid by the D.C. firm are deductible, while the income from intangible assets is generally not taxable in Delaware and certain other jurisdictions. BSA Subtitle VII.G closes this tax avoidance loophole.
 - **Apply Economic Interest Taxes to Sale of Co-op Units.** At present, co-op owners are exempt from deed and transfer taxes. When a co-op unit owner sells, it is a transfer of an economic interest. There is no deed recorded or transferred. BSA Subtitle VII.H requires co-op sales to be taxed under an equivalent Economic Interest Tax.
 - **Tax Compliance Initiative.** BSA Subtitle VII.J authorizes the Chief Financial Officer to establish a program to provide amnesty to a taxpayer liable for the payment of certain D.C. Official Code Title 47 taxes for returns or reports required for tax periods ending prior to January 1, 2009.
 - **Revenue Effect of Stimulus Tax Relief.** The federal government has proposed legislation to provide an economic stimulus to the U.S. economy. Part of the Stimulus Plan includes federal tax relief. Since certain provisions in the District's tax code are affected by federal tax legislative changes, the Stimulus Plan will have an impact on the District's revenues. Four tax provisions in the Plan could have an impact on the District:
 - **Corporate Income Tax Deferral of Income from Canceled or Repurchased Business Debt.** Under current law, firms recognize income when they cancel debt or repurchase debt for an amount less than the issue price. This provision in the Stimulus Plan allows firms to defer this type of income for the first four to five years and then recognize the income for tax purposes over the following five taxable years. Since BSA Subtitle VII.K decouples the District from this Stimulus Plan provision, there will be no revenue loss to the District.
 - **Sales Tax Deduction for New Motor Vehicle Purchases.** The Stimulus Plan provides a deduction for sales and excise tax on new motor vehicles up to \$49,500 for new cars, light trucks, motorcycles, and mobile homes. This provision phases out for taxpayers with modified AGI in excess of \$125,000 (\$250,000 joint), and has a sunset date of 12/31/09. District law currently exempts motor vehicles from the general sales tax. However, the District does impose an excise tax on motor vehicles at rates of 6 to 8 percent of the value depending on the weight of the car. Since BSA Subtitle VII.K decouples the District from this Stimulus Plan provision, there will be no revenue loss to the District.
 - **The Earned Income Tax Credit (EITC).** For tax years beginning 2009 and 2010 (thus the impact for the District is in FY 2010 and 2011) this Stimulus Plan provision increases the Federal EITC. The District "piggybacks" on the Federal EITC by allowing the federal tax filer to take 40 percent of the Federal EITC as their D.C. EITC. Since BSA Subtitle VII.K does not decouple the District from this provision, the estimated revenue loss to the District is \$1.8 million in FY 2010 and \$1.7 million in FY 2011.
 - **Unemployment Insurance Benefits Exclusion.** The stimulus legislation includes an exclusion of up to \$2,400 of unemployment insurance benefits from Gross Income for taxable year 2009. The District conforms to this part of the definition of Federal Income in calculating Adjusted Gross Income. Since BSA Subtitle VII.K does not decouple the

District from this provision, the estimated revenue loss is \$1.0 million in FY 2009 and \$4.1 million in FY 2010.

- **Building Bridges Across the River Tax Exemption.** BSA Subtitle VII.M amends Chapter 10 of Title 47 of the District of Columbia Official Code to add a new provision that grants a property tax exemption for the real property located at 3315 and 3321 23rd Street, S.E., Lots 6 and 2 in Square 5894, owned by Building Bridges Across the River, Inc., a non-profit corporation so long as the property continues to be owned by Building Bridges Across the River, Inc., and used as a community playground. This Subtitle also requires that all real property taxes, interest, penalties, fees, and other related charges assessed against Building Bridges Across the River, Inc., from the period beginning on October 1, 2008, on real property located at 3315 and 3321 23rd Street, S.E., Lots 6 and 2 in Square 5894, be forgiven and any payments already made for these periods be refunded.
- **14 W and YMCA Anthony Bowen Project Tax Exemption and Tax Relief.** The FY 2010 through FY 2013 budget and financial plan incorporates the fiscal effect of L17-0375, 14W and the YMCA Anthony Bowen Project Real Property Tax Exemption and Real Property Tax Relief Temporary Act of 2009, enacted on January 28, 2009. BSA Subtitle VII.R amends D.C. Official Code Chapter 46 of Title 47 to provide real property and sales tax exemptions for the “14W and the YMCA Anthony Bowen Project Real Property Tax Exemption Act of 2009”, a mixed-use development to be constructed on Square 0234, Lot 164 in Ward 1, which consists of 231 units of rental apartments (including 18 units devoted to affordable housing), retail space, a below-grade parking garage, and the new YMCA Anthony Bowen, a 45,000 square foot community and wellness facility. This legislation exempts the developer of the Project from sales tax on the purchase of materials used directly for the construction of the Project. Additionally, the legislation exempts the Project from real property taxes for ten consecutive years, and then would provide a 10 percent increase in property taxes owed each year for an additional ten years until property taxes reach 100 percent.
- **View 14 Economic Development.** The FY 2010 through FY 2013 budget and financial plan incorporates the fiscal effect of A18-0065, View 14 Economic Development Temporary Act Of 2009, enacted on April 27, 2009. BSA Subtitle VII.S amends D.C. Official Code Chapter 46 of Title 47 to provide real property and sales tax exemptions for the “View 14 Project”, a mixed-use development to be constructed on Square 2868, Lot 155 in Ward 1, which consists of 185 units of condominiums/apartments (including some devoted to affordable housing), retail space, and a below-grade parking garage. This legislation would exempt the developer of the Project from sales tax on the purchase of materials used directly for the construction of the Project. Additionally, the legislation would exempt the Project from real property taxes for ten consecutive years, and then would provide a 10 percent increase in property taxes owed each year for an additional ten years until the annual real property taxation reaches 100 percent. The legislation also stipulates that the combined amount of the sales and real property tax exemption shall not exceed \$5.7 million.
- **God of a Second Chance Ministry Real Property Tax Relief.** Under BSA Subtitle VII.V all unpaid real property taxes, interest, penalties, fees, and other related charges assessed against real property located at Lot 0153, Square 5365 would be forgiven for the period June 23, 2008 through May 31, 2009. Also, any payments already made for this period would be refunded.
- **Mandate Combined Reporting for TY 2011.** BSA Subtitle VII.W would mandate combined reporting for corporate income tax payers beginning with tax year 2011. It would require a multi-state corporation operating in the District to combine all of its entities into a whole prior to apportioning income. Under combined reporting, corporations would be required to combine their nationwide net profits. The District would then tax a share of that combined income using an appropriate apportionment formula. Combined reporting would eliminate tax-avoidance strategies of large multi-state corporations by treating the parent and most subsidiaries as one corporation for District income tax purposes. Since adopting combined reporting is a significant undertaking, a Tax Year 2011 effective date has been set in order

to provide the Office of Tax and Revenue time to develop rules and systems, as well as to educate and inform taxpayers.

- **Delay Implementation of Homestead Deduction Indexing.** BSA Subtitle VII.X would maintain the homestead deduction at \$67,500 through September 30, 2012. Beginning October 1, 2012, the homestead deduction would be increased annually by a cost-of-living adjustment. The Washington Area Consumer Price Index would be used to make the adjustment.
- **Delay Implementation of Standard Deduction Indexing.** BSA Subtitle VII.X would maintain the standard deduction at \$4,000 (\$2,000 for married filing separately returns) through December 31, 2012. Beginning January 1, 2013, the standard deduction would be increased annually by a cost-of-living adjustment. The Washington Area Consumer Price Index would be used to make the adjustment.
- **Delay Implementation of Personal Exemption Indexing.** BSA Subtitle VII.X would maintain the personal exemption at \$1,675 (\$3,350 for head of household returns) through December 31, 2012. Beginning January 1, 2013, the personal exemption would be increased annually by a cost-of-living adjustment. The Washington Area Consumer Price Index would be used to make the adjustment.
- **Increase Retail Sales Tax Rate.** BSA Subtitle VII.X would increase the retail sales tax rate from 5.75 percent to 6 percent for the period October 1, 2009 through September 30, 2012. The general retail sales tax rate will remain at 5.75% for legitimate theaters and entertainment venues with 10,000 or more seats so long as such taxes are not applied to pay debt service on tax exempt bonds.
- **Increase Gasoline Excise Tax.** BSA Subtitle VII.X would increase the gasoline excise tax from \$0.20 per gallon to \$0.235 per gallon beginning October 1, 2009. The additional revenue generated by the increase will be distributed to the Local Fund rather than to the Highway Trust Fund.
- **Increase Cigarette Excise Tax.** BSA Subtitle VII.X would increase the cigarette excise tax from \$2.00 per pack of 20 cigarettes to \$2.50 per pack beginning October 1, 2009.
- **Increase Little Cigar Excise Tax.** BSA Subtitle

VII.Y defines the terms cigarette, cigar, little cigar, and moist snuff. This subtitle also provides that little cigars would be taxed at the same rate per little cigar as is levied per cigarette. As a consequence, BSA Subtitle VII.X, which increases the cigarette excise tax, would also mean that a small cigar excise tax of \$2.50 per pack of 20 little cigars would be levied beginning October 1, 2009. Currently, little cigars are taxed at a 12 percent rate on the retail sale.

- **Community Health Care Financing Fund Revenue.** Within Title VIII of the BSA, the budget proposes to use \$18.3 million, \$14.84 million, and \$4.0 million in FY 2009, FY 2010, and FY 2011, respectively, from the certified fund balance of the Community Health Care Financing Fund available pursuant to section 102(b)(1) and (2) of the Community Access to Health Care Amendment Act of 2006 (D.C. Law 16-288; D.C. Official Code Section 7-1932(b)(1) and (2)).
- **Tobacco Trapping Event Revenue.** The District has not been receiving a portion of tobacco settlement revenues, specifically, amounts in excess of the annual debt service payments on the FY 2001 tobacco bonds. This is because one of the major tobacco companies' bond rating was downgraded below investment grade. Per the 2001 tobacco bonds agreements, residual revenues have been "trapped" in an account with the bond trustee, as protection from a potential reduction in future tobacco settlement revenues that might occur should that tobacco company go bankrupt. Now that the company's rating has been upgraded, and the trapping event has gone away, the \$23 million in this account would be released to the District.
- **Use Motor Vehicle Theft Prevention Commission Fund Revenue as Local.** BSA Title VIII.A proposes to deposit fines for motor vehicle insurance violations listed in D.C. Official Code Section 31-2413(a) into the Local Fund in FY 2009. Currently, these fines are dedicated to the Motor Vehicle Theft Prevention Fund, which is a Special Purpose Revenue account. Therefore, this proposal would add to Local fund revenue, but reduce Special Purpose fund revenue, in FY 2009.
- **Use Dedicated Tax Revenue as Local Revenue.** As shown in Table 4-19, Title VIII of the BSA proposes to use a portion of certain dedicated tax

revenues as Local Fund revenue. This would increase the amount of Local revenue available, but decrease, by the same amount, the amount of tax revenue directed to a number of dedicated tax revenue funds. In FY 2009, a portion of the Unified Fund's parking tax revenue and the Community Benefit Fund's revenue would become Local revenue. In FY 2010, the Community Benefit Fund, the Neighborhood Investment Fund, the Baseball Fund, the Healthy DC Fund, the Nursing Quality of Care Fund, and the Tax Increment Financing Fund would be affected by this BSA Subtitle. In FYs 2011-2013, the Community Benefit Fund, the Neighborhood Investment Fund, and the Baseball Fund would have a portion of their dedicated tax revenues directed to the Local Fund.

- **Increase DC Employee Parking Fees.** This proposal (BSA Subtitles I.AA and VIII.C and D) would increase D.C. government employee parking charges at D.C. owned (Reeves Center, Judiciary Square, 300 Indiana Avenue, Recorder of Deeds, and 1st and E NW) and leased facilities from \$80 to \$160 per month. The additional revenue generated would go to the Local component of the General Fund rather than to the Special Purpose Revenue Parking Fees fund administered by the Department of Real Estate Services.
- **Convert Certified Unbudgeted O-type Revenue to Local.** BSA Subtitle VIII.C would transfer (in FY 2010) certified, but unbudgeted, O-type revenue from various funds to the Local Fund so that this revenue is recognized as FY 2010 revenue.
- **Transfer Office of Cable TV Revenues to Local.** BSA Subtitle VIII.C would also transfer (in FY 2010) a portion of the Special Purpose (O-type) revenue from cable franchise fees to the Local Fund. Normally, this revenue would go to the Cable Franchise Fees fund administered by the Office of Cable Television.
- **Transfer DDOT Unified Fund Revenues to Local.** BSA Subtitle VIII.C would also transfer (in FY 2010) to the Local Fund a portion of the Special Purpose (O-type) revenue normally directed to DDOT's Unified Fund.
- **Reclassify Class III Property.** Under current law, Class III properties are vacant, abandoned, or nuisance properties and are subject to a rate of \$10 per \$100 of assessed value. This amendment

reclassified vacant property to the appropriate residential and nonresidential classes. Only properties designated by DCRA as "blighted" will be subject to the \$10 rate.

- **Retail Service Station Deed Transfer Surtax.** A new surcharge is added to the existing deed transfer tax for retail service stations that had or should have had a business license or endorsement to operate as same within 6 months before the date the deed was timely recorded. The tax collected under this subsection shall be deposited in the General Fund of the District of Columbia.
- **Convert E911 Fee to Local.** As shown in Table 4-19, in FY 2010, a portion of the Special Purpose (O-Type) fee revenue normally directed to the E911 and 311 Assessment Fund is transferred to the Local Fund.
- **Transfer Additional Certified Revenue from DDOT TCO Issued Tickets to Local.** Since FY 2009 revenue from parking and moving violation tickets issued by DDOT Traffic Control Officers has been greater than projected, the Office of the Chief Financial Officer certified an additional \$2 million of revenue from DDOT TCO issued tickets to be transferred to Local.
- **Allen Chapel AME Senior Residential Rental Project Tax Exemption and Tax Relief.** This legislation amends Chapter 10 of Title 47 of the District of Columbia Official Code to add a new provision that grants a property tax abatement in FY 2009 for certain real properties owned by Allen Chapel A.M.E. Church. The legislation also allows reimbursement of all tax payments made on these properties starting January 1, 2006, including all real property taxes, interest, penalties, fees, and other related charges assessed against Allen Chapel A.M.E. Church or by an entity controlled, directly or indirectly, by Allen Chapel A.M.E. Church.
- **CEMI-Ridgecrest - Walter Washington Community Center Tax Exemption and Tax Relief.** This legislation provides tax relief to Walter Washington Community Center—a privately-owned, taxable property that is operating as a community center. The property is currently in a tax sale, and the provisions of this legislation would take it out of tax sale. This legislation also exempts the real property located at Lot 128, Square 6159, owned by CEMI-Ridgecrest,

Incorporated, from real property tax in FY 2009. The legislation further requires that taxes and charges currently owed by CEMI-Ridgecrest, Incorporated for the real property be paid for through a mortgage agreement entered into between the District and the owner, on terms that are same as the terms as the current mortgage agreement between the two parties. Lastly, the legislation requires all other amounts necessary to redeem the real property under a tax sale be deposited with the Chief Financial Officer on behalf of the owner. It further specifies that if the property is used for any purpose other than as a community center, the sum of all forgiven unpaid real property tax and penalties shall be paid to the District with 5 percent interest, and further provides that in that case a lien will be placed against the real property to secure the repayment.

- **Increased Parking Meter Rates.** The Equitable Parking Meter Rates Temporary Amendment Act of 2009 increased parking meter rates and also provided that the additional revenue from the rate increase was to be directed to the Local component of the General Fund rather than be dedicated to the District Department of Transportation's (DDOT) Unified Fund. Since the non-tax revenue line of Table 4-19 does not include this FY 2009 Local Fund revenue, we report it in Exhibit B of Table 4-19.
- **Hire New ABRA Inspectors.** The Council's Committee on Public Works and Transportation recommended adding four Alcoholic Beverage and Regulation Administration (ABRA) inspectors. This was in response the continuing need for ABRA enforcement of new single sales prohibitions, as well as existing sales to minors and other licensee violations, and other violations at licensee establishments. Additional revenue would be generated from ABRA's increased enforcement resources.
- **Enhanced Parking Control Initiative.** The Council's Committee on Public Works and Transportation recommended an enhanced hybrid approach to parking enforcement that would integrate License Plate Recognition System (LPRS) enforcement with parking enforcement by traditional parking control officers. The following actions are planned to support this initiative:

- **Hire 65 Parking Control and ROSA Officers.** This initiative will include 47 new neighborhood parking control officers and 18 new officers for ROSA enforcement. Revenue would be generated by the additional parking citations issued as a result of this enhanced neighborhood parking enforcement program.
- **Sweeper Cam Program.** The Department of Public Works (DPW) introduced Sweeper Cams in FY 2009. By May of 2009, there will be 12 LPRS Units installed on Street Sweepers. These Sweeper Cams are expected to generate approximately 237,500 citations in FY 2010. Sweeper Cam fines are \$40. Revenue would be generated by the additional citations issued as a result of the Sweeper Cam parking enforcement program.

- **SWEEP Inspector Initiative.** The Council's Committee on Public Works and Transportation recommended the hiring of 21 additional SWEEP Inspectors (there are currently 29 SWEEP inspectors) to adequately monitor the cleanliness of the thousands of miles of sidewalks, streets and alleys and enforce the District's public space litter laws. SWEEP Inspectors are responsible for both residential and commercial inspections. They monitor and impose fines for quality of life issues such as: uncontained solid waste; trash cans out at wrong time/place; overgrowth of trees and shrubs; illegal dumping; pedestrians who do not clean up after their dogs.
- **Additional Hack Inspectors Initiative.** The Council's Committee on Public Works and Transportation recommended that five additional hack inspector positions be created at the D.C. Taxicab Commission (DCTC). This will enable the DCTC to add a third shift of hack inspectors. Additional citation revenue would be generated from these positions by increased enforcement of the prohibition on the illegal operation of out-of-state taxicabs in the District of Columbia. Due to inadequate enforcement resources, out-of-state taxicabs are able to freely pick up passengers in the District of Columbia, in violation of existing reciprocity agreements which limit the ability of taxicabs registered in one area jurisdiction to pick up passengers in other jurisdictions. Such agreements

- are enforced stringently in other area jurisdictions.
- **Expand Automated Enforcement of Traffic Violations.** In FY 2010, the Metropolitan Police Department (MPD) plans to expand the automated traffic enforcement (ATE) program allowing technology to help improve the Department's enforcement capabilities. Some of the new initiatives are modifications of existing programs. These include using mobile red light cameras in addition to the existing fixed location cameras and speed-on-yellow enforcement at existing locations. Other new initiatives include gridlock enforcement, overweight vehicles, laser speed devices (similar to radar but works in locations where radar does not work such as tunnels), and making use of real-time access to insurance data. Revenue generated by this program that is above the amount needed to operate the program will remain in the Local Fund.
- **Transfer from Other Funds (Convention Center).** This proposal is for the Washington Convention Center Authority (WCCA) to provide funding to cover the cost of the District's Office of Motion Picture and Television Development. This proposal will increase Local Fund revenue because the WCCA is an Enterprise Fund. As such, its revenue is not counted as General Fund revenue.
- **Transfer Certain DISB O-type Revenues to Local Fund.** The "Fiscal Year 2009 Balanced Budget Support Temporary Amendment Act of 2008" directed that "of the revenues collected in Fiscal Year 2009 for O-type accounts described in subsections (a), (b), and (b-1) of section 8 of the Department of Insurance and Securities Regulation Establishment Act of 1996 (D.C. Law 11-268; D.C. Official Code Section 31-107), a total of \$1,824,700 shall be deposited in local funds." Consequently, as shown in Table 4-19, this amount is added to Local fund revenue, but subtracted from Special Purpose fund revenue, in FY 2009. In addition, for FY 2010 – FY 2013, Table 4-19 reflects the plan to transfer to the Local fund revenue from three Department of Insurance, Securities and Banking (DISB) Special Purpose Revenue Funds that exceeds the budgets of these funds. Revenue is expected to exceed the budgets of these three funds and rather than accounting for the excess to be transferred to the

Local fund at the end of the fiscal year, the proposed budget incorporates the change at the beginning of the fiscal year.

The following proposals would affect the District's revenue for the Dedicated Taxes component of the General Fund.

- **Transfer School Paygo from Dedicated Tax to Local.** In FY 2006, the District enacted the School Modernization Financing Act of 2006, which established the Public School Capital Improvement Fund for the purpose of funding capital improvements throughout the District of Columbia school system. The Act specified the amount of sales tax revenue to be dedicated to this fund. Under BSA Subtitle VII.E sales tax revenue would no longer be dedicated to this fund, but would remain in the Local Fund.
- **Use Dedicated Tax Revenue as Local Revenue.** As shown in Table 4-19, Title VIII of the BSA proposes to use a portion of certain dedicated tax revenues as Local Fund revenue. This would increase the amount of Local revenue available, but decrease, by the same amount, the amount of tax revenue directed to a number of dedicated tax revenue funds. In FY 2009, a portion of the Unified Fund's parking tax revenue and the Community Benefit Fund's revenue would become Local revenue. In FY 2010, the Community Benefit Fund, the Neighborhood Investment Fund, the Baseball Fund, the Healthy DC Fund, the Nursing Quality of Care Fund, and the Tax Increment Financing Fund would be affected by this BSA Subtitle. In FYs 2011-2013, the Community Benefit Fund, the Neighborhood Investment Fund, and the Baseball Fund would have a portion of their dedicated tax revenues directed to the Local Fund.

Proposals affecting the District's revenue for the Special Purpose Revenue component of the General Fund consist of:

- **Extend Current UI Administrative Assessment Rate to FY 2014.** BSA Subtitle I.B amends Section 3(m) of the District of Columbia Unemployment Compensation Act to postpone the implementation of the \$4 million cap on the taxes collected in the Unemployment Insurance Administrative Assessment Account. The D.C.

Official Code states that if the amount collected from the administrative funding assessment exceeds \$4 million in any calendar year commencing after December 31, 2008, the assessment rate (currently 0.2% of taxable wages) for the next calendar year shall be adjusted so as to yield tax revenue not exceeding \$4 million. This Subtitle postpones the implementation of the \$4 million cap to January 1, 2014.

- **DDOE Environmental Fine Increases.** BSA Subtitle I.Y would amend D.C. Municipal Regulations to double the fine amounts imposed for all Class 1, 2, 3, 4, and 5 civil infractions. The fines range from \$100 for the first offense up to \$16,000 for multiple offenses. Revenues from these civil infractions are deposited into Special Purpose (O-type) funds administered by the District Department of the Environment.
- **Modify DCRA Administrative Fees for Abatement of Housing Code Violations.** BSA Subtitle II.A amends D.C. Municipal Regulations Section 14-220.1 to modify the administrative fee assessed when the Department of Consumer and Regulatory Affairs (DCRA) abates housing code violations on privately-owned properties to recoup expenses incurred. This Subtitle also authorizes a biennial per unit fee on rental accommodations of three units or more to cover the cost of “proactive inspections” performed by DCRA. The fees would be deposited into the Nuisance Abatement Fund established pursuant to D.C. Official Code Section 42-3131.01(b)(1)(A).
- **Institute DCRA Fee to Recover Costs of Zoning Compliance Letters.** BSA Subtitle II.C amends D.C. Official Code Section 6-1406.01 to authorize DCRA to charge a fee for preparing and issuing zoning compliance letters requested for a property. Currently, DCRA’s Office of the Zoning Administrator prepares zoning compliance letters upon request for no charge. Additionally, this Subtitle authorizes that all monies generated from these fees be deposited in the Construction and Zoning Compliance Management Fund established pursuant to D.C. Code Section 6-1406.01, and specifies an additional use of the monies deposited into the Fund be used “to pay for enhanced customer service delivery,” which includes the cost of processing letters.
- **Revise the Schedule of Fees Collected by the**

Office of the Surveyor. BSA Subtitle II.D amends D.C. Official Code Section 1-1329 to establish a new fee schedule for services provided by the DCRA’s Office of Surveyor. Fees affected include those relating to: building plats, registration of land surveyors, street and alley closings, subdivision of land plats, filing wall examination reports, project review fees for fire suppression systems for hoods and ducts, construction modification and specialized shop drawing review requests, elevator repair permits, and new elevator permits. Additionally, this Subtitle establishes an “Enhanced Surveyor Function Fund.” All revenue received from fees for services provided by the Office of the Surveyor is to be deposited into this fund and be used to maintain and upgrade the surveying systems and enhancing customer service delivery by the Office of the Surveyor. Since this new fund is a Special Purpose Revenue fund, revenue from existing fees (\$233,808) would now be deposited into this fund rather than be accounted for as non-tax revenue. In addition, the FIS for this Subtitle estimates that \$337,227 of new revenue will accrue to this fund in FY 2010. This Subtitle also requires that \$29,750 be annually deposited in the District’s General Fund from the Enhanced Surveyor Function Fund. Consequently, the net Special Purpose Fund revenue gain would be approximately \$541,000 in FY 2010.

- **Increase DCRA BBL Fees and Fines.** BSA Subtitle II.E amends DC Official Code Section 47-2851.10 to deem a Basic Business License “lapsed” (but not expired) if the license is 30 days past its date of expiration, and raises the fine for reinstating a “lapsed” license. In addition, this Subtitle adds a new Section 47-2851.10(b)(2) deeming licenses that are more than 30 days past the expiration date as expired, and authorizes a fine for renewing licenses that are “more than 30 days expired but less than 6 months.” The proposed subtitle also amends Section 47-2851.13 to authorize fees collected from the issuance of basic business licenses, including renewals, late fees and penalties, to be collected and deposited into the Basic Business License Fund.
- **Transfer Half of NOI Fines to the BBL Fund.** BSA Subtitle II.E directs half of the fines collected from “Notice of Infraction Fines” (NOI) to be

deposited into the Basic Business License (BBL) Fund and be used to pay for costs of the basic business licensing system. By directing half of the fines to the BBL Fund, which is a Special Purpose Revenue Fund, this provision increases the amount of Special Purpose revenue.

- **Establish Filming Permit Fees for Movie and Television Productions.** BSA Subtitle II.H amends the Film DC Economic Incentive Act of 2006. This Subtitle authorizes the Mayor to establish and impose fees for permits issued for the occupation of the public space for motion picture, television, and other media productions. These fees will be collected in a newly created “Film DC Special Account.” Any fees deposited in this account, as well as other funds designated by law, regulation, or reprogramming, and all interest earned on funds in the Film DC Special Account will be used solely to pay for operating expenses of the Office of Motion Picture and Television Development.
- **Establish Sports Facilities Account.** BSA Subtitle II.I proposes to merge the Washington Convention Center Authority (WCCA) and the Sports and Entertainment Commission (SEC). The Washington Convention and Sports Authority (WCSA) would be the resulting organization. The proposal establishes a Sports and Entertainment Fund that would be maintained by the WCSA. The proposal also establishes a Special Purpose (O-type) fund—the Sports Facilities Account—that would be administered by the District Department of Real Estate Services (formerly the D.C. Office of Property Management). On October 1 of each year, the WCSA’s Sports and Entertainment Fund would transfer to the DRES’ Sports Facilities Account an amount equal to the budget authority for maintenance and operation of the Robert F. Kennedy memorial Stadium and the nonmilitary portion of the D.C. National Guard Armory. Since the WCSA and its Sports and Entertainment Fund would not be part of the General Fund, while the DRES and its Sports Facilities Account would be part of the General Fund, this transfer is shown in Exhibit B of Table 4-19 as a revenue increase within the Special Purpose Revenue component of the General Fund.
- **Increase Parking Meter Rates and Apply Parking Meters to Saturdays.** BSA Subtitle VI.C amends D.C. Law and D.C. Municipal Regulations to effectively redirect additional parking meter revenues from increased meter rates (approved by Council on December 16, 2008) to the District Department of Transportation’s (DDOT) Unified Fund. The Equitable Parking Meter Rates Temporary Amendment Act of 2009, which originally established these parking meter rate increases, also provided that additional revenues were to be directed to five specific initiatives outside of DDOT and the Unified Fund. This Subtitle strikes this provision, which means that the increased revenues will be deposited into the Unified Fund. Consequently, all parking meter revenue, including that generated by the higher rates, would flow to the Unified Fund. This Subtitle also repeals Section 2 of the Parking Meter Fee Moratorium Act of 2004. The 2004 Act provided for a “Saturday moratorium” whereby citations would not be issued for a parking meter fee violation at any time on a Saturday (except if a vehicle is parked for more than two hours), or on other days between the hours of 6:30pm and 7:00am.
- **Use Motor Vehicle Theft Prevention Commission Fund Revenue as Local.** BSA Title VIII.A proposes to deposit fines for motor vehicle insurance violations listed in D.C. Official Code Section 31-2413(a) into the Local Fund in FY 2009. Currently, these fines are dedicated to the Motor Vehicle Theft Prevention Fund, which is a Special Purpose Revenue account. Therefore, this proposal would add to Local fund revenue, but reduce Special Purpose fund revenue, in FY 2009.
- **Convert Certified Unbudgeted O-type Revenue to Local.** BSA Subtitle VIII.C would transfer (in FY 2010) certified, but unbudgeted, O-type revenue from various funds to the Local Fund so that this revenue is recognized as FY 2010 revenue.
- **Transfer Office of Cable TV Revenues to Local.** BSA Subtitle VIII.C would also transfer (in FY 2010) a portion of the Special Purpose (O-type) revenue from cable franchise fees to the Local Fund. Normally, this revenue would go to the Cable Franchise Fees fund administered by the Office of Cable Television.

- **Transfer DDOT Unified Fund Revenues to Local.** BSA Subtitle VIII.C would also transfer (in FY 2010) to the Local Fund a portion of the Special Purpose (O-type) revenue normally directed to DDOT's Unified Fund.
- **Expand Automated Enforcement of Traffic Violations.** In FY 2010, the Metropolitan Police Department (MPD) plans to expand the automated traffic enforcement (ATE) program allowing technology to help improve the Department's enforcement capabilities. Some of the new initiatives are modifications of existing programs. These include using mobile red light cameras in addition to the existing fixed location cameras and speed-on-yellow enforcement at existing locations. Other new initiatives include gridlock enforcement, overweight vehicles, laser speed devices (similar to radar but works in locations where radar does not work such as tunnels), and making use of real-time access to insurance data. Revenue generated by this program that is needed to operate the program will be directed to the MPD's ATE Special Purpose Revenue Fund. Revenue generated by this program that is above the amount needed to operate the program will remain in the Local Fund.
- **Department of Mental Health Billing Initiatives.** The Department of Mental Health projects increased revenue from two new revenue initiatives. Increased revenues will result from billing Medicaid Managed Care Organizations (MCOs) for services provided through the School-based Mental Health Program. MCO contracts were recently modified to recognize schools as a place of service, thereby making services provided in the school setting billable/reimbursable. Increase revenues will also result from the collection of Social Security Disability (SSDI) payments made to patients at Saint Elizabeth's.
- **Transfer Certain DISB O-type Revenues to Local Fund.** The "Fiscal Year 2009 Balanced Budget Support Temporary Amendment Act of 2008" directed that "of the revenues collected in Fiscal Year 2009 for O-type accounts described in subsections (a), (b), and (b-1) of section 8 of the Department of Insurance and Securities Regulation Establishment Act of 1996 (D.C. Law 11-268; D.C. Official Code Section 31-107), a

total of \$1,824,700 shall be deposited in local funds." Consequently, as shown in Table 4-19, this amount is added to Local fund revenue, but subtracted from Special Purpose fund revenue, in FY 2009. In addition, for FY 2010 – FY 2013, Table 4-19 reflects the plan to transfer to the Local fund revenue from three Department of Insurance, Securities and Banking (DISB) Special Purpose Revenue Funds that exceeds the budgets of these funds. Revenue is expected to exceed the budgets of these three funds and rather than accounting for the excess to be transferred to the Local fund at the end of the fiscal year, the proposed budget incorporates the change at the beginning of the fiscal year.

Procedures for Estimating Revenue

The process of estimating revenue begins a year in advance. The estimates for FY 2010, for instance, began in September 2008. Every September we issue a revenue call to all agencies requesting reports and projections on the amount of user fees, fines, and other types of non-tax income agencies expect to generate.

Economic forecasting assumptions for the District are received from two nationally known economic analysis and forecasting firms, Global Insight, Inc. (formerly DRI-WEFA) and Economy.com, in late summer or late fall. These assumptions help us build the base for growth over the forecast horizon. During the late summer and throughout the fall, analysts maintain contact with people throughout the District government who are knowledgeable of the collection of all tax and non-tax revenues. This includes the Office of Tax and Revenue and agencies that have user fees or that impose fines. This gives us a good feel for progress in meeting the current year's goals and for understanding likely trends in the near future.

Analysts follow the year-end closing to be aware of accounting issues that might affect revenues – for instance, changes in accounts receivable or reserves that might impact revenue numbers.

Three advisory groups help us understand the economy:

- The first, a technical advisory group, is composed of experts in revenue forecasting. Membership includes representatives from the Congressional Budget Office (CBO), the Richmond Federal Reserve, the Commonwealth of Virginia, the

State of Maryland, and other jurisdictions and related organizations.

- The second advisory group, composed of knowledgeable local business representatives, advises us about current economic trends and helps us understand where the private sector thinks things are heading. Members of this group represent the hotel and tourism industry, real estate and housing, banking and finance, neighborhood groups, downtown development interests, the education sector, and other interests.
- The third advisory group is focused on the District's real property market. The real property tax is the District's single largest individual tax and generates about a third of non-dedicated general fund revenue. In addition, the property market functions differently compared to other parts of the District economy. As such, consultation with experts in the real property field is a critical step in the revenue estimating process. This group includes developers, realtors, academics and mortgage finance experts.

Updated economic assumptions are received from forecasting firms in January. This allows us to fine-tune our projections based on the most recent data available before the final forecasts are released.

At the end of January, CBO releases its Winter Report. This provides recent and valuable guidance on where the national economy is expected to go over the next ten years. As the national economy has a great deal of impact on the D.C. economy, this report is a valuable tool in the final stages of the revenue estimation process.

Subsequent steps in revenue estimating are part technical and part investigative. The technical part of revenue estimating involves using econometric methods to find statistically valid models that replicate past collections and project confidence intervals for future collections. The models use explanatory variables to account for revenue collections over time relying on relationships between (a) the money collected by the District in a given tax type, and (b) economic variables that track the underlying tax base. For example, in the unincorporated business tax, one model shows a strong lagged relationship between employment in construction and activity in the real estate market (as measured by collections in the transfer tax). This makes sense given that much of the activity that is taxed by the unincorporated business franchise tax is

in the real estate and construction segments of the D.C. economy. The economic forecasting variables are used directly in these methodologies.

The rest of the process is where the investigating comes into play. The next step is to incorporate the revenue impact of legislation and additional factors that cannot be captured by econometric models. For instance, when we were developing revenue projections prior to the opening of the new convention center we knew there would be an impact in the amount of revenue generated by the sales tax, particularly at the restaurant and hotel sales tax rates. No econometric model can capture this impact. However, an estimate of the impact must be included in our revenue projections.

The final step is to run a reality check on the numbers produced. To do this, we compare the projected trends with those of the Congressional Budget Office and neighboring jurisdictions. If our projections are substantially different for individual income tax collections than what CBO is projecting, for example, we need to explain the difference. This helps ensure that our understanding and knowledge of the fundamentals of a tax type are consistent with those of other professionals in the field. The pattern of changes over the projection horizon is also scrutinized in this phase of the process. A dramatic jump or drop from one period to the next needs to be understood.

For the FY 2003 estimates, we contracted with KPMG to review our data and estimating methodologies, determine whether the methodologies are correctly implemented, and recommend changes where they find areas of weakness. Overall, they concluded that ORA uses sound methodologies and implements them competently. They also found that the greatest cause of uncertainty in the estimates is the quality of the data.

Additional Information on D.C. Revenues

Tables 4-36 through 4-41 provide additional detail on what the District taxes and collects, at what rates, and how much revenue these taxes and non-tax revenues yield.

Table 4-36

Percentage Changes in General Fund Local Revenue by Source

(percentage changes from prior fiscal year)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Proj.	FY 2012 Proj.	FY 2013 Proj.
Real Property (gross)	15.5%	7.8%	-1.2%	-2.1%	0.0%	4.7%
<i>Transfer to TIF/CBF</i>	<i>30.6%</i>	<i>350.3%</i>	<i>43.0%</i>	<i>13.1%</i>	<i>7.4%</i>	<i>7.6%</i>
Real Property (net)	15.4%	6.4%	-2.0%	-2.5%	-0.2%	4.6%
Personal Property (gross)	-11.4%	-3.8%	-2.1%	1.1%	1.2%	1.2%
<i>Transfer to Neighborhood Investment Fund</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
Personal Property (net)	-13.4%	-4.6%	-2.5%	1.3%	1.4%	1.4%
Public Space (gross)	-14.1%	10.0%	3.0%	3.0%	3.0%	3.0%
<i>Transfer to DDOT</i>	<i>-14.1%</i>	<i>10.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>
Total Property	14.3%	6.1%	-2.0%	-2.4%	-0.2%	4.5%
General Sales (gross)	5.8%	-3.1%	0.4%	3.8%	4.4%	4.9%
<i>Convention Center Transfer</i>	<i>9.8%</i>	<i>0.5%</i>	<i>1.2%</i>	<i>4.3%</i>	<i>4.3%</i>	<i>4.3%</i>
<i>Transfer to TIF/CBF</i>	<i>65.1%</i>	<i>17.0%</i>	<i>-4.5%</i>	<i>58.9%</i>	<i>-22.2%</i>	<i>6.1%</i>
<i>Transfer to DDOT Unified Fund (parking tax)</i>	<i>0.9%</i>	<i>-30.2%</i>	<i>4.9%</i>	<i>10.9%</i>	<i>3.3%</i>	<i>3.3%</i>
<i>Transfer to Ballpark Fund</i>	<i>49.4%</i>	<i>-28.0%</i>	<i>3.5%</i>	<i>4.9%</i>	<i>5.6%</i>	<i>5.5%</i>
<i>Transfer to School Modernization Fund</i>	<i>0.0%</i>	<i>6.0%</i>	<i>6.0%</i>	<i>6.0%</i>	<i>9.4%</i>	<i>6.2%</i>
General Sales (net)	4.7%	-3.6%	-0.5%	1.1%	5.1%	4.8%
Alcohol	0.8%	-0.6%	-0.6%	-0.6%	-0.5%	-0.5%
Cigarette	12.7%	99.1%	-4.6%	-2.5%	-2.5%	-1.8%
Motor Vehicle	-8.1%	0.0%	2.0%	3.0%	3.0%	3.0%
Motor Fuel Tax	-13.4%	-15.0%	2.3%	2.3%	2.3%	2.3%
<i>Transfer to Highway Trust Fund</i>	<i>-13.4%</i>	<i>-15.0%</i>	<i>2.3%</i>	<i>2.3%</i>	<i>2.3%</i>	<i>2.3%</i>
Total Sales	4.1%	-0.4%	-0.6%	1.0%	4.6%	4.3%
Individual Income	2.2%	-17.2%	-3.9%	3.2%	5.7%	4.3%
Corporation Franchise	12.0%	-17.1%	6.3%	12.0%	9.4%	5.5%
U. B. Franchise	-24.0%	-15.0%	15.4%	15.0%	11.8%	8.4%
Total Income	1.1%	-17.0%	-0.8%	5.7%	7.0%	4.9%

Table 4-36 (continued)

Percentage Changes in General Fund Local Revenue by Source

(percentage changes from prior fiscal year)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Proj.	FY 2012 Proj.	FY 2013 Proj.
Public Utility (gross)	-6.3%	0.1%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to Ballpark Fund</i>	-12.1%	14.9%	0.0%	0.0%	0.0%	0.0%
Public Utility (net)	-5.9%	-0.9%	0.0%	0.0%	0.0%	0.0%
Toll Telecommunication (gross)	11.3%	-3.7%	0.1%	0.1%	0.1%	0.1%
<i>Transfer to Ballpark Fund</i>	12.0%	3.9%	0.1%	0.1%	0.1%	0.1%
Toll Telecommunication (net)	11.3%	-4.0%	0.1%	0.1%	0.1%	0.1%
Insurance Premiums (gross)	-4.3%	21.7%	16.7%	0.0%	0.0%	0.0%
<i>Transfer to Healthy DC Fund</i>	-26.4%	27.3%	130.3%	0.0%	0.0%	0.0%
Insurance Premiums (net)	-0.5%	21.0%	1.5%	0.0%	0.0%	0.0%
Healthcare Provider Tax	11.1%	-20.1%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to Nursing Facility Quality of Care Fund</i>	11.1%	-20.1%	0.0%	0.0%	0.0%	0.0%
Baseball Gross Receipts Tax	0.4%	-17.0%	-0.7%	1.6%	2.3%	1.1%
<i>Transfer to Ballpark Fund</i>	0.4%	-17.0%	-0.7%	1.6%	2.3%	1.1%
Total Gross Receipts	-1.1%	2.3%	0.4%	0.0%	0.0%	0.0%
Estate	23.3%	4.6%	-14.3%	0.0%	0.0%	0.0%
Deed Recordation (gross)	-31.2%	-42.9%	-19.4%	1.0%	17.0%	11.9%
<i>Transfer to HPTF</i>	-31.3%	-44.0%	-19.4%	1.0%	17.0%	11.9%
<i>Transfer to Comp. Housing Strategy Fund</i>	-23.5%	-100.0%	NA	NA	NA	NA
Deed Recordation (net)	-32.0%	-36.0%	-19.4%	1.0%	17.0%	11.9%
Deed Transfer (gross)	-26.2%	-46.6%	-20.7%	1.2%	15.7%	8.4%
<i>Transfer to HPTF</i>	-30.3%	-46.2%	-20.7%	1.2%	15.7%	8.4%
<i>Transfer to Comp. Housing Strategy Fund</i>	-21.6%	-100.0%	NA	NA	NA	NA
Deed Transfer (net)	-25.9%	-40.8%	-20.7%	1.2%	15.7%	8.4%
Economic Interests	-15.4%	-67.2%	-21.5%	-25.2%	0.0%	0.0%
Total Other Taxes	-20.3%	-34.2%	-18.2%	-1.4%	9.8%	6.6%
TOTAL TAXES	3.9%	-6.2%	-2.0%	1.0%	3.5%	4.4%
Licenses & Permits	8.5%	-28.3%	-1.4%	5.0%	-4.8%	5.0%
Fines & Forfeits	-2.5%	31.0%	2.8%	-2.4%	-0.1%	-1.8%
Charges for Services	-17.0%	10.5%	-4.5%	5.2%	-4.9%	6.2%
Miscellaneous Revenue	-17.3%	-36.1%	-5.2%	-7.6%	3.4%	1.9%
TOTAL NON-TAX	-9.0%	-11.9%	-1.4%	-1.5%	-0.8%	1.6%
Lottery	7.5%	0.0%	-6.4%	0.0%	0.0%	0.0%
TOTAL LOCAL FUND REVENUE	2.9%	-6.5%	-2.0%	0.8%	3.2%	4.2%

Table 4-37

Changes in General Fund Local Revenue by Source

(\$ thousands change from prior FY)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected
Real Property (gross)	224,272	130,202	(21,840)	(37,643)	-	81,256
<i>Transfer to TIF/CBF</i>	1,558	23,309	12,897	5,636	3,609	3,948
Real Property (net)	222,714	106,893	(34,737)	(43,278)	(3,609)	77,308
Personal Property (gross)	(7,705)	(2,268)	(1,206)	618	654	678
<i>Transfer to Neighborhood Investment Fund</i>	-	-	-	-	-	-
Personal Property (net)	(7,705)	(2,268)	(1,206)	618	654	678
Public Space (gross)	(4,542)	2,770	914	941	970	999
<i>Transfer to DDOT</i>	(4,542)	2,770	914	941	970	999
Total Property	215,009	104,625	(35,943)	(42,660)	(2,955)	77,986
General Sales (gross)	55,214	(31,234)	3,947	37,839	44,927	52,476
<i>Convention Center Transfer</i>	8,181	457	1,103	4,001	4,173	4,353
<i>Transfer to TIF/CBF</i>	9,245	3,990	(1,238)	15,445	(9,254)	1,983
<i>Transfer to DDOT Unified Fund (parking tax)</i>	333	(11,308)	1,277	2,989	1,015	1,040
<i>Transfer to Ballpark Fund</i>	4,089	(3,464)	312	451	541	562
<i>Transfer to School Modernization Fund</i>	-	6,000	6,360	6,742	11,177	8,029
General Sales (net)	33,366	(26,910)	(3,868)	8,211	37,274	36,508
Alcohol	40	(33)	(31)	(29)	(28)	(26)
Cigarette	2,695	23,686	(2,175)	(1,136)	(1,108)	(788)
Motor Vehicle	(3,521)	-	803	1,229	1,266	1,304
Motor Fuel Tax	(3,577)	(3,480)	454	464	475	486
<i>Transfer to Highway Trust Fund</i>	(3,577)	(3,480)	454	464	475	486
Total Sales	32,580	(3,257)	(5,270)	8,274	37,405	36,999
Individual Income	28,973	(230,442)	(42,996)	34,012	62,739	49,723
Corporation Franchise	30,693	(48,940)	14,857	30,307	26,677	17,115
U. B. Franchise	(40,133)	(19,069)	16,573	18,624	16,853	13,384
Total Income	19,533	(298,450)	(11,566)	82,943	106,269	80,223

Table 4-37 (continued)

Changes in General Fund Local Revenue by Source

(\$ thousands change from prior FY)

Revenue Source	FY 2008 Actual	FY 2009 Revised	FY 2010 Original	FY 2011 Proected	FY 2012 Projected	FY 2013 Projected
Public Utility (gross)	(10,249)	84	68	55	45	36
<i>Transfer to Ballpark Fund</i>	<i>(1,275)</i>	<i>1,372</i>	<i>5</i>	<i>4</i>	<i>3</i>	<i>2</i>
Public Utility (net)	(8,974)	(1,288)	64	51	42	34
Toll Telecommunication (gross)	6,670	(2,458)	77	58	44	34
<i>Transfer to Ballpark Fund</i>	<i>274</i>	<i>99</i>	<i>3</i>	<i>2</i>	<i>2</i>	<i>1</i>
Toll Telecommunication (net)	6,396	(2,557)	74	56	43	32
Insurance Premiums (gross)	(2,380)	11,414	10,717	-	-	-
<i>Transfer to Healthy DC Fund</i>	<i>(2,136)</i>	<i>1,629</i>	<i>9,893</i>	-	-	-
Insurance Premiums (net)	(244)	9,785	824	-	-	-
Healthcare Provider Tax	1,378	(2,771)	-	-	-	-
<i>Transfer to Nursing Facility Quality of Care Fund</i>	<i>1,378</i>	<i>(2,771)</i>	-	-	-	-
Baseball Gross Receipts Tax	101	(4,241)	(145)	329	482	235
<i>Transfer to Ballpark Fund</i>	<i>101</i>	<i>(4,241)</i>	<i>(145)</i>	<i>329</i>	<i>482</i>	<i>235</i>
Total Gross Receipts	(2,822)	5,940	961	107	84	66
Estate	12,649	3,101	(10,000)	-	-	-
Deed Recordation (gross)	(70,769)	(66,960)	(17,269)	710	12,339	10,082
<i>Transfer to HPTF</i>	<i>(10,881)</i>	<i>(10,501)</i>	<i>(2,590)</i>	<i>107</i>	<i>1,851</i>	<i>1,512</i>
<i>Transfer to Comp. Housing Strategy Fund</i>	<i>(4,256)</i>	<i>(13,819)</i>	-	-	-	-
Deed Recordation (net)	(55,632)	(42,640)	(14,678)	604	10,488	8,570
Deed Transfer (gross)	(39,977)	(52,394)	(12,452)	568	7,546	4,679
<i>Transfer to HPTF</i>	<i>(7,262)</i>	<i>(7,730)</i>	<i>(1,868)</i>	<i>85</i>	<i>1,132</i>	<i>702</i>
<i>Transfer to Comp. Housing Strategy Fund</i>	<i>(2,611)</i>	<i>(9,460)</i>	-	-	-	-
Deed Transfer (net)	(30,104)	(35,204)	(10,584)	483	6,414	3,977
Economic Interests	(9,979)	(36,860)	(3,864)	(3,546)	-	-
Total Other Taxes	(83,067)	(111,603)	(39,127)	(2,459)	16,902	12,547
TOTAL TAXES	181,233	(302,745)	(90,946)	46,205	157,705	207,820
Licenses & Permits	6,638	(24,029)	(858)	3,009	(3,000)	3,010
Fines & Forfeits	(2,504)	30,650	3,629	(3,170)	(156)	(2,345)
Charges for Services	(8,928)	4,557	(2,149)	2,399	(2,375)	2,850
Miscellaneous Revenue	(33,225)	(57,194)	(5,284)	(7,294)	2,973	1,751
TOTAL NON-TAX	(38,019)	(46,015)	(4,662)	(5,056)	(2,558)	5,266
Lottery	4,924	-	(4,525)	-	-	-
TOTAL LOCAL FUND REVENUE	148,138	(348,760)	(100,133)	41,149	155,147	213,086

Summary of Major Taxes in the District of Columbia, Fiscal Year 2009

PART A — GENERAL FUND TAXES

TAX	DESCRIPTION	RATE	FY 2008 REVENUE (\$ in thousands)
REAL PROPERTY TAX	<p>All real property, unless expressly exempted, is subject to the real property tax and is assessed at 100% of market value.</p> <p>The District of Columbia has three property classes:</p> <p>Class 1 – improved residential real property that is occupied and is used exclusively for non-transient residential dwelling purposes Class 2 – commercial property Class 3 – unimproved or abandoned property</p> <p>DC Code Citation: Title 47, Chapters 7-10, 13, 13A.</p>	<p>Class 1 = \$0.85 per \$100 of assessed value</p> <p>Note: For Class 1 owner-occupied residential real property, the first \$67,500 of assessed value is exempt from tax.</p> <p>Class 2 = \$1.65 per \$100 for the first \$3 million of assessed value; \$1.85 per \$100 for assessed value more than \$3 million</p> <p>Class 3 = \$10.00 per \$100 of assessed value</p>	<p>\$1,666,315</p> <p>Amount is net of \$6,654 Tax Increment Financing (TIF) transfer.</p>
PERSONAL PROPERTY TAX	<p>Tax on all tangible property, except inventories, used or available for use in a trade or business. Such property includes machinery, equipment, furniture, and fixtures.</p> <p>DC Code Citation: Title 47, Chapter 15.</p>	<p>\$3.40 per \$100 of assessed value</p> <p>Notes: The first \$225,000 of taxable value is excluded from tax.</p> <p>17.4 percent of the tax, not to exceed \$10 million, is dedicated to the Neighborhood Investment Fund (NIF).</p>	<p>\$49,690</p> <p>Amount is net of \$10,000 NIF transfer.</p>
SALES AND USE TAX	<p>Tax on all tangible personal property and certain selected services sold or rented to businesses or individuals at retail in the District.</p> <p>Groceries, prescription and non-prescription drugs, and residential utility services are among those items exempt from the sales tax.</p> <p>The use tax is imposed at the same rate as the sales tax on purchases made outside the District and then brought into the District to be used, stored or consumed, providing that the purchaser has not paid the sales tax on the purchases to another jurisdiction.</p> <p>DC Code Citation: Title 47, Chapters 20 and 22.</p> <p>Note: Tobacco products other than cigarettes means: (a) Any cigar or roll for smoking, other than a cigarette or premium cigar, made in whole or in part of tobacco; or (b) Any other tobacco or product made primarily from tobacco, other than a cigarette, premium cigar, or pipe tobacco that is intended for consumption by smoking, by chewing, or as snuff.</p>	<p>A five-tier rate structure is presently in effect:</p> <p>5.75% – General rate for tangible personal property and selected services</p> <p>9% – Alcoholic beverages sold for off-the-premises consumption</p> <p>10% – Food or drink prepared for immediate consumption, alcoholic beverages sold for consumption on the premises, rental vehicles, and prepaid telephone calling cards</p> <p>12% – Parking motor vehicles in commercial lots and tobacco products other than cigarettes</p> <p>14.5% – Hotels (transient accommodations)</p> <p>Notes: The following portions of the sales tax go to the Convention Center Fund: 1% from restaurant meals and 4.45% from transient accommodations.</p> <p>The 12% parking in commercial lots tax is dedicated to the DC Department of Transportation (DDOT).</p> <p>Stadium-related sales tax revenue is dedicated to the Ballpark Revenue Fund.</p> <p>The amount of sales tax revenue dedicated to the School Modernization Fund is prescribed by DC Code Section 47-2033.</p>	<p>\$750,455</p> <p>Amount is net of transfers to: the Convention Center (\$91,493), the Tax Increment Financing (TIF) Fund (\$23,450), DDOT (\$37,420), the Ballpark Revenue Fund (\$12,364), and the School Modernization Fund (\$100,000).</p>

PART A — GENERAL FUND TAXES

TAX	DESCRIPTION	RATE	FY 2008 REVENUE (\$ in thousands)
ALCOHOLIC BEVERAGE TAX	Tax on alcoholic beverages manufactured by a holder of a manufacturer's license and beverages brought into DC by the holder of a wholesaler's license. DC Code Citation: Title 25, Chapter 9	Beer = \$2.79 per 31-gallon barrel Champagne/sparkling wine = \$0.45 per gallon Distilled Spirits = \$1.50 per gallon Light wine (alcohol content 14% or less) = \$0.30 per gallon Heavy wine (alcohol content above 14%) = \$0.40 per gallon	\$5,190
CIGARETTE TAX	Tax on the sale or possession of cigarettes in the District. Cigarettes sold to the military and to the federal government are exempt. DC Code Citation: Title 47, Chapter 24.	\$0.10 per cigarette (\$2.00 per pack of 20 cigarettes)	\$23,900
MOTOR VEHICLE EXCISE TAX	Tax on the Issuance of every original and subsequent certificate of title on motor vehicles and trailers. DC Code Citation: Title 50, Chapter 22.	Based on manufacturer's shipping weight: 6% of fair market value – 3,499 lbs or less 7% of fair market value – 3,500 to 4,999 lbs 8% of fair market value – more than 5,000 lbs.	\$40,160
INDIVIDUAL INCOME TAX	Tax on the taxable income of an individual who is domiciled in the District at any time during the tax year, or who maintains an abode in the District for 183 or more days during the year. DC Code Citation: Title 47, Chapter 18.	First \$10,000 = 4.0% \$10,000 < \$40,000 = \$400 + 6.0% of excess above \$10,000 More than \$40,000 = \$2,200 + 8.5% of excess above \$40,000 Note: Excludes Social Security income and maximum \$3,000 exclusion on military retired pay, pension income, or annuity income from DC or federal government.	\$1,342,799
CORPORATE FRANCHISE TAX	Tax on the net income of corporations having nexus in the District. All corporations engaging in a trade, business or profession in the District of Columbia must register. DC Code Citation: Title 47, Chapter 18.	9.975% of taxable income (9.5% base rate plus a 5% surtax on the base rate) \$100 minimum tax	\$286,204
UNINCORPORATED BUSINESS FRANCHISE TAX	Tax on the net income of unincorporated businesses with gross receipts more than \$12,000. A 30% salary allowance for owners and a \$5,000 exemption are deductible from net income to arrive at taxable income. A business is exempt if more than 80% of gross income is derived from personal services rendered by the members of the entity and capital is not a material income-producing factor. A trade, business or professional organization that by law, customs or ethics cannot be incorporated is exempt. DC Code Citation: Title 47, Chapter 18.	9.975% of taxable income (9.5% base rate plus a 5% surtax on the base rate) \$100 minimum tax	\$126,891

PART A — GENERAL FUND TAXES

TAX	DESCRIPTION	RATE	FY 2008 REVENUE (\$ in thousands)
PUBLIC UTILITY TAX	Tax on local television, radio and telephone companies; heating oil utilities; natural gas utilities; and electric distribution utilities. <i>D.C. Code Citation: Title 47, Chapter 25.</i>	Television, radio and telephone companies: 10% of gross charges – residential 11% of gross charges – nonresidential Heating oil utilities: \$0.17 per gallon – residential \$0.187 per gallon – nonresidential Natural gas utilities: \$0.0707 per therm – residential \$0.07777 per therm – nonresidential Electric distribution utilities: \$0.0070 per kilowatt hour – residential \$0.0077 per kilowatt hour – nonresidential Note: The additional surcharges on nonresidential customers are dedicated to the Ballpark Revenue Fund.	\$144,315 Amount is net of \$9,228 Ballpark Revenue Fund transfer.
TOLL TELECOMMUNICATIONS TAX	Tax on gross receipts of companies providing toll telecommunication service in the District, including wireless telecommunication providers. <i>D.C. Code Citation: Title 47, Chapter 39.</i>	10% of gross charges – residential 11% of gross charges – nonresidential Note: 1% of nonresidential telecommunications tax revenue is dedicated to the Ballpark Revenue Fund.	\$63,182 Amount is net of \$2,559 Ballpark Revenue Fund transfer.
INSURANCE PREMIUMS TAX	Tax on gross insurance premiums received on risks in the District, less premiums received for reinsurance assumed, returned premiums and dividends paid to policy-holders. The tax is in lieu of all other taxes except real estate taxes and fees provided for by the District's insurance law. <i>D.C. Code Citation: Title 47, Chapter 26.</i>	1.7% on policy and membership fees and net premium receipts; except 2.0% on companies that issue accident and loss of health insurance (as of 10/1/08) and on HMOs (as of 1/1/09). Note: Currently dedicated to the Healthy DC Fund is the 2.0% premium tax on health insurers and 75% of the 2.0% premium tax from HMOs.	\$46,672 Amount is net of \$5,964 Healthy DC Fund Transfer.
ESTATE TAX	Tax levied on the estate of every decedent dying while a resident of the District, and on the estate of every nonresident decedent owning property having a taxable status in the District at the time of his or her death. <i>DC Code Citation: Title 47, Chapter 37.</i>	Tax due is determined by using the DC estate tax computation worksheet after computing the exempted amounts.	\$66,899
DEED RECORDATION TAX	Tax on the recording of all deeds to real estate in the District. The basis of the tax is the value of consideration given for the property. Where there is no consideration or where the consideration is nominal, the tax is imposed on the basis of the fair market value of the property. <i>D.C. Code Citation: Title 42, Chapter 11.</i>	1.45% of consideration or fair market value Notes: For residential properties under \$400,000, the rate is 1.1% of consideration or fair market value. 15% of the deed recordation tax is dedicated to the Housing Production Trust Fund. In FYs 2007 and 2008 39.93% of the revenue resulting from the increase in the deed recordation tax from 1.1% to 1.45% was dedicated to the Comprehensive Housing Strategy Fund.	\$118,302 Amount is net of transfers to: the Housing Production Trust Fund (\$23,853) and the Comprehensive Housing Strategy Fund (\$13,819).

PART A — GENERAL FUND TAXES

TAX	DESCRIPTION	RATE	FY 2008 REVENUE (\$ in thousands)
DEED TRANSFER TAX	<p>Tax on each transfer of real property at the time the deed is submitted for recordation. The tax is based upon the consideration paid for the transfer. Where there is no consideration or where the amount is nominal, the basis of the transfer tax is the fair market value of the property conveyed.</p> <p>D.C. Code Citation: Title 47, Chapter 9.</p>	<p>1.45% of consideration or fair market value</p> <p>Notes: For residential properties under \$400,000, the rate is 1.1% of consideration or fair market value.</p> <p>15% of the deed transfer tax is dedicated to the Housing Production Trust Fund.</p> <p>In FYs 2007 and 2008 39.93% of the revenue resulting from the increase in the deed transfer tax from 1.1% to 1.45% was dedicated to the Comprehensive Housing Strategy Fund.</p>	<p>\$86,238</p> <p>Amount is net of transfers to: the Housing Production Trust Fund (\$16,736) and the Comprehensive Housing Strategy Fund (\$9,460).</p>
ECONOMIC INTEREST TAX	<p>This tax is triggered by either one of the following two elements:</p> <p>(1) 80% of the assets of a corporation consist of real property located in the District of Columbia; or</p> <p>(2) More than 50% of the controlling interest of the corporation is being transferred.</p> <p>The consideration is not always equal to the assessed value of the property. The consideration is what is paid for the interest being transferred. If there is no tangible consideration, then the tax basis will be the assessed value of the property owned by the corporation.</p> <p>DC Code Citation: Title 42, Chapter 11.</p>	<p>2.9% of consideration or fair market value</p>	<p>\$54,815</p>

PART B—OTHER SELECTED REVENUE SOURCES

PUBLIC SPACE RENTAL	<p>Tax on the commercial use of publicly owned property between the property line and the street.</p> <p>D.C. Code Citation: Title 10, Chapter 11.</p>	<p>Various rates exist for the following: Vault, Sidewalk (enclosed and unenclosed), Sidewalk Surface, and Fuel Oil Tank</p> <p>Note: All revenue from this tax is dedicated to the DC Department of Transportation (DDOT).</p>	<p>\$0</p> <p>Amount is net of \$27,697 DDOT transfer.</p>
HEALTHCARE PROVIDER ASSESSMENT	<p>Assessment on the net resident revenue of each nursing facility in the District.</p> <p>D.C. Code Citation: Title 47, Chapter 12C.</p>	<p>A uniform amount per licensed bed (as specified by rules issued by the Mayor) is assessed up to 6% of a nursing facility's net resident revenue.</p> <p>Note: All revenue from this assessment is dedicated to the Nursing Facility Quality of Care Fund.</p>	<p>\$0</p> <p>Amount is net of \$13,771 Nursing Facility Quality of Care Fund transfer.</p>
BALLPARK FEE	<p>A fee on annual District gross receipts. It is levied on District businesses with over \$5 million in gross receipts.</p> <p>D.C. Code Citation: Title 47, Chapter 27B.</p>	<p>Ballpark Fee Schedule: District gross receipts \$5 million - \$8 million = \$5,500 District gross receipts \$8 million - \$12 million = \$10,800 District gross receipts \$12 million - \$16 million = \$14,000 District gross receipts over \$16 million = \$16,500</p> <p>Note: All revenue from this fee is dedicated to the Ballpark Revenue Fund.</p>	<p>\$0</p> <p>Amount is net of \$24,989 Ballpark Revenue Fund transfer.</p>
MOTOR VEHICLE FUEL TAX	<p>The tax is imposed on every importer of motor fuels, including gasoline, diesel fuel, benzol, benzene, naphtha, kerosene, heating oils, all liquefied petroleum gases, and all combustible gases and liquids suitable for the generation of power for motor vehicles.</p> <p>DC Code Citation: Title 47, Chapter 23</p>	<p>\$0.20 per gallon</p> <p>Note: All revenue from this tax is dedicated to the Highway Trust Fund.</p>	<p>\$0</p> <p>Amount is net of \$23,199 Highway Trust Fund transfer.</p>

Source of General Fund Revenue Amounts: Government of the District of Columbia Comprehensive Annual Financial Report, Year Ended September 30, 2008.

Table 4-39
Local General Fund Revenues, FY1998-FY2008
 (\$ thousands)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Real Property	616,935	597,566	610,896	633,172	726,014	822,845	947,690	1,058,100 (a)	1,152,143 (a)	1,443,601 (a)	1,666,315 (a)
Personal Property	68,475	73,928	70,133	64,144	65,208	67,294	63,558	62,068 (b)	55,548 (b)	57,395 (b)	49,690 (b)
Public Space	10,030	8,056	11,752	10,107	12,167	11,749	16,728	15,628	0 (c)	0 (c)	0 (c)
Total Property	695,440	679,550	692,781	707,423	803,389	901,888	1,027,976	1,135,796	1,207,691	1,500,996	1,716,005
General Sales and Use	557,081	541,573 (d)	585,688 (d)	617,217 (d)	612,354 (d)	631,465 (d)	671,017 (d)	768,308 (e)	775,366 (f)	717,089 (g)	750,455 (g)
Alcohol	4,702	4,821	4,779	4,743	4,721	4,619	5,090	5,051	5,070	5,150	5,190
Cigarette	17,592	17,107	17,177	16,329	17,189	21,344	20,765	22,336	22,993	21,205	23,900
Motor Vehicle Excise	29,838	31,329	36,693	38,825	34,573	37,066	40,437	42,380	42,563	43,681	40,160
Hotel Occupancy	9,287	(26)	0	25	0	0	0	0	0	0	0
Total Selective Sales	57,501	53,231	58,649	59,922	56,483	63,029	66,292	69,767	70,626	70,036	69,250
Individual Income	861,505	952,156	1,077,346	1,098,188	949,175	928,968	1,042,309	1,160,074	1,233,602	1,313,826	1,342,799
Corporate Franchise	174,729	163,699	190,594	233,237	142,647	156,777	168,353	195,492	215,283	255,511	286,204
Unincorporated Business Franchise	46,868	53,896	70,624	68,812	68,602	81,707	88,347	116,866	142,598	167,024	126,891
Total Income	1,083,102	1,169,751	1,338,564	1,400,237	1,160,424	1,167,452	1,299,009	1,472,432	1,591,483	1,736,361	1,755,894
Insurance Premiums	37,096	26,944	30,882	33,356	35,502	41,281	47,452	48,888	51,495	46,916	46,672,672
Public Utility	141,069	128,472	132,849	149,125	140,931	166,743	169,494	166,039 (h)	144,801 (h)	153,289 (h)	144,315 (h)
Toll Telecommunication	56,732	51,874	48,280	51,259	55,353	53,324	54,951	54,576 (h)	54,556 (h)	56,786 (h)	63,182 (h)
Health Care Provider Fee	1,740	0	0	0	0	0	0	0	0	0	0
Total Gross Receipts	236,637	207,290	212,011	233,740	231,786	261,348	271,897	269,503	250,852	256,991	254,169

Table 4-39 (continued)

Local General Fund Revenues, FY1998-FY2008

(\$ thousands)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Estate	32,256	26,247	35,992	51,072	125,889	29,944	26,466	29,257	30,125	54,250	66,899
Deed Recordation	53,863	70,398	60,418	75,936	89,951	134,262	164,522 (i)	161,541 (i)	169,024 (i)	173,934 (j)	118,302 (j)
Deed Transfer	42,597	47,001	44,660	62,086	62,228	99,052	121,747 (i)	124,890 (i)	113,509 (i)	116,342 (j)	86,238 (j)
Economic Interests	11,166	3,687	540	1,640	5,078	4,934	16,269	10,593	30,274	64,794	54,815
Total Other Taxes	139,882	147,333	141,610	190,734	283,146	268,192	329,004	326,281	342,932	409,321	326,254
TOTAL TAX REVENUES	2,773,561	2,798,728	3,029,303	3,209,273	3,147,582	3,293,374	3,665,195	4,042,087	4,238,950	4,690,794	4,872,027
Business Licenses & Permits	31,050	28,607	24,969	21,767	29,875	35,195	35,471	47,936	42,443	49,848	48,756
Non-Business Licenses & Permits	17,073	17,927	18,785	19,627	20,320	24,566	26,034	26,074	29,741	28,435	36,165
Total Licenses & Permits	48,123	46,534	43,754	41,394	50,195	59,761	61,505	74,010	72,184	78,283	84,921
Total Fines and Forfeitures	53,177	47,688	53,216	57,052	86,539	88,455	99,478	108,012	112,456	101,436	98,932
Total Charges for Services	34,752	31,055	37,257	63,938	55,472	65,736	53,705	51,344	47,646	52,421	43,493
Total Miscellaneous	99,136	86,740	118,207	153,589	80,553	89,905	109,011	119,061	129,665	191,735	158,510
Lottery Transfer	81,300	64,225	69,450	84,000	63,000	72,050	73,500	71,450	73,800	65,376	70,300
TOTAL NON-TAX REVENUES	316,488	276,242	321,884	399,973	335,759	375,907	397,199	423,877	435,751	489,251	456,156
TOTAL TAX & NON-TAX REVENUES	3,090,049	3,074,970	3,351,187	3,609,246	3,483,341	3,669,281	4,062,394	4,465,964	4,674,701	5,180,045	5,328,183

- Notes:** (a) Amount excludes transfer to Tax Increment Financing.
(b) Amount excludes transfer to Neighborhood Investment Fund.
(c) Beginning in FY 2006, all public space rental revenue is transferred to DDOT Operating Fund.
(d) Amount excludes transfer to the Convention Center Fund.
(e) Amount excludes transfers to the Convention Center Fund, the Ballpark Fund, and Tax Increment Financing.
(f) Amount excludes transfers to the Convention Center Fund, the Ballpark Fund, Tax Increment Financing, and DDOT Operating Fund.
(g) Amount excludes transfers to the Convention Center Fund, the Ballpark Fund, Tax Increment Financing, DDOT Operating Fund, and School Modernization Fund.
(h) Amount excludes transfer to the Ballpark Fund.
(i) Amount excludes transfer to the Housing Production Trust Fund.
(j) Amount excludes transfer to the Housing Production Trust Fund and Comprehensive Housing Strategy Fund.

Table 4-40

General Purpose Non-Tax Revenue, by Source, Fiscal Years 2008-2010

(\$ in thousands)

Comp. Obj. Code	Agency	Object Title	FY 2008 Actual	FY 2009 Revised	FY 2010 Projected
BUSINESS LICENSES AND PERMITS					
3001	SRO	INSURANCE LICENSE	8,821	6,209	8,700
3002	DHO	ELECTRICAL LICENSE	1	2	0
3003	DHO	NATURAL GAS LICENSE	0	2	0
3006	TCO	HACKERS LICENSE	386	380	370
3006	SRO	SECURITY BROKERS DEALER LICENSE	13,164	9,214	7,000
3010	TCO	OTHER BUSINESS LICENSE	88	80	80
3011	KAO	BUSINESS LICENSE & PERMIT	3	10	10
3011	KVO	OTHER BUSINESS LICENSE & PERMITS	2	0	0
3012	CRO	BUILDING STRUCTURES & EQUIPMENT	15,940	11,000	11,000
3012	CRO	DEMOLITION PERMIT	3	0	0
3012	CRO	EXCAVATION PERMIT	1	0	0
3012	CRO	FENCE PERMIT	2	0	0
3012	CRO	MISCELLANEOUS PERMIT	43	0	0
3012	CRO	SHED PERMIT	1	0	0
3012	CRO	SHEETING & SHORING PERMIT	1	0	0
3012	CRO	SWIMMING POOL PERMIT	1	0	0
3012	CRO	TENANT LAYOUT PERMIT	1	0	0
3013	CRO	CERTIFICATE OF OCCUPANCY	360	350	350
3014	CRO	REFRIGERATION & PLUMBING PERMIT	2,653	2,000	1,850
3015	CRO	ELECTRICAL PERMIT	6,393	2,500	2,000
3016	CRO	PUBLIC SPACE EXCAVATION PERMIT	1	10	10
3021	ATO	VENDOR BONDS (NET OF REFUNDS)	773	773	500
3023	RMO	OTHER LICENSE FEES	7	6	6
3034	CRO	RAZE PERMIT	60	40	60
3035	CRO	RETAINING WALL PERMIT	17	15	15
3038	CRO	SIGN PERMIT	8	10	10
3039	CRO	SPECIAL SIGN PERMIT	21	20	20
3053	KVO	DEALER REGISTRATION APPLICATION FEE	5	0	0
TOTAL BUSINESS LICENSES AND PERMITS			48,756	32,621	31,981
NONBUSINESS LICENSES & PERMITS					
3100	TCO	HACK & LIMO LICENSES TEST	0	5	5
3100	KVO	DRIVERS LICENSE	4,271	3,500	3,333
3105	KVO	CANCEL ROAD TEST FEE	55	35	35
3106	KVO	CHANGE OF ADDRESS FEE	5	4	4
3120	FAO	BOAT REGISTRATION	186	185	186
3140	KVO	RECIPROCITY PERMIT	533	500	525
3144	KVO	DIGIT CERTIFICATE FEE	9	10	10
3145	KVO	PERSONALIZED TAGS	104	85	85

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Table 4-40 (continued)

General Purpose Non-Tax Revenue, by Source, Fiscal Years 2008-2010

(\$ in thousands)

Comp. Obj. Code	Agency	Object Title	FY 2008	FY 2009	FY 2010
			Actual	Revised	Projected
3147	KV0	DCTC ISSUANCES	248	260	260
3148	KV0	TEMPORARY TAGS	15	15	15
3149	KV0	TRANSFER OF TAGS	39	45	45
3150	KV0	VEHICLE REGISTRATION	30,573	23,577	23,500
3150	KV0	OUT OF STATE REGISTRATION FEE	30	30	30
3150	KV0	TEMPORARY DMV TAGS	23	0	0
3150	KV0	ASSOCIATED FEE FOR ONE YEAR	50	0	0
3161	KV0	ASSOCIATED FEE FOR THIRTY (30) DAYS	24	20	20
TOTAL NONBUSINESS LICENSES & PERMITS			36,165	28,271	28,053
TOTAL LICENSES & PERMITS			84,921	60,892	60,034
FINES & FORFEITURES					
5000	TC0	HACKERS FINES	13	11	11
5010	FA0	TRAFFIC FINES-RED LIGHT CAMERAS	11,211	5,500	6,250
5010	KV0	TRAFFIC FINES RSC 1501	88,027	101,363	101,740
5011	FA0	PHOTO RADAR ENFORCEMENT	-3,566	20,200	22,700
5020	KTO	SALE OF ABANDONED PROPERTY	1,759	1,500	1,500
5030	KTO	BOOTING FEES	291	300	300
5040	KTO	TOWING FEES-RSC 1505	211	250	250
5050	KTO	IMPOUNDMENT FEES-RSC 1506	293	350	350
5060	SRO	FINES AND FORFEITURES-OTHER	153	0	0
5060	LQ0	FINES AND FORFEITURES-OTHER	540	108	110
TOTAL FINES & FORFEITURES			98,932	129,582	133,211
MISCELLANEOUS					
5300	LA0	WASA - P.I.L.O.T.	12,414	12,414	15,487
5600	ATO	INTEREST INCOME	62,563	43,000	35,500
5600	BK0	INTEREST INCOME	0	450	450
5600	EBO	INTEREST INCOME	110	0	0
5600	FA0	INTEREST INCOME	1	0	0
5600	GDO	INTEREST INCOME	36	0	0
5700	ATO	UNCLAIMED PROPERTY	34,644	29,132	31,000
6100	AMO	SALE OF SURPLUS PROPERTY	0	436	436
6103	AS0	REIMBURSEMENTS	0	150	150
6103	DLO	REIMBURSEMENTS	1	0	0
6103	RMO	REIMBURSEMENTS	3	0	1
6106	AA0	OTHER REVENUES	4	0	0
6106	ATO	OTHER REVENUES	2,092	0	0

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Table 4-40 (continued)

General Purpose Non-Tax Revenue, by Source, Fiscal Years 2008-2010

(\$ in thousands)

Comp. Obj. Code	Agency	Object Title	FY 2008	FY 2009	FY 2010
			Actual	Revised	Projected
MISCELLANEOUS (cont)					
6106	BJO	OTHER REVENUE (OFF OF ZONING APPL FEES)	570	500	500
6106	BDO	OTHER REVENUES	4	0	0
6106	BNO	OTHER REVENUE	135	100	100
6106	CBO	OTHER REVENUE	65	300	300
6106	CJO	OTHER REVENUES	2	0	0
6106	CRO	OTHER REVENUE	507	150	150
6106	FAO	OTHER REVENUE	205	191	300
6106	FBO	OTHER REVENUES	200	150	150
6106	FLO	OTHER REVENUES	60	71	71
6106	FSO	OTHER REVENUES	3	0	0
6106	KAO	OTHER REVENUES	0	200	200
6106	KTO	OTHER REVENUE	63	95	95
6106	POO	OTHER REVENUES	13	0	0
6106	SRO	OTHER REVENUE	6	200	200
6106	RMO	OTHER REVENUE	0	5	5
6107	CRO	CIVIL INFRACTIONS	300	250	250
6107	KTO	OTHER REVENUE-FLEET AUTO AUCTION	0	25	25
6108	DHO	COCOT REGISTRATION	15	3	3
6109	KTO	OTHER REVENUE-CONTRACT BIDS	0	30	30
6111	9AT	OTHER REVENUE	44,253	1,500	1,500
6111	AMO	OTHER REVENUE	230	1,100	1,100
6111	FAO	OTHER REVENUE	0	25	25
6111	FBO	OTHER REVENUE	0	6	6
9200	RMO	MISCELLANEOUS-OTHER REVENUE	7	3	5
9205	RMO	SODA COMMISSIONS	4	1	3
		TIF MISCELLANEOUS	0	7,779	4,940
		CK GUARANTEE CONVENTION CTR LEASE PYT	0	3,050	3,050
TOTAL MISCELLANEOUS			158,510	101,316	96,032

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Table 4-40 (continued)

General Purpose Non-Tax Revenue, by Source, Fiscal Years 2008-2010

(\$ in thousands)

Comp. Obj. Code	Agency	Object Title	FY 2008	FY 2009	FY 2010
			Actual	Revised	Projected
CHARGES FOR SERVICES					
3200	DHO	TELECO REGISTRATION	13	10	10
3201	CRO	HOME OCCUPATION LICENSE	25	30	30
202	CRO	BOILER INSPECTION PERMITS	35	0	0
3204	CRO	ELEVATOR INSPECTION	202	15	15
3206	FAO	FINGERPRINTS, PHOTOS	463	375	375
3207	DHO	OTHER SERVICE CHARGES	260	100	75
3207	FLO	OTHER SERVICE CHARGES - OTHER	31	45	45
3255	KVO	REINSTATEMENT FEE/INSURANCE LAPSE FEES	5,439	5,000	5,250
3208	CRO	REPRODUCTION OF REPORTS	16	20	20
3208	FAO	REPRODUCTION OF REPORTS	45	25	25
3208	KVO	REPRODUCTION OF REPORTS	2,095	2,000	2,000
3208	RMO	MEDICAL RECORDS FEES	9	4	3
3208	TCO	MEDICAL RECORDS FEES	48	0	0
3209	FBO	EMERGENCY AMBULANCE FEES	12,412	18,000	18,000
3210	FAO	TRANSCRIPT OF RECORDS	329	260	260
3251	ATO	TAX CERTIFICATES	111	158	158
3211	ATO	FIREARM USER FEE	0	19	19
3211	FAO	FIREARM USER FEE	427	485	110
3215	KVO	VEHICLE TITLES RSC 1259	1,981	2,000	2,000
3219	CRO	WHARVES AND MARKETS	864	300	300
3220	CRO	SURVEYOR FEES	461	325	325
3221	ATO	DEED RECORDATION FEES	6,227	6,359	6,359
3221	KVO	RECORDATION FEE (RSC 1275)	582	550	550
3222	CRO	CORP RECORDATION	8,960	9,000	7,000
3223	KVO	PARKING FEES/PERMITS RSC 1314	2,197	1,550	1,550
3227	CRO	COND/COOP CERTIFICATE	2	30	30
3228	CRO	CONDO REGISTRATION	35	100	100
3237	KVO	BUSINESS-INSURANCE LAPSE FEES	116	60	60
3234	CRO	OTHER SERVICE CHARGES-OTHER	48	0	0
3234	KAO	OTHER SERVICE CHARGES-OTHER	5	2	2
3320	ATO	OTHER REVENUE-RENTALS	15	983	983
3320	RMO	OTHER REVENUE-RENTALS	40	30	32
3310	SRO	INVESTMENT ADVISORS ACT	0	215	215
TOTAL CHARGES FOR SERVICES			43,493	48,050	45,901
TOTAL NON-TAX REVENUE			385,856	339,841	335,178
OTHER FINANCING SOURCES					
6104	DCO	LOTTERY TRANSFER	70,300	70,300	65,775
TOTAL OTHER FINANCING SOURCES			70,300	70,300	65,775
TOTAL NON-TAX AND OTHER FINANCING SOURCES			456,156	410,141	400,953

Table 4-41

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

	FY 2008 End of Year Fund Balance	FY 2009 Certified Revenues 7/09 Cert.	FY 2009 Certified Fund Balance Use 7/09 Cert.	FY 2009 Certified Resources 7/09 Cert.	FY 2010 Certified Revenues 7/09 Cert.	FY 2010 Certified Fund Balance Use 7/09 Cert.	FY 2010 Certified Resources 7/09 Cert.	FY 2011 Certified Revenues 7/09 Cert.	FY2012 Certified Revenues 7/09 Cert.	FY2013 Certified Revenues 7/09 Cert.
A. Governmental Direction and Support										
Department of Real Estate Services (AM0)	3,411,184	6,521,994	2,000,000	8,521,994	7,522,089	1,000,000	8,522,089	8,521,994	8,521,994	8,521,994
1150 Utility Payments for Non-DC Agencies	173,023	0	0	0	0	0	0	0	0	0
1450 Parking Fees	0	545,276	0	545,276	545,371	0	545,371	545,276	545,276	545,276
1459 Rent	3,143,867	5,697,718	2,000,000	7,697,718	6,697,718	1,000,000	7,697,718	7,697,718	7,697,718	7,697,718
1460 Eastern Market Enterprise Fund	94,294	279,000	0	279,000	279,000	0	279,000	279,000	279,000	279,000
Office of Finance and Resource Management (AS0)	677,032	0	0	0	0	0	0	0	0	0
1150 Utilities Payment for Non-DC Agencies	677,032	0	0	0	0	0	0	0	0	0
Office of the Chief Financial Officer (AT0)	14,637,027	36,243,252	1,318,454	37,561,706	36,763,486	1,321,101	38,084,587	36,795,184	36,895,184	36,995,184
0602 Payroll Service Fees	0	300,000	0	300,000	300,000	0	300,000	300,000	300,000	300,000
0603 Service Contracts	0	1,050,000	0	1,050,000	1,050,000	0	1,050,000	1,050,000	1,050,000	1,050,000
0605 Dishonored Check Fees	0	498,992	0	498,992	504,429	0	504,429	504,429	504,429	504,429
0606 Recorder of Deeds Surcharge	7,407,563	1,350,000	1,318,454	2,668,454	1,350,000	1,318,454	2,668,454	1,500,000	1,500,000	1,500,000
0607 Miscellaneous Revenue	0	106,195	0	106,195	116,381	0	116,381	120,000	120,000	120,000
0610 Bank Fees	474,061	6,180,000	0	6,180,000	6,180,000	0	6,180,000	6,180,000	6,180,000	6,180,000
0611 Tax Collection Fees	0	14,600,000	0	14,600,000	14,600,000	0	14,600,000	14,600,000	14,600,000	14,600,000
0613 Unclaimed Property Contingency Fund	0	3,535,058	0	3,535,058	3,531,490	0	3,531,490	3,531,490	3,531,490	3,531,490
0614 Defined Contribution Plan Administration	0	150,000	0	150,000	241,906	0	241,906	153,569	153,569	153,569
0617 Baseball Financing Review Fund	80,000	0	0	0	0	0	0	0	0	0
0618 Compliance and Real Property Tax Admin. Fund	6,675,403	7,360,827	0	7,360,827	7,549,423	2,647	7,552,070	7,500,000	7,600,000	7,700,000
0619 DC Lottery Reimbursement	0	1,112,180	0	1,112,180	1,205,697	0	1,205,697	1,205,697	1,205,697	1,205,697
0623 OPEB Trust Administration Fund	0	0	0	0	134,160	0	134,160	150,000	150,000	150,000
Office of the Secretary (BA0)	0	561,727	0	561,727	561,727	0	561,727	561,727	561,727	561,727
1243 Distribution Fees	0	561,727	0	561,727	561,727	0	561,727	561,727	561,727	561,727
D.C. Department of Human Resources (BE0)	0	406,000	0	406,000	277,317	0	277,317	277,317	277,317	277,317
0615 Defined Benefits Retirement Program	0	219,709	0	219,709	168,853	0	168,853	168,853	168,853	168,853
1555 Reimbursables from Other Governments	0	186,291	0	186,291	108,464	0	108,464	108,464	108,464	108,464
Office of the Attorney General (CB0)	13,069,420	6,132,000	1,147,621	7,279,621	4,295,000	4,141,550	8,436,550	2,932,000	2,932,000	2,932,000
0601 Driving Under the Influence (DUI) Fund	0	200,000	0	200,000	200,000	0	200,000	200,000	200,000	200,000
0602 Anti-Trust Fund	1,060,231	1,000	543,640	544,640	0	488,399	488,399	0	0	0
0603 Child Support - TANF/AFDC Collections	6,877,483	2,500,000	247,422	2,747,422	2,500,000	1,423,986	3,923,986	2,000,000	2,000,000	2,000,000
0604 Child Support - Reimbursements & Fees	170,570	25,000	0	25,000	25,000	0	25,000	25,000	25,000	25,000
0605 Child Support - Interest Income	407,742	6,000	0	6,000	6,000	0	6,000	6,000	6,000	6,000
0606 Child Support - Title IVD Incentive Fees	107,141	800,000	0	800,000	1,563,000	0	1,563,000	700,000	700,000	700,000
0611 Consumer Protection Fund	3,534,984	2,500,000	0	2,500,000	0	1,684,876	1,684,876	0	0	0
0612 Anti-Fraud Fund	911,269	100,000	356,559	456,559	1,000	544,289	545,289	1,000	1,000	1,000

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Table 4-41 (continued)

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

	FY 2008 End of Year Fund Balance	FY 2009 Certified Revenues 7/09 Cert.	FY 2009 Certified Fund Balance Use 7/09 Cert.	FY 2009 Certified Resources 7/09 Cert.	FY 2010 Certified Revenues 7/09 Cert.	FY 2010 Certified Fund Balance Use 7/09 Cert.	FY 2010 Certified Resources 7/09 Cert.	FY 2011 Certified Revenues 7/09 Cert.	FY2012 Certified Revenues 7/09 Cert.	FY2013 Certified Revenues 7/09 Cert.
A. Governmental Direction and Support (cont)										
Office of Contracting and Procurement (P00)	1,804,255	1,026,344	196,303	1,222,647	1,000,000	193,235	1,193,235	1,100,000	1,252,012	1,395,000
4010 D.C. Surplus Personal Property Sales Oper.	868,782	498,157	45,078	543,235	550,000	193,235	743,235	575,000	625,000	675,000
6102 D.C. Supply Schedule Sales Discount/Operat.	935,473	528,187	151,225	679,412	450,000	0	450,000	525,000	627,012	720,000
Medical Liability Captive INS Agency (RJO)	0	0	0	0	1,000,000	0	1,000,000	1,005,000	1,100,000	1,150,000
1240 Captive Insurance Fund	0	0	0	0	1,000,000	0	1,000,000	1,005,000	1,100,000	1,150,000
Office of the Chief Technology Officer (T00)	1,084,155	1,950,905	860,866	2,811,771	2,035,000	0	2,035,000	2,035,000	2,035,000	2,035,000
0601 Tech City	223,290	0	0	0	0	0	0	0	0	0
1200 SERVUS Support	860,866	1,950,905	860,866	2,811,771	2,035,000		2,035,000	2,035,000	2,035,000	2,035,000
Sub-total: Governmental Direction and Support	34,683,073	52,842,222	5,523,244	58,365,466	53,454,619	6,655,886	60,110,505	53,228,222	53,575,234	53,868,222
B. Economic Development and Regulation										
Office of Planning (BD0)	73,795	15,000	0	15,000	15,000	45,000	60,000	15,000	15,000	15,000
2001 Historic Landmark & Historic District Filing Fees	73,795	15,000	0	15,000	15,000	45,000	60,000	15,000	15,000	15,000
Commission on the Arts and Humanities (BX0)	315,898	400,000	0	400,000	400,000	0	400,000	400,000	400,000	400,000
0600 Special Purpose Revenue	174,966	400,000	0	400,000	400,000	0	400,000	400,000	400,000	400,000
0610 Arts & Humanities Ent Fund; Party Animals Rev	140,661	0	0	0	0	0	0	0	0	0
6010 Arts and Technology Fund	271	0	0	0	0	0	0	0	0	0
Department of Employment Services (CF0)	34,991,080	35,124,133	4,400,000	39,524,133	31,624,040	9,232,153	40,856,193	29,767,674	29,767,674	29,767,674
0600 Special Purpose Revenue Fund	1,433,379	0	0	0	0	0	0	0	0	0
0610 Workers' Compensation - Special Fund	7,571,549	7,000,000	0	7,000,000	7,000,000	0	7,000,000	7,000,000	7,000,000	7,000,000
0611 Workers' Compensation - Administration Fund	11,992,338	17,725,676	2,900,000	20,625,676	18,372,831	1,900,000	20,272,831	18,367,674	18,367,674	18,367,674
0612 UI Interest/Penalties	1,238,274	868,792	0	868,792	868,792	0	868,792	400,000	400,000	400,000
0623 DOES Relocation Fund	580,939	0	0	0	0	100,000	100,000	0	0	0
0624 UI Administrative Assessment Tax	12,174,602	9,529,664	1,500,000	11,029,664	5,382,416	7,232,153	12,614,569	4,000,000	4,000,000	4,000,000
Office of the Tenant Advocate (CQ0)	4,438,507	750,000	1,742,303	2,492,303	1,500,000	1,506,719	3,006,719	1,000,000	1,000,000	1,000,000
6005 Condo Conversion	4,438,507	750,000	1,742,303	2,492,303	1,500,000	1,506,719	3,006,719	1,000,000	1,000,000	1,000,000
Dept. of Consumer and Regulatory Affairs (CR0)	14,463,428	14,285,000	6,148,137	20,433,137	17,529,905	4,375,292	21,905,197	9,640,000	15,915,000	9,640,000
6006 Nuisance Abatement	5,001,312	4,000,000	1,976,077	5,976,077	6,000,000	3,047,198	9,047,198	2,500,000	5,600,000	2,500,000
6008 Real Estate Guarantee and Education Fund	3,478,053	1,900,000	0	1,900,000	590,427	0	590,427	1,000,000	600,000	1,000,000
6009 Real Estate Appraisal Fee	0	60,000	0	60,000	142,001	0	142,001	60,000	140,000	60,000

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Table 4-41 (continued)

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

		FY 2008	FY 2009	FY 2009	FY 2009	FY 2010	FY 2010	FY 2010	FY 2011	FY2012	FY2013
		End of	Certified	Certified Fund	Certified	Certified	Certified Fund	Certified	Certified	Certified	Certified
		Year Fund	Revenues	Balance Use	Resources	Revenues	Balance Use	Resources	Revenues	Revenues	Revenues
		Balance	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.
Dept. of Consumer and Regulatory Affairs (CRO) (cont)											
6010	OPLA Special Account	2,156,809	1,500,000	305,725	1,805,725	2,509,659	0	2,509,659	1,650,000	2,000,000	1,650,000
6011	Special Events Revolving	0	30,000	0	30,000	30,000	0	30,000	30,000	30,000	30,000
6012	Boxing Commission Revolving Account	0	75,000	0	75,000	92,792	0	92,792	75,000	95,000	75,000
6013	Basic Business License Fund	812,923	5,000,000	3,012,160	8,012,160	6,000,000	818,412	6,818,412	2,950,000	5,000,000	2,950,000
6014	Fire Protection Special Revolving	0	100,000	0	100,000	100,000	0	100,000	100,000	100,000	100,000
6020	Board of Engineers Fund	1,497,236	120,000	20,000	140,000	572,256	0	572,256	175,000	550,000	175,000
6025	Construction/Zoning Compliance Mgmt. Fund	1,000,493	1,000,000	834,175	1,834,175	942,770	0	942,770	600,000	1,000,000	600,000
6030	Green Building Fund	516,603	500,000	0	500,000	550,000	509,682	1,059,682	500,000	800,000	500,000
Office of Cable TV and Telecommunications (CT0)		7,908,037	6,800,000	500,000	7,300,000	7,921,995	1,502,346	9,424,341	7,700,000	7,700,000	7,800,000
0600	Cable Franchise Fees	7,908,037	6,800,000	500,000	7,300,000	7,921,995	1,502,346	9,424,341	7,700,000	7,700,000	7,800,000
Dept. of Housing and Community Development (DB0)		13,506,513	4,405,924	14,056,965	18,462,889	4,602,974	6,000,000	10,602,974	4,343,439	4,431,919	4,524,824
0602	Home Purchase Assistance Program Repayment	4,867,116	1,832,308	0	1,832,308	1,685,350	0	1,685,350	1,769,618	1,858,098	1,951,003
0603	Land Acquisition for Housing Dev. Opportunities	3,806,186	0	3,806,186	3,806,186	0	0	0	0	0	0
0604	Senior Citizens Home Repair	77,258	0	0	0	0	0	0	0	0	0
0605	Multi-Family/ Rehabilitation Repayment	3,943,446	0	3,483,157	3,483,157	0	0	0	0	0	0
0607	Low Income Housing Tax Credit Program	(46,480)	0	0	0	0	0	0	0	0	0
0608	Nuisance Abatement	(90,820)	0	0	0	343,803	0	343,803	0	0	0
0610	DHCD Unified Fund		2,573,616	6,000,000	8,573,616	2,573,821	6,000,000	8,573,821	2,573,821	2,573,821	2,573,821
0623	Home Again Revolving Fund	949,807	0	767,622	767,622	0	0	0	0	0	0
Public Service Commission (DH0)		226,122	9,971,963	0	9,971,963	10,134,072	0	10,134,072	10,134,072	10,134,072	10,134,072
0631	Operating - Utility Assessment	226,122	9,971,963	0	9,971,963	10,134,072	0	10,134,072	10,134,072	10,134,072	10,134,072
Office of the People's Counsel (DJ0)		191,970	5,024,793	0	5,024,793	5,192,413	0	5,192,413	5,192,413	5,192,413	5,192,413
0631	Advocate for Consumers	191,970	5,024,793	0	5,024,793	5,192,413	0	5,192,413	5,192,413	5,192,413	5,192,413
Office of the Deputy Mayor for Econ. Develop. (EB0)		59,221,603	28,400,000	6,500,000	34,900,000	4,493,921	4,567,770	9,061,691	4,493,921	4,493,921	4,493,921
0609	Industrial Revenue Bond Program	9,091,590	2,100,000	4,000,000	6,100,000	2,000,000	2,067,770	4,067,770	2,000,000	2,000,000	2,000,000
0626	AWC Integration	164,466	0	0	0	0	0	0	0	0	0
0630	Funds from AWC NEDCO EDFC	(2,338,155)	0	0	0	1,729,866	2,500,000	4,229,866	1,729,866	1,729,866	1,729,866
0632	AWC & NCRC Development (ED Special Account)	52,250,703	3,300,000	2,500,000	5,800,000	764,055	0	764,055	764,055	764,055	764,055
2002	Revolving Loan Fund (2467)	53,000	0	0	0	0	0	0	0	0	0
2003	Capital City Part (2579)	0	23,000,000	0	23,000,000	0	0	0	0	0	0

(Continued on next page)

Table 4-41 (continued)

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

	FY 2008 End of Year Fund Balance	FY 2009 Certified Revenues 7/09 Cert.	FY 2009 Certified Fund Balance Use 7/09 Cert.	FY 2009 Certified Resources 7/09 Cert.	FY 2010 Certified Revenues 7/09 Cert.	FY 2010 Certified Fund Balance Use 7/09 Cert.	FY 2010 Certified Resources 7/09 Cert.	FY 2011 Certified Revenues 7/09 Cert.	FY2012 Certified Revenues 7/09 Cert.	FY2013 Certified Revenues 7/09 Cert..
Dept. of Small and Local Business Development (ENO)	495,829	0	0	0	0	0	0	0	0	0
0622 Commercial Trust Fund	495,829	0	0	0	0	0	0	0	0	0
Business Improvements Districts Transfer (ID0)	2,060	0	0	0	23,000,000	0	23,000,000	23,000,000	23,000,000	23,000,000
0600 BIDs - Tax Transfer	2,060	0	0	0	23,000,000	0	23,000,000	23,000,000	23,000,000	23,000,000
Alcoholic Beverage Regulation Administration (LQ0)	4,271,603	3,700,000	2,545,142	6,245,142	3,823,766	1,682,663	5,506,429	4,200,000	3,800,000	4,200,000
6017 ABC Import and Class License Fees	4,146,284	3,700,000	2,545,142	6,245,142	3,823,766	1,682,663	5,506,429	4,200,000	3,800,000	4,200,000
6018 ABC Keg Registration Fees	125,318	0	0	0	0	0	0	0	0	0
Dept. of Insurance, Securities and Banking (SR0)	1,732,790	28,324,440	0	28,324,440	27,170,856	0	27,170,856	29,379,599	30,081,029	30,081,029
0615 Junior Supersavers Club	9,000	0	0	0	0	0	0	0	0	0
2100 HMO Assessment Fee	572,548	1,104,440	0	1,104,440	710,000	0	710,000	1,133,000	1,166,990	1,166,990
2200 Insurance Assessment Fee	1,010,945	9,000,000	0	9,000,000	7,600,000	0	7,600,000	9,270,000	9,548,100	9,548,100
2300 Securities/ Broker Dealer Licenses Fees	0	4,500,000	0	4,500,000	4,635,000	0	4,635,000	4,635,000	4,774,050	4,774,050
2492 State Filings	139,477	0	0	0	0	0	0	0	0	0
2500 Investment Advisors Licenses	0	340,000	0	340,000	350,200	0	350,200	350,200	360,706	360,706
2600 Securities Registration Fees	0	7,760,000	0	7,760,000	9,000,000	0	9,000,000	7,992,800	8,232,584	8,232,584
2700 Insurance Recovery Fund	820	0	0	0	0	0	0	0	0	0
2800 Captive Insurance	0	2,620,000	0	2,620,000	1,857,116	0	1,857,116	2,698,599	2,698,599	2,698,599
2900 Banking Trust Fund	0	3,000,000	0	3,000,000	3,018,540	0	3,018,540	3,300,000	3,300,000	3,300,000
Sub-total: Economic Development and Regulation	141,839,236	137,201,252	35,892,547	173,093,799	137,408,942	28,911,944	166,320,885	129,266,118	135,931,028	130,248,933
C. Public Safety and Justice										
Metropolitan Police Department (FA0)	1,061,757	12,457,907	100,000	12,557,907	16,975,000	100,000	17,075,000	16,975,000	16,725,000	16,475,000
1431 Data Processing	0	30,000	0	30,000	50,000	0	50,000	50,000	50,000	50,000
1555 Reimbursable from Other Governments	0	325,000	0	325,000	325,000	0	325,000	325,000	325,000	325,000
1607 Sale of Unclaimed Property	436,562	400,000	100,000	500,000	400,000	100,000	500,000	400,000	400,000	400,000
1614 Miscellaneous Reimbursements	0	2,700,000	0	2,700,000	2,500,000	0	2,500,000	2,500,000	2,500,000	2,500,000
1660 Automated Traffic Enforcement	0	7,757,907	0	7,757,907	12,000,000	0	12,000,000	12,000,000	11,750,000	11,500,000
1988 Drug Interdiction	416,801	0	0	0	0	0	0	0	0	0
2531 Narcotics Proceeds	(293,280)	475,000	0	475,000	700,000	0	700,000	700,000	700,000	700,000
2532 Gambling Proceeds	0	120,000	0	120,000	350,000	0	350,000	350,000	350,000	350,000
7278 Asset Forfeiture	501,674	650,000	0	650,000	650,000	0	650,000	650,000	650,000	650,000

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Table 4-41 (continued)

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

	FY 2008 End of Year Fund Balance	FY 2009 Certified Revenues 7/09 Cert.	FY 2009 Certified Fund Balance Use 7/09 Cert.	FY 2009 Certified Resources 7/09 Cert.	FY 2010 Certified Revenues 7/09 Cert.	FY 2010 Certified Fund Balance Use 7/09 Cert.	FY 2010 Certified Resources 7/09 Cert.	FY 2011 Certified Revenues 7/09 Cert.	FY2012 Certified Revenues 7/09 Cert.	FY2013 Certified Revenues 7/09 Cert.
C. Public Safety and Justice (cont)										
Fire and Emergency Medical Services Dept. (FB0)	205,595	844,000	67,000	911,000	1,520,000	0	1,520,000	1,650,368	1,699,879	1,750,876
1613 Other Revenue	0	20,000	0	20,000	20,000	0	20,000	21,766	22,419	23,092
6100 Special Event Fees	205,595	824,000	67,000	891,000	1,500,000	0	1,500,000	1,628,602	1,677,460	1,727,784
Office of Victim Services (FE0)	7,069,156	2,500,000	7,211,000	9,711,000	2,500,000	5,525,373	8,025,373	2,500,000	2,500,000	2,500,000
0620 Crime Victims Assistance Fund	7,069,156	2,500,000	3,511,000	6,011,000	2,500,000	1,878,433	4,378,433	2,500,000	2,500,000	2,500,000
0621 Dom. Violence Shelter & Transition Housing Fund	0	0	3,700,000	3,700,000	0	3,646,940	3,646,940	0	0	0
Department of Corrections (FL0)	0	35,242,633	25,000	35,267,633	35,468,195	25,000	35,493,195	32,735,000	32,735,000	32,735,000
0600 Corrections Trustee Reimbursement	0	34,492,633	0	34,492,633	34,743,195	0	34,743,195	32,000,000	32,000,000	32,000,000
0601 Concession Income	0	700,000	0	700,000	700,000	0	700,000	700,000	700,000	700,000
0602 Welfare Account	0	50,000	25,000	75,000	25,000	25,000	50,000	35,000	35,000	35,000
Office of Administrative Hearings (FS0)	0	8,500	0	8,500	8,500	0	8,500	6,500	6,000	5,000
0614 Adjudication Fines and Fees	0	8,500	0	8,500	8,500	0	8,500	6,500	6,000	5,000
Motor Vehicle Theft Prevention Commission (FW0)	0	250,000	0	250,000	250,000	0	250,000	250,000	250,000	250,000
0601 Insurance Violation Fines	0	250,000	0	250,000	250,000	0	250,000	250,000	250,000	250,000
Office of the Chief Medical Examiner (FX0)	203,013	195,000	109,000	304,000	205,000	69,000	274,000	210,000	215,000	220,000
0601 Medical Examiner Fees	203,013	195,000	109,000	304,000	205,000	69,000	274,000	210,000	215,000	220,000
Office of Unified Communications (UC0)	4,110,165	12,500,000	3,102,435	15,602,435	12,500,000	1,352,461	13,852,461	12,500,000	12,500,000	12,500,000
0600 Other Funds	1,633,826	0	0	0	0	663,623	663,623	0	0	0
1630 911 & 311 Assessments	2,476,339	12,500,000	3,102,435	15,602,435	12,500,000	688,838	13,188,838	12,500,000	12,500,000	12,500,000
Sub-total: Public Safety and Justice	12,649,686	63,998,041	10,614,435	74,612,476	69,426,695	7,071,834	76,498,529	66,826,868	66,630,879	66,435,876

(Continued on next page)

Table 4-41 (continued)

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

	FY 2008	FY 2009	FY 2009	FY 2009	FY 2010	FY 2010	FY 2010	FY 2011	FY2012	FY2013
	End of	Certified	Certified Fund	Certified	Certified	Certified Fund	Certified	Certified	Certified	Certified
	Year Fund	Revenues	Balance Use	Resources	Revenues	Balance Use	Resources	Revenues	Revenues	Revenues
	Balance	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.
D. Public Education System										
District of Columbia Public Library (CE0)	710,871	266,616	318,500	585,116	719,450	125,360	844,810	719,450	719,450	719,450
6102 Bookstore	137,788	50,616	40,000	90,616	65,000	27,810	92,810	65,000	65,000	65,000
6103 Restricted Fines	337,410	135,000	165,500	300,500	169,000	91,000	260,000	169,000	169,000	169,000
0104 Gifts-Donations	5,863	0	0	0	0	0	0	0	0	0
6108 Copies and Printing	17,899	72,000	0	72,000	72,000	0	72,000	72,000	72,000	72,000
0109 Miscellaneous Customer Service	9,080	0	0	0	0	0	0	0	0	0
6110 Miscellaneous	52,824	9,000	11,000	20,000	13,450	6,550	20,000	13,450	13,450	13,450
0140 Restricted Gifts & Donations	7,318	0	0	0	0	0	0	0	0	0
6150 SLD E-Rate Reimbursement	120,911	0	102,000	102,000	400,000	0	400,000	400,000	400,000	400,000
0190 Franklin Restitution Payment	21,778	0	0	0	0	0	0	0	0	0
District of Columbia Public Schools (GA0)	5,865,522	3,671,268	0	3,671,268	4,004,872	0	4,004,872	4,125,017	4,310,644	4,569,283
0601 Lease Income - Security Deposits	17,643	0	0	0	0	0	0	0	0	0
0602 ROTC	2,077,752	974,463	0	974,463	1,032,959	0	1,032,959	1,063,948	1,111,825	1,178,535
0604 Pepco/Washington Gas	482,301	141,275	0	141,275	253,483	0	253,483	261,087	272,836	289,207
0607 Custodial	573,614	340,126	0	340,126	366,012	0	366,012	376,992	393,957	417,594
0608 Nonresident	1,709,611	529,370	0	529,370	506,803	0	506,803	522,007	545,497	578,227
0609 Security Deposits	1,137,077	312,549	0	312,549	431,446	0	431,446	444,389	464,387	492,250
0611 Cafeteria	(94,507)	959,657	0	959,657	936,055	0	936,055	964,137	1,007,523	1,067,974
0613 Vending Machine Sales	(231,421)	180,483	0	180,483	290,402	0	290,402	299,114	312,574	331,329
0621 Parking Fees	0	76,276	0	76,276	70,000	0	70,000	72,100	75,345	79,865
0623 Hoop Dreams Scholarship Fund	178,910	54,069	0	54,069	67,712	0	67,712	69,743	72,882	77,255
0626 TDL Career Cluster Project at Cardozo	14,543	0	0	0	0	0	0	0	0	0
0630 Teacher Certification Fees	0	103,000	0	103,000	50,000	0	50,000	51,500	53,818	57,047
Public Charter School Board (GB0)	0	1,800,000	0	1,800,000	1,976,293	0	1,976,293	2,076,273	2,176,273	2,276,273
6632 Administrative Fee	0	1,800,000	0	1,800,000	1,976,293	0	1,976,293	2,076,273	2,176,273	2,276,273
Office of the State Superintendent of Edu..(GD0)	10,294,292	173,000	10,560,000	10,733,000	173,000	10,500,000	10,673,000	173,000	173,000	173,000
0603 State Superintendent of Education Fees	0	166,000	0	166,000	166,000	0	166,000	166,000	166,000	166,000
0610 Charter School Credit Enhancement Fund	10,208,673	0	10,500,000	10,500,000	0	10,500,000	10,500,000	0	0	0
6007/6010 Site Evaluation Visits / OPLA - Special Account	85,618	7,000	60,000	67,000	7,000	0	7,000	7,000	7,000	7,000
Office of Public Educ. Facilities Modern.. (GM0)	11,777,696	3,285,646	0	3,285,646	3,285,646	0	3,285,646	3,285,646	3,285,646	3,285,646
0603 Lease Income	380,226	3,285,646	0	3,285,646	3,285,646	0	3,285,646	3,285,646	3,285,646	3,285,646
0627 BOE - Real Property Improvement Fund	11,397,471	0	0	0	0	0	0	0	0	0
Sub-total: Public Education System	28,648,380	9,196,530	10,878,500	20,075,030	10,159,261	10,625,360	20,784,621	10,379,386	10,665,013	11,023,652

(Continued on next page)

Table 4-41 (continued)

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

	FY 2008 End of Year Fund Balance	FY 2009 Certified Revenues 7/09 Cert.	FY 2009 Certified Fund Balance Use 7/09 Cert.	FY 2009 Certified Resources 7/09 Cert.	FY 2010 Certified Revenues 7/09 Cert.	FY 2010 Certified Fund Balance Use 7/09 Cert.	FY 2010 Certified Resources 7/09 Cert.	FY 2011 Certified Revenues 7/09 Cert.	FY2012 Certified Revenues 7/09 Cert.	FY2013 Certified Revenues 7/09 Cert..
E. Human Support Services										
Department of Parks and Recreation (HA0)	372,065	2,100,000	392,127	2,492,127	2,100,000	384,596	2,484,596	2,800,000	2,900,000	3,000,000
0602 Enterprise Fund Account	372,065	2,100,000	392,127	2,492,127	2,100,000	384,596	2,484,596	2,800,000	2,900,000	3,000,000
Department of Health (HC0)	14,019,594	15,818,644	2,323,582	18,142,226	12,235,291	2,036,629	14,271,919	12,478,901	12,433,862	12,971,945
0600 Special Purpose Revenue Fund	1,487	0	0	0	0	0	0	0	0	0
0601 Medical Examiners Fees	33,022	0	0	0	0	0	0	0	0	0
0605 SHPDA Fees	867,342	465,268	0	465,268	515,465	0	515,465	525,774	536,290	547,016
0606 Vital Records Revenue	975,998	2,950,792	384,024	3,334,816	2,888,819	536,400	3,425,219	2,946,595	3,005,527	3,065,638
0608 Drug Interdiction Fund	399,173	266,017	383,983	650,000	325,428	0	325,428	331,936	338,575	345,347
0610 Methadone Fees	(10,237)	0	0	0	0	0	0	0	0	0
0611 Radioactive Waste Fees	11,605	0	0	0	0	0	0	0	0	0
0612 Food Handlers Certification	1,276,827	1,000,000	308,388	1,308,388	1,237,650	0	1,237,650	1,262,402	1,000,000	1,313,403
0613/0614 Adjudication Hearings/Adjudication Fines	382,375	0	0	0	0	0	0	0	0	0
0617 Office of Professional Licensing	118,741	27,994	0	27,994	40,072	0	40,072	40,783	41,691	42,525
0621 UDC Health Clinic Reimbursement	79,050	359,353	0	359,353	0	0	0	0	0	0
0632 Pharmacy Protection	1,067,843	973,244	0	973,244	831,203	59,367	890,570	847,827	864,784	882,079
0633 Radiation Protection	449,068	132,536	205,080	337,616	155,000	0	155,000	158,100	161,262	164,487
0638 Animal Control Dog License Fees and Fines	218,751	89,400	0	89,400	84,777	0	84,777	89,472	88,201	89,966
0641 Other Medical Licenses and Fees	23,665	746	0	746	1,119	0	1,119	1,141	1,164	1,187
0642 Medicaid Reimbursement - APRA	24,674	0	0	0	0	0	0	0	0	0
0643 Board of Medicine	1,943,010	8,018,420	637,189	8,655,609	4,999,034	1,414,361	6,413,395	5,099,014	5,200,995	5,305,015
0649 Health Facility Fee	343,987	158,872	0	158,872	134,644	1,500	136,144	137,336	140,083	142,885
0650 Human Services Facility Fee	457,252	0	0	0	0	0	0	0	0	0
0652 DC Superior Courts PHSA Agreement	0	394,795	0	394,795	0	0	0	0	0	0
0653 DC General Collections	2,683,792	0	0	0	0	0	0	0	0	0
0655 SHPDA Admission Fee	597,311	462,152	0	462,152	523,885	0	523,885	534,363	545,050	555,951
0656 EMS Fees	105,510	54,153	0	54,153	58,773	0	58,773	59,948	61,147	62,370
0658 Public Health Laboratory Fees	215,810	38,014	101,986	140,000	32,409	0	32,409	33,057	33,718	34,392
0661 ICF/MR Fees and Fines	93,227	11,181	21,318	32,499	15,068	25,000	40,068	15,369	15,676	15,990
0662 Civil Monetary Penalties	270,068	77,111	72,889	150,000	38,556	0	38,556	39,327	40,113	40,916
0670 HCSN Revolving Fund	1,527,548	0	0	0	0	0	0	0	0	0
0673 DOH Regulatory Enforcement Fund	(137,304)	138,596	8,725	147,321	153,389	0	153,389	156,457	159,586	162,778
0675 APRA-DCHE New Communities Initiative	0	200,000	200,000	400,000	200,000	0	200,000	200,000	200,000	200,000

(Continued on next page)

Table 4-41 (continued)

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

	FY 2008	FY 2009	FY 2009	FY 2009	FY 2010	FY 2010	FY 2010	FY 2011	FY2012	FY2013
	End of	Certified	Certified Fund	Certified	Certified	Certified Fund	Certified	Certified	Certified	Certified
	Year Fund	Revenues	Balance Use	Resources	Resources	Balance Use	Resources	Revenues	Revenues	Revenues
	Balance	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.
E. Human Support Services (cont)										
Department of Health Care Finance (HT0)	35,566,937	1,950,528	31,977	1,982,505	1,977,000	75,000	2,052,000	1,977,000	1,991,310	2,006,049
0631 Medicaid Collections - Other	0	1,500,000	0	1,500,000	1,500,000	0	1,500,000	1,500,000	1,500,000	1,500,000
0632 Bill of Rights - Grievance and Appeals	906,642	450,528	31,977	482,505	477,000	75,000	552,000	477,000	491,310	506,049
0672 MAA Nursing Facility Quality of Care Fund	34,660,296	0	0	0	0	0	0	0	0	0
Department of Human Services (JA0)	2,863,921	2,695,000	0	2,695,000	2,725,000	0	2,725,000	2,750,250	2,775,753	2,801,510
0600 Special Purpose Revenue Fund	42,740	0	0	0	0	0	0	0	0	0
0603 SSI Payback	2,821,181	2,500,000	0	2,500,000	2,525,000	0	2,525,000	2,550,250	2,575,753	2,601,510
0613 Food Stamps Collection - Fraud	0	195,000	0	195,000	200,000	0	200,000	200,000	200,000	200,000
Department on Disability Services (JM0)	533,231	6,200,000	0	6,200,000	6,200,000	0	6,200,000	6,200,000	6,200,000	6,200,000
0610 Vocational Rehab Service Reimbursement	370	200,000	0	200,000	200,000	0	200,000	200,000	200,000	200,000
0611 Cost of Care - Non-Medicaid Clients	0	2,500,000	0	2,500,000	2,500,000	0	2,500,000	2,500,000	2,500,000	2,500,000
0616 Randolph Shepherd Unassigned Facilities	532,861	3,500,000	0	3,500,000	3,500,000	0	3,500,000	3,500,000	3,500,000	3,500,000
Child and Family Services Agency (RL0)	0	750,000	0	750,000	750,000	0	750,000	750,000	750,000	750,000
0601 H.U.M.N. - Human Res. - ES	0	750,000	0	750,000	750,000	0	750,000	750,000	750,000	750,000
Department of Mental Health (RM0)	0	4,908,120	0	4,908,120	3,808,120	0	3,808,120	3,808,120	3,808,120	3,808,120
0610 DMH Federal Beneficiary Reimbursement	0	2,568,000	0	2,568,000	2,468,000	0	2,468,000	2,468,000	2,468,000	2,468,000
0640 DMH Medicare and Third Party Reimbursement	0	2,340,120	0	2,340,120	1,340,120	0	1,340,120	1,340,120	1,340,120	1,340,120
Sub-total: Human Support Services	53,355,749	34,422,292	2,747,686	37,169,978	29,795,411	2,496,225	32,291,635	30,764,271	30,859,045	31,537,624
F. Public Works										
District Department of Transportation (KA0)	5,886,089	90,510,373	10,150,000	100,660,373	76,746,237	10,000,000	86,746,237	89,571,903	90,422,339	91,298,288
6000 General "O" Type Revenue Sources	0	20,000	0	20,000	20,000	0	20,000	20,000	20,000	20,000
6030 DC Circulator Bus System	0	1,700,000	0	1,700,000	1,200,000	0	1,200,000	1,200,000	1,200,000	1,200,000
6140 Tree Fund (est. DC Act 14-614)	329,665	150,000	150,000	300,000	300,000	0	300,000	300,000	300,000	300,000
6425 Federal Transit Authority Grant Match	0	72,000	0	72,000	72,000	0	72,000	72,000	72,000	72,000
6452 Child Safety Seat Program	0	21,072	0	21,072	21,072	0	21,072	21,072	21,072	21,072
6462 Restoration of Public Space Projects	0	27,728	0	27,728	27,728	0	27,728	27,728	27,728	27,728
6555 Mall Tunnel Lighting	0	282,552	0	282,552	282,552	0	282,552	282,552	282,552	282,552
6634 Citizen Streetlight & Traffic Control Project	0	45,000	0	45,000	45,000	0	45,000	45,000	45,000	45,000
6900 DDOT Unified Fund	5,553,602	88,192,021	10,000,000	98,192,021	74,777,885	10,000,000	84,777,885	87,603,551	88,453,987	89,329,936
6967 Abandoned Vehicle Program	2,823	0	0	0	0	0	0	0	0	0

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Table 4-41 (continued)

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

	FY 2008	FY 2009	FY 2009	FY 2009	FY 2010	FY 2010	FY 2010	FY 2011	FY2012	FY2013
	End of	Certified	Certified Fund	Certified	Certified	Certified Fund	Certified	Certified	Certified	Certified
	Year Fund	Revenues	Balance Use	Resources	Revenues	Balance Use	Resources	Revenues	Revenues	Revenues
	Balance	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.
F. Public Works (cont)										
Washington Metro Area Transit Authority (KE0)	0	0	0	0	12,000,000	0	12,000,000	0	0	0
6900 DDOT Unified Fund	0	0	0	0	12,000,000	0	12,000,000	0	0	0
District Department of the Environment (KG0)	32,562,034	40,264,807	5,318,403	45,583,210	39,066,580	2,438,085	41,504,665	43,247,971	44,545,411	45,881,773
0600 General Enforcement Fines and Fees	26,900	75,000	16,400	91,400	75,000	25,000	100,000	77,250	79,568	81,955
0602 Air Quality Construction Permits	156,137	88,853	116,476	205,329	178,000	41,956	219,956	183,340	188,840	194,505
0603 Fishing License	266,682	70,857	0	70,857	70,857	30,000	100,857	72,983	75,172	77,427
0604 Oil Spill Fee	19,200	150,000	0	150,000	150,000	0	150,000	154,500	159,135	163,909
0607 Underground Storage Tank Fines and Fees	1,329,608	416,349	0	416,349	381,000	100,000	481,000	391,400	403,142	415,236
0609 LUST Trust Fund	41,150	0	40,000	40,000	0	40,000	40,000	0	0	0
0634 Soil Erosion/Sediment Control	4,626,878	1,300,000	0	1,300,000	2,600,000	0	2,600,000	2,678,000	2,758,340	2,841,090
0645 Pesticide Product Registration	3,166,226	886,927	0	886,927	886,927	756,073	1,643,000	913,535	940,941	969,169
0646 Storm Water Fees	114,329	25,750	0	25,750	46,890	67,110	114,000	48,297	49,746	51,238
0648 Asbestos Certification and Abatement Fee	171,334	203,450	0	203,450	247,313	9,348	256,661	254,733	262,375	270,246
0654 Storm Water Permit Review	7,266,323	13,329,800	0	13,329,800	10,345,800	0	10,345,800	13,729,694	14,141,585	14,565,832
0662 Renewable Energy Development Fund	207,590	207,590	0	207,590	213,818	0	213,818	220,232	226,839	233,644
0663 Brownfield Revitalization	145,311	25,000	0	25,000	56,964	103,036	160,000	58,673	60,433	62,246
0664 Adjudication Hearings (Air Quality)	88,524	25,000	0	25,000	53,209	0	53,209	54,805	56,449	58,143
0665 Adjudication Hearings (Water Quality)	430,576	66,286	0	66,286	92,237	11,000	103,237	95,004	97,854	100,789
0666 Wells Fund	2,000	2,500	0	2,500	59,000	0	59,000	60,770	62,593	64,471
0669 Lead Based Certification Fees	434,806	162,000	19,000	181,000	207,775	397,923	605,698	214,008	220,428	227,041
0674 Hazardous Generator Fees	271,138	112,000	25,027	137,027	94,910	84,090	179,000	97,758	100,690	103,711
6101 Stripperwell	152,385	0	77,000	77,000	14,759	67,241	82,000	15,202	15,658	16,128
6201 Economy II	81,305	34,500	24,500	59,000	48,561	13,439	62,000	50,018	51,519	53,064
6202 Residential Aid Discount (RAD)	137,658	61,930	0	61,930	61,930	0	61,930	63,788	65,702	67,673
6203 Residential Essential Services (RES)	114,866	63,741	0	63,741	53,477	0	53,477	55,081	56,733	58,435
6204 WASA Utility Discount Program	145,209	76,274	0	76,274	68,009	0	68,009	68,009	70,049	72,151
6400 DC Municipal Aggregation Program	274,114	94,000	0	94,000	213,867	0	213,867	220,283	226,892	233,698
6700 Sustainable Energy Trust Fund	6,445,891	16,487,000	3,400,000	19,887,000	16,487,000	0	16,487,000	16,981,610	17,491,058	18,015,790
6800 Energy Assistance Trust Fund	6,445,891	6,300,000	1,600,000	7,900,000	6,359,277	691,870	7,051,147	6,489,000	6,683,670	6,884,180
Department of Public Works (KT0)	646,474	7,629,000	8,540	7,637,540	9,623,959	0	9,623,959	7,629,000	7,629,000	7,629,000
6000 General "O" Type Revenue Sources	0	1,400,000	0	1,400,000	2,580,499	0	2,580,499	1,400,000	1,400,000	1,400,000
6010 Super Can Program	0	24,000	0	24,000	24,000	0	24,000	24,000	24,000	24,000
6072 District Recycle Program	(0)	200,000	0	200,000	752,095	0	752,095	200,000	200,000	200,000
6082 Solid Waste Disposal Fee Fund	0	5,000,000	0	5,000,000	5,000,000	0	5,000,000	5,000,000	5,000,000	5,000,000

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Table 4-41 (continued)

Special Purpose (O-Type) Revenue Funds, by Source: July 2009 Certifications

	FY 2008	FY 2009	FY 2009	FY 2009	FY 2010	FY 2010	FY 2010	FY 2011	FY2012	FY2013	
	End of	Certified	Certified Fund	Certified	Certified	Certified Fund	Certified	Certified	Certified	Certified	
	Year Fund	Revenues	Balance Use	Resources	Revenues	Balance Use	Resources	Revenues	Revenues	Revenues	
	Balance	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	7/09 Cert.	
E. Public Works (cont)											
Department of Public Works (KT0) (cont)											
6591	Clean City Fund	8,540	1,005,000	8,540	1,013,540	1,267,365	0	1,267,365	1,005,000	1,005,000	1,005,000
6967	Abandoned Vehicle Program	637,934	0	0	0	0	0	0	0	0	0
Department of Motor Vehicles (KV0)											
7,965,530 9,606,065 2,318,442 11,924,507 9,660,065 4,345,647 14,005,712 9,744,766 9,744,766 9,744,766											
6000	General "O" Type Revenue Sources	3,040,249	2,700,000	2,064,507	4,764,507	2,754,000	75,417	2,829,417	2,781,540	2,781,540	2,781,540
6100	Fee for Out-of-State Vehicle Registration	235,736	400,000	0	400,000	400,000	0	400,000	400,000	400,000	400,000
6221	Drivers Education Program	1,578,849	525,000	0	525,000	525,000	1,267,285	1,792,285	525,000	525,000	525,000
6258	Motor Vehicle Inspection Station	3,110,696	5,716,065	253,935	5,970,000	5,716,065	3,002,945	8,719,010	5,773,226	5,773,226	5,773,226
6785	Commercial Drivers License Program	0	265,000	0	265,000	265,000	0	265,000	265,000	265,000	265,000
D.C. Taxicab Commission (TC0)											
414,243 623,011 136,511 759,522 589,714 78,223 667,937 425,000 430,000 435,000											
2100	Justice Department Fingerprints	0	40,000	0	40,000	44,714	0	44,714	40,000	40,000	40,000
2200	Taxicab Assessment Act	414,243	583,011	136,511	719,522	545,000	78,223	623,223	385,000	390,000	395,000
Sub-total: Public Works 47,474,370 148,633,256 17,931,896 166,565,152 147,686,555 16,861,955 164,548,510 150,618,640 152,771,516 154,988,827											
G. Debt Service and Paygo											
Debt Service and Paygo 0 0 0 0 6,449,000 0 6,449,000 4,204,000 4,372,000 4,547,000											
	Debt Service (DSO): Debt Serv. Owed from Unified Fund	0	0	0	0	3,465,000	0	3,465,000	4,204,000	4,372,000	4,547,000
	Paygo (PAO): Stormwater Permit Fund 0654	0	0	0	0	2,984,000	0	2,984,000	0	0	0
Sub-total: Other 0 0 0 0 6,449,000 0 6,449,000 4,204,000 4,372,000 4,547,000											
District-Wide Total 318,650,494 446,293,593 83,588,308 529,881,901 454,380,482 72,623,203 527,003,685 445,287,506 454,804,715 452,650,134											

Operating Expenditures

This chapter examines the District's actual Operating Expenditures and analyzes growth patterns from FY 2005 to FY 2008.

In FY 2008, the District's Local fund expenditures, excluding dedicated taxes, increased by \$701.8 million or 13.8 percent over FY 2007. Since Fiscal Year 2005, expenditures have grown by an average of 11.0 percent annually as depicted in Figure 5-1. Table 5A-1 of the appendix displays Local funds expenditures by fiscal year for selected agencies, each appropriation title, and all general operating funds. The Local fund expenditures exclude dedicated taxes.

Dedicated tax funds were segregated as separate funds beginning in FY 2007; they are shown by agency and appropriation title in Table 5A-2 of the Appendix. They totaled \$130.5 million in FY 2008.

The \$701.8 million Local funds increase in FY 2008 was primarily due to spending increases in public education area including the funding of the Office of Public Education Facilities Modernization agency to modernize existing public school facilities. Other areas of increases were in the Child and Family Services Agency to reduce the backlog of child protective services investigations and to hire additional social workers; and in the contribution for the District retirees' health care plan.

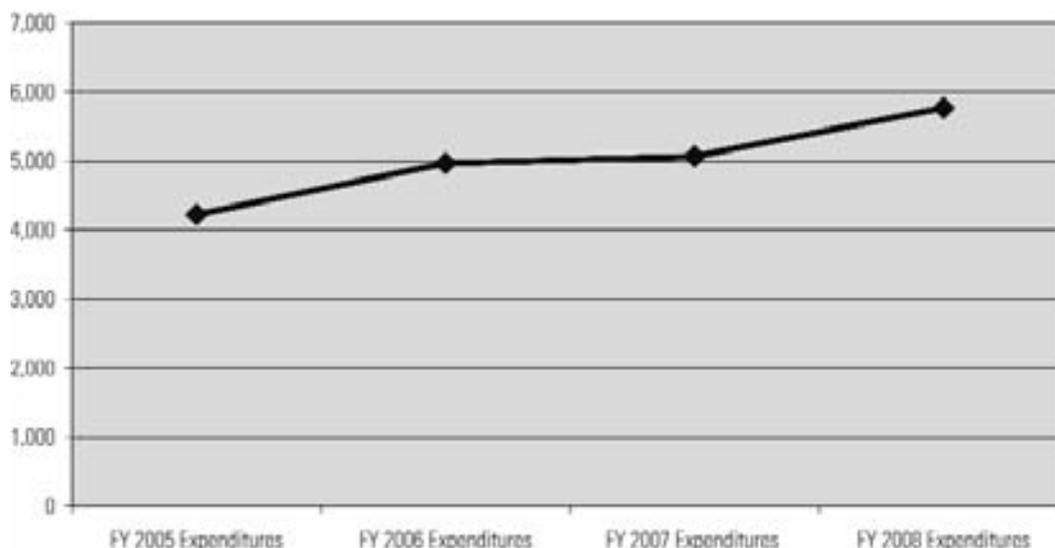
On the gross funds basis, including all non-Local funds, total expenditures increased by 9.5 percent annually from FY 2005 to FY 2008 (Table 5A-3 in the

Figure 5-1

Local Fund Expenditures (excludes Dedicated Taxes), FY 2005 - FY 2008

Does not include Enterprise Funds or Housing Finance (HFO)

(Dollars in millions)



Appendix). This chapter examines operating expenditures by the District and analyzes where expenditure growth pressures are likely to slow, continue, or expand in the future. Specifically, the chapter:

- Examines the growth in expenditures from FY 2005 to 2008 by area of spending (agency and function); and
- Examines the growth by such categories as personnel, contractual services, and subsidies and transfers.

This chapter focuses primarily on the District's Local funds actual expenditures. It does not discuss capital expenditures, which are described in the Capital Appendices volume. Furthermore, it does not include agencies whose operations are captured in other funds, such as proprietary funds and component units of the District.

Figure 5-2 shows the growth trends of Local funds expenditures by appropriation title from FY 2005 through FY 2008. Tables 5A-1, 5A-2, and 5A-3 in the Appendix to this chapter provide additional detail on local, dedicated tax, and gross expenditures in the largest District agencies from FY 2005 through 2008, to provide a constant timeframe. The following sec-

tions describe major elements of growth during this time period, by appropriation title.

Human Support Services

Local expenditures in this appropriation have risen in recent years due to increases in Federal expenditures, most notably Medicaid payments

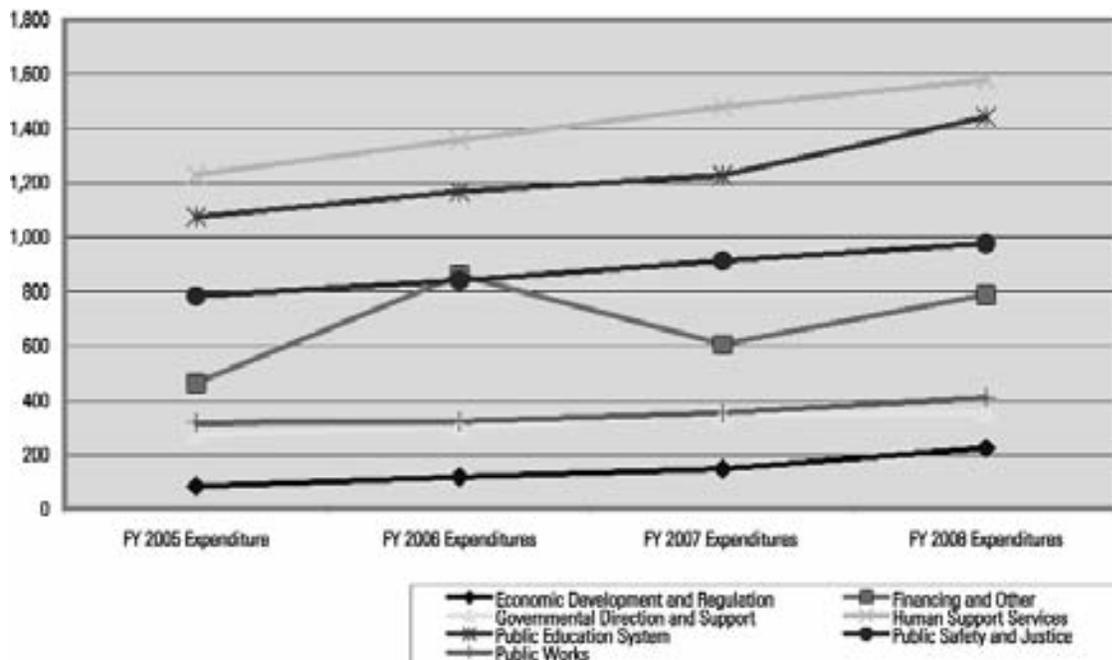
- **Department of Human Services (DHS).** DHS operates a number of federal entitlement programs, such as Temporary Assistance for Needy Families (TANF) and homeless services. The agency's Local fund expenditures have decreased at an annual rate of approximately 20 percent from FY 2005 to FY 2008, in part due to budget authority being removed to create the new Department of Youth Rehabilitation Services in FY 2006.
- **Department of Health (DOH).** Through Fiscal Year FY 2008, the Department of Health was one of the largest agencies in the District government and operated a wide variety of public health programs, including the Health Care Safety Net and the District's Medicaid program.
 - **Health Care Safety Net.** This program provides government paid healthcare services to

Figure 5-2

Local Fund Expenditures (excludes Dedicated Taxes) by Appropriation Title, FY 2005 - FY 2008

Does Not Include Enterprise Funds

(Dollars in Thousands)



residents who are above the Medicaid limits, but fall within income categories and eligibility criteria set by the District. The gross expenditures for this program in FY 2007 were \$129.0 million with an average monthly enrollment of about 46,600. The monthly enrollment by the end of FY 2008 was about 50,000.

- **Medicaid Assistance Administration.** Another major cost driver for DOH is the Medicaid Assistance Administration (MAA). Medicaid expenditures are expected to grow, reflecting increases in health care costs. The District's gross Medicaid expenditures in FY 2007 were \$1.4 billion. In FY 2007, agency budgets were adjusted to reflect the necessary dollars to account for Medicaid.
- **Child and Family Services Agency (CFSA).** CFSA has grown at an annual average rate of approximately 20 percent from FY 2005 through FY 2008, primarily due to the District's expansion of the adoption and child care programs for grandparents who take custody or serve as primary caregivers for their grandchildren. CFSA is one of the District's Public Provider agencies for Medicaid services.

Public Education System

District of Columbia Public Schools (DCPS) and the District of Columbia Public Charter Schools (DCPCS) are budgeted through the Uniform Per Student Funding Formula (UPSFF) [refer to District of Columbia Official Code §38-29]. This formula provides a foundation funding level for each student, and weighting factors for such characteristics as grade levels and special education categories. It also accounts for

annual inflation and for changes in enrollment. Local fund expenditures by the District of Columbia Public Schools (DCPS) are higher than for any other District agency, and DCPS also employs approximately one-third of all District employees. District of Columbia Public Charter Schools has been showing significant annual growth in enrollment and expenditures, and the trend continued during FY 2008.

Table 5-1 shows enrollment and Local fund expenditure trends for DCPS and DCPCS. Local fund enrollment in the two systems combined has been decreasing for the past 3 years, while per-student spending has continued to increase, averaging 8.3 percent per year from 2005 through 2008.

- **District of Columbia Public Schools.** Expenditures in FY 2008 at DCPS increased 6.7 percent over FY 2007. Enrollment decreased 6.0 percent from FY 2007 to FY 2008, but the foundation level for the UPSFF increased to adjust for inflation, in accordance with the provisions of District of Columbia Official Code §38-2909. As a result, expenditures per enrolled student increased. The enactment of the Public Education Reform Amendment Act of 2007 caused shifting of many state-level functions from the DCPS budget to the Office of the State Superintendent of Education.
- **District of Columbia Public Charter Schools.** Expenditures in FY 2008 at DCPCS increased approximately 14.3 percent over FY 2007. This was the result of a 10.6 percent increase in enrollment (from continued steady enrollment growth and the opening of additional charter schools), as well as the effect of the increase due to inflation for the foundation level in the UPSFF.

Table 5-1

Enrollments and Expenditures in Two Schools Systems (Local Funds Only)

	DC Public Schools		Public Charter Schools		Combined Systems		
	Enrollment	Expenditures (dollars in thousands)	Enrollment	Expenditures (dollars in thousands)	Enrollment	Expenditures (dollars in thousands)	Expenditure per enrolled student*
2005	58,548	\$781,377	15,163	\$188,324	73,711	\$969,701	\$13,155
2006	54,748	\$815,773	17,343	\$227,190	72,091	\$1,042,963	\$14,467
2007	52,191	\$813,902	19,662	\$277,159	71,853	\$1,091,061	\$15,185
2008	49,076	\$868,141	21,743	\$316,675	70,819	\$1,184,816	\$16,730

Note: *per enrolled student (whole dollars, not thousands)

Details may not sum to totals because of rounding.

- **Office of the State Superintendent of Education.** As a result of the Public Education Reform Amendment Act of 2007, a number of functions from the Department of Human Services, the University of the District of Columbia and DCPS moved to OSSE. Accordingly, the budget showed a significant increase over prior years.
- **Office of Public Education Facilities Modernization (OPEFM).** The DCPS Office of Facilities Maintenance was transferred to OPEFM, resulting in a significant increase in the agency's operating budget.
- **University of the District of Columbia (UDC).** Expenditures were relatively consistent with the prior year. In FY 2008, a nominal increase of \$134,000 was reflected, which represents a 0.2 percent increase over FY 2007.
- **Teachers' Retirement System.** Under the 1997 National Capital Revitalization and Self-Government Improvement Act, the Federal Government assumed the District's pre-June 1997 unfunded pension liability. An actuarial study as certified by the D.C. Retirement Board indicated the required contribution was \$6 million in FY 2008. Major factors determining the required contribution include: pension plan investment performance, refined actuarial assumptions, plan participant terminations, and actual salary increases less than projected.

Public Education expenditures are tracked by appropriation year (AY) and fiscal year (FY). Table 5A-4 in the Appendix provides a crosswalk between the AY and FY expenditures for key school systems. The FY data are used throughout this chapter, although the AY data reflect more comparable data over time.

Public Safety and Justice

Expenditures in the public safety area increased 7.6 percent from FY 2005 to FY 2008. The two largest agencies in this Appropriation title are the Metropolitan Police Department (MPD) and the Fire and Emergency Medical Services Department (FEMS). The two agencies accounted for more than 67.0 percent of the expenditures of the appropriation title.

- **Metropolitan Police Department and Fire and**

Emergency Medical Services Department. Expenditures at MPD have increased steadily, averaging 8.3 percent per year from FY 2005 to FY 2008. This growth rate can be attributed to the elevation of public safety as a District-wide priority and new crime-fighting initiatives, like All Hands on Deck, initiated by the Chief of Police, placing all available police officers on duty to patrol neighborhoods and fight crimes 24 hours on selected days of the year. MPD added over 400 new recruits in FY 2008. Expenditures for Fire and Emergency Medical Services (FEMS) increased 8.0 percent annually from FY 2005 to FY 2008 primarily due to increases in overtime.

- **Police and Fire Retirement System.** This is third largest agency in Public Safety in terms of the total number of dollars spent. Under the 1997 Revitalization Act, the Federal Government assumed the District's pre-June 1997 unfunded pension liability. In subsequent years as salaries have increased, adjustments were legislated for pension benefits, and the sizes of the FEMS and MPD workforce have increased. The pension contribution increased 6.9 percent annually from FY 2005 to FY 2008.
- **Department of Corrections.** Department of Corrections (DOC) experienced a significant increase in retirement of long-term employees. As a result DOC recorded an average decline of 1.8 percent per year from FY 2005 to FY 2008, primarily due to the hiring of new recruits with lower pay.

Financing and Other

Agencies in the Financing and Other appropriation title include various debt service functions as well as the District's reserve funds.

- **Repayment of Interest on Short Term Borrowing.** The District issues short-term revenue anticipation notes in order to finance its seasonal cash flow needs. The total amount of revenue anticipation notes outstanding at any time during a fiscal year may not exceed 20 percent of the total anticipated revenue of the District for such fiscal year and such notes must mature within the fiscal year in which they are issued. In fiscal year 2008, the District issued \$300 million of revenue anticipation notes for this purpose.

- **Repayment of Loans and Interest.** The District may issue long-term debt in the form of general obligation bonds to finance capital projects and to refund indebtedness of the District. Such general obligation bond issuances are not permitted during any fiscal year if total debt service exceeds 17 percent of District revenues during the fiscal year in which such issuances are made. The capital improvements plan includes borrowing of \$400 million of General Obligation bonds per year as well as amounts above this level for specific capital projects. Borrowing amounts in fiscal years 2006 and 2007 were higher than in previous years, and debt service expenditures have increased accordingly. The District had approximately \$4.6 billion of general obligation bonds outstanding as of September 30, 2008.
- **Certificates of Participation (COPs).** The District has a payment obligation with respect to approximately \$261 million of outstanding COPs with varying maturities. The Certificates are not (or will not be) debt of the District, and the District's payment obligations are subject to and dependent upon both inclusion of sufficient funds in annual District budgets and annual appropriations made by the United States Congress for such purpose. In fiscal year 2006, the District issued new COPs for a new mental health hospital and a building for the Department of Motor Vehicles, leading to an increase in debt service expenditures for COPs in fiscal year 2007.
- **Equipment Lease Operating.** The Master Equipment Lease Program provides tax-exempt financing for projects with short-term to intermediate-term useful lives. Rolling stock such as police, emergency, and public works vehicles are acquired on a short-term lease/purchase basis. The District has financed approximately \$237 million of its capital equipment needs through the program and has approximately \$90 million in principal outstanding.
- **Repayment of Revenue Bonds.** The Council may authorize the issuance of revenue bonds, notes, or other obligations (including refunding bond, notes, or other obligations) to borrow money to finance governmental purposes authorized for financing by general obligation bonds or notes by creating a security interest in any District revenues. Such bonds, notes, or other obligations, if issued, are to

be secured by a pledge of the revenues realized from the property, facilities, developments, and improvements financed by the issuance of such bonds, notes, or other obligations or by the mortgage of real property or the creation of security interest in available revenues, assets, or other property. In fiscal year 2007, the District securitized a portion of revenues dedicated to the Housing Production Trust Fund, and debt service expenditures in this category began in fiscal year 2008.

- **Pay-As-You-Go Capital fund.** Starting in fiscal year 2007, the first \$100 million of gross sales tax revenues received after April 1 each year that have not been previously dedicated has been deposited into the School Modernization fund dedicated to the Public School Capital Improvement Fund.

Other Appropriations Titles

Expenditures in other appropriations title are as follows:

- **Governmental Direction and Support.** This appropriation title funds agencies that manage overall government operations, including the Office of the Mayor, the Council of the District of Columbia, the Office of the City Administrator, the Office of the Chief Technology Officer, the Office of Property Management, the Office of the Attorney General, and the Office of the Chief Financial Officer. Expenditures in this appropriation title have shown an increase in growth at 9.2 percent annually from FY 2005 to FY 2008;
- **Economic Development and Regulation.** This is the smallest of the appropriations titles, but expenditures increased from FY 2005 to FY 2008 at an annual growth rate of 38.6 percent. This is primarily due to the addition of the Commission on Arts & Humanities, the Housing Authority Subsidy agency in FY 2006; the Housing Production Trust Fund Subsidy agency in FY 2007; and the Office of the Tenant Advocate agency in FY 2008. These new agencies that were added after FY 2005 account for 36.9 percent of the total expenditures for this appropriation title in FY 2008.
- **Public Works.** The Public Works appropriation title is dominated by three agencies: the Department of Public Works (DPW), the Department of Transportation (DDOT) and subsidies to the Washington Metropolitan Area Transit Authority (WMATA). Public Works increased an

average of 8.8 percent per year from FY 2005 to FY 2008. In FY 2008, due to the rising prices of gasoline, WMATA reported a gradual increase in ridership despite the 15 percent fare increase in January 2008.

Summary of Local Funds Expenditure Growth by Agency and Function

All of the appropriation titles experienced increases in expenditures since FY 2005. Governmental Direction and Support, Public Safety, Public Education, Human Support Services, and Public Works continue to grow at a steady rate.

Economic Development has added the Commission on Arts & Humanities, the Housing Authority Subsidy, the Housing Production Trust Fund Subsidy, and the Office of the Tenant Advocate agencies after FY 2005. For this reason, the expenditures for Economic Development increased at an annual rate of 38.6 percent since FY 2005.

Human Support Services is by far the largest appropriation title, comprising 27.3 percent of total general operating Local funds. Public Education remains the second largest appropriation title with a 25.0 percent share of total general operating Local funds.

Even though actual DCPS enrollment has decreased 5.7 percent annually, the enrollment in Public Charter Schools has shown a steady increase at an annual rate of 12.8 percent since FY 2005. The enrollment in Public Charter Schools accounts for 30.7 percent of total enrollment in the combined DC schools system in FY 2008. From FY 2005 to FY 2008, the combined DC schools system enrollment shows a decrease of 1.3% annually.

Federal Payment Fund Expenditures

A federal payment is a direct payment made to the District by the federal government. The authorization for each payment is found in Division A, Title 1 of the District's annual appropriations act. Federal payments to the District are subject to federal Government Accountability Office (GAO) guidelines and government wide rescissions. During FY 2008, the District received a total of \$86.7 million in federal payments that could be spent by the agencies. Table 5A-5 in the Appendix details the federal payments made from FY 2005 through FY 2008, by agency. These funds have various availability periods and in most cases will be spent over subsequent years. Federal payments are

detailed within each agency chapter.

In FY 2008 the District expensed \$11.3 million from the federal payment for Emergency Planning and Security Costs. This payment is reimbursable and a balance is maintained at the federal Office of Management and Budget (OMB). Each year the federal government appropriates resources into the fund, and the District requests reimbursement for support provided to demonstrations and events that are a result of the federal presence in the District. The details of the FY 2008 reimbursement are found in the agency chapter for the Emergency Planning and Security Fund, which is located within the Financing and Other section of the agency chapters.

Federal Grants Expenditures

Unlike federal funds payments, which come directly from the Treasury as authorized by the annual Appropriations Act, federal grants are awarded by a federal agency.

Table 5A-6 of the Appendix shows federal grant expenditures from FY 2005 through FY 2008 by agency. Overall, their annual growth rate was 1.0 percent. The Department of Health received 67.5 percent of the total in FY 2008, mostly as Medicaid funds.

Expenditure Growth by Object Class, FY 2005 to FY 2008

This section examines expenditures by object class -- that is, by the type of services paid for, such as personnel, supplies, or fixed costs for rent or utilities - from FY 2005 through FY 2008. Since 2005, the annual rate of growth for expenditures on nonpersonal services (NPS), such as rent and utilities, equipment, subsidies and transfers, and debt service, has risen faster than personal services (PS), which include regular salaries and wages, overtime and other additional costs (Figure 5-3). Tables 5A-7 and 5A-8 in the appendix to this chapter, provide details.

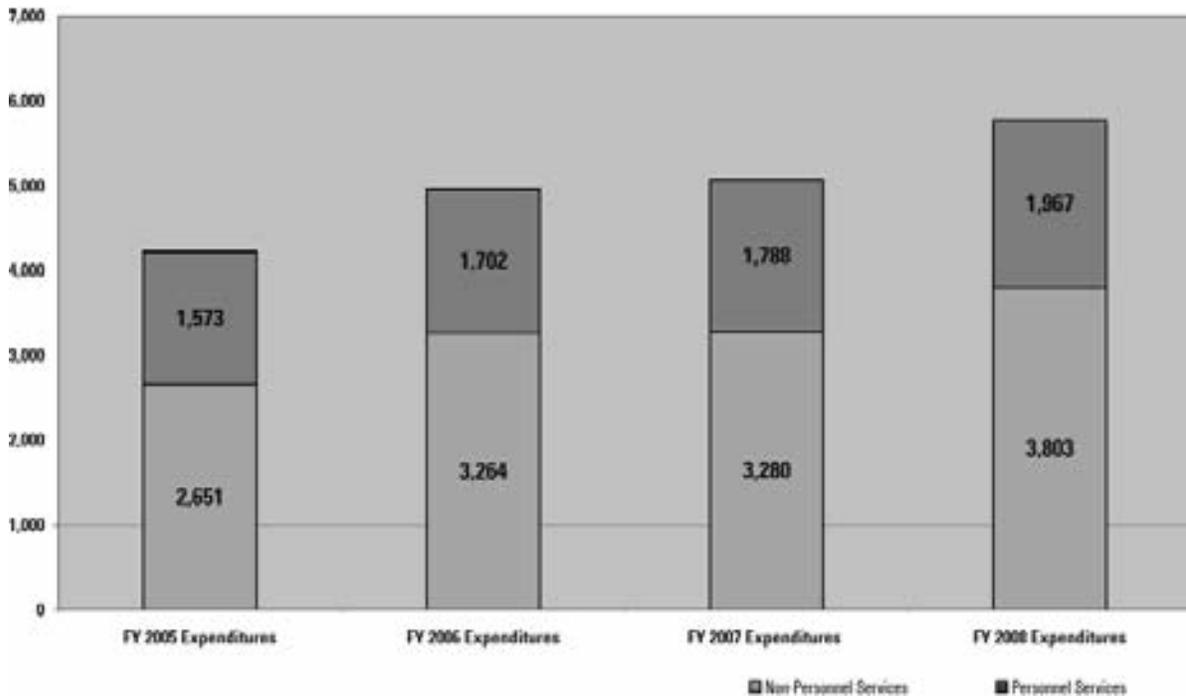
Personal Services

Salaries have historically grown at a slightly greater rate than inflation. As shown in Table 5A-7 of the Appendix, from FY 2005 to FY 2008, total PS costs including salaries, extra pay (the category including overtime), differential pay (for night or weekend work, for example), bonuses, and fringe benefits (primarily health insurance costs) increased at an annual rate of 7.7 percent.

Figure 5-3

Local (excluding Dedicated Taxes) Personal Services and Nonpersonal Services Expenditures, FY 2005 – FY 2008

Does Not Include Enterprise Funds



Note: Details may not sum to totals because of rounding.

Table 5-2 shows overtime expenses from FY 2005 through FY 2008 by agency. DC Public Schools, the Metropolitan Police Department, and Fire and Emergency Medical Services comprise 54.0 percent of the total FY 2008 overtime expenditures.

Nonpersonal Services

As shown in Table 5A-7, the annual growth rate of 12.0 percent from FY 2005 to FY 2008 for NPS expenditures excluding retirement, is much higher than the PS growth rate. This is primarily due to fluctuations in the debt service and subsidies and transfers. While their general growth tracks the

Washington area CPI forecast, most growth in these two categories appears in agency-specific or program-specific activities. For example, most debt service expenditures are in one of several debt service agencies detailed below. Only a small portion is in operating agencies, through the master lease program. Similarly, much of the District's subsidy and transfer expenditures are in Medicaid and several retirement funds, which are detailed below.

Table 5-2

Overtime Actual Expenditures from Local Funds and Dedicated Taxes (Excluding Enterprise and Other Funds)

(Dollars in Thousands)

	2005	2006	2007	2008
Child and Family Services Agency	787	1,517	998	2,417
Department of Corrections	1,301	5,692	9,381	5,667
Department of Human Services	4,894	844	870	903
Department of Mental Health	4,600	5,313	6,166	7,051
Department of Public Works	3,512	2,917	3,224	4,101
Department of Transportation	109	258	(2)	14
District of Columbia Public Schools	5,777	8,028	11,443	7,086
Fire and Emergency Medical Services	8,052	8,087	11,202	11,739
Metropolitan Police Department	22,818	49,600	24,702	24,665
Rest of District	3,453	8,505	9,231	11,639
Total Local Funds	55,305	90,761	77,214	75,283

Appendix: Data Tables for Operating Expenditures

Table 5A-1

Local Funds Actual Expenditures by Fiscal Year for Selected Large Agencies (Excluding Dedicated Taxes and Excluding Enterprise Agencies)

(Dollars in thousands)

Agency	FY 2005	FY 2006	FY 2007	FY 2008	Average Annual Growth Rate 2005 - 2008
Office of the Chief Financial Officer	95,474	105,555	120,841	113,406	5.9%
Office of Chief Technology Officer	44,469	46,515	38,140	64,054	12.9%
All other agencies	132,461	151,033	184,847	176,942	10.1%
Governmental Direction and Support	272,404	303,103	343,828	354,402	9.2%
Department of Employment Services	22,278	31,815	46,115	86,415	57.1%
Housing Production Trust Fund Subsidy	0	0	0	30,000	N/A
Department of Housing and Community Development	12,686	1,797	1,734	3,346	-35.9%
All other agencies	49,214	84,586	99,270	104,431	28.5%
Economic Development and Regulation	84,178	118,198	147,119	224,192	38.6%
Metropolitan Police Department	371,494	418,560	434,599	471,889	8.3%
Fire and Emergency Medical Services	149,226	157,228	172,775	187,868	8.0%
Police Officers' and Fire Fighters' Retirement System	112,100	117,500	140,100	137,000	6.9%
Department of Corrections	123,091	109,832	121,417	116,648	-1.8%
All other agencies	26,886	36,855	43,419	62,954	32.8%
Public Safety and Justice	782,797	839,975	912,310	976,359	7.6%
District of Columbia Public Schools	781,377	815,773	813,902	868,141	3.6%
Office of the State Superintendent of Education	10,056	12,684	14,423	102,998	117.2%
Teachers' Retirement System	9,147	15,431	14,540	5,964	-13.3%
Public Charter Schools	188,324	227,190	277,159	316,675	18.9%
Office of Public Education Facilities Modernization	0	0	1,281	34,981	N/A
Special Education Transportation	0	0	0	171	N/A
DC Public Library	29,820	34,465	42,135	44,563	14.3%
University of the District of Columbia Subsidy	51,581	61,266	62,636	62,770	6.8%
All other agencies	3,815	0	0	4,570	6.2%
Public Education System	1,074,120	1,166,809	1,226,076	1,440,833	10.3%
Department of Human Services	268,940	253,856	272,198	137,874	-20.0%
Child and Family Services Agency	158,577	165,874	181,226	274,265	20.0%
Department of Mental Health	189,341	196,723	192,871	207,627	3.1%
Department of Health	516,778	561,762	618,367	660,876	8.5%
Department of Parks and Recreation	34,437	42,674	46,431	49,029	12.5%
Department of Youth Rehab Services	0	68,157	73,936	84,463	N/A
Medicaid Reserve	0	0	26,927	0	N/A
Department on Disability Services	0	0	0	81,911	N/A
All other agencies	61,370	67,517	67,262	80,638	9.5%
Human Support Services	1,229,443	1,356,563	1,479,218	1,576,683	8.6%

(Continued on next page)

Table 5A-1 (continued)

**Local Funds Actual Expenditures by Fiscal Year for Selected Large Agencies
(Excluding Dedicated Taxes and Excluding Enterprise Agencies)**

(Dollars in thousands)

Agency	FY 2005	FY 2006	FY 2007	FY 2008	Average Annual Growth Rate 2005 - 2008
Department of Public Works	88,869	97,588	106,156	119,618	10.4%
Department of Transportation	26,989	1,805	(6)	18,450	-11.9%
Washington Metropolitan Area Transit Authority	165,303	187,615	198,484	214,905	9.1%
Washington Metropolitan Area Transit Commission	95	110	110	113	6.0%
All other agencies	36,170	35,154	48,846	55,897	15.6%
Public Works	317,426	322,272	353,590	408,983	8.8%
Repayment of Loans and Interest	342,683	370,128	386,245	420,827	7.1%
Certificate of Participation	10,904	10,941	30,448	30,664	41.2%
Settlements and Judgments Fund	19,323	29,956	25,029	21,015	2.8%
District Retiree Health Contribution	0	138,000	4,700	110,907	N/A
Pay-As-You-Go Capital Fund	20,550	265,023	118,861	139,488	89.3
All other agencies	70,218	45,673	40,517	65,336	-2.4%
Financing and Other	463,678	859,721	605,800	788,237	19.3%
Total General Operating Local Funds Excluding Dedicated Taxes	4,224,046	4,966,641	5,067,941	5,769,689	11.0%

Table 5A-2:

**Dedicated Taxes Funds Actual Expenditures by Fiscal Year for Selected Large Agencies
Excluding Enterprise Agencies**

(Dollars in thousands)

Agency	FY 2005	FY 2006	FY 2007	FY 2008	Average Annual Growth Rate 2005 - 2008
Office of the Deputy Mayor for Planning and Economic Dev.	-	-	-	39,623	
Housing Production Trust Fund Subsidy	-	-	58,731	40,589	
Economic Development and Regulation	-	-	58,731	80,213	N/A
Department of Health	-	-	-	3,932	
Human Support Services	-	-	-	3,932	N/A
Baseball Dedicated Tax Transfer	-	-	-	46,397	
Financing and Other	-	-	-	46,397	N/A
Total General Operating Dedicated Taxes Funds	-	-	58,731	130,541	N/A

Table 5A-3

Gross Funds Actual Expenditures by Fiscal Year for Selected Large Agencies

(Excluding Enterprise and Other Funds and Intra-District Funds)

(Dollars in thousands)

Agency Name	FY 2005	FY 2006	FY 2007	FY 2008	Average Annual Growth Rate 2005-2008
Office of the Chief Financial Officer	106,469	120,167	134,115	131,724	7.4%
Office of Finance & Resource Mgmt	9,431	9,688	8,120	4,971	-19.2%
Office of Chief Technology Officer	44,781	46,517	38,140	64,060	12.7%
Office of the Attorney General for the DC	55,390	61,000	71,346	82,707	14.3%
All other agencies	199,196	204,152	229,520	122,512	-15.0%
Governmental Direction and Support	415,267	441,524	481,241	405,975	-0.8%
Department of Employment Services	74,549	77,280	100,262	141,287	23.8%
Housing Production Trust Fund Subsidy	0	0	105,411	70,589	N/A
Department of Housing and Community Development	104,051	151,942	95,946	89,427	-4.9%
All other agencies	106,527	152,984	200,856	237,884	30.7%
Economic Development and Regulation	285,127	382,206	502,475	539,296	23.7%
Metropolitan Police Department	385,970	440,074	448,227	486,394	8.0%
Fire and Emergency Medical Services	149,226	157,674	172,775	188,977	8.2%
Police Officers' and Fire Fighters' Retirement System	112,100	117,500	140,100	137,000	6.9%
Department of Corrections	123,377	135,207	147,162	153,184	7.5%
All other agencies	44,522	55,961	61,220	135,600	45.0%
Public Safety and Justice	815,195	906,416	969,481	1,101,156	10.5%
District of Columbia Public Schools	931,684	948,580	973,428	898,840	-1.2%
Office of the State Superintendent of Education	65,766	84,207	85,217	267,251	59.6%
Teachers' Retirement System	9,147	15,431	14,540	5,964	-13.3%
Public Charter Schools	129,905	161,069	197,068	316,675	34.6%
Office of Public Education Facilities Modernization	0	0	1,281	34,981	N/A
Special Education Transportation	0	0	0	171	N/A
DC Public Library	31,066	35,679	43,695	45,935	13.9%
University of the District of Columbia Subsidy	51,581	61,266	62,636	62,770	6.8%
All other agencies	63,497	66,121	80,091	5,619	-55.4%
Public Education System	1,282,646	1,372,353	1,457,956	1,638,206	8.5%
Department of Human Services	462,807	438,374	450,142	287,069	-14.7%
Child and Family Services Agency	198,024	194,002	214,078	313,462	16.5%
Department of Mental Health	197,951	201,873	200,618	209,971	2.0%
Department of Health	1,582,670	1,670,390	1,801,550	1,848,562	5.3%

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Table 5A-3 (continued)

Gross Funds Actual Expenditures by Fiscal Year for Selected Large Agencies

(Excluding Enterprise and Other Funds and Intra-District Funds)

(Dollars in thousands)

Agency Name	FY 2005	FY 2006	FY 2007	FY 2008	Average Annual Growth Rate 2005-2008
Department of Parks and Recreation	35,893	44,881	48,643	54,134	14.7%
Depart of Youth Rehab Services	0	68,157	73,936	84,463	N/A
Medicaid Reserve	0	0	26,927	0	N/A
Department on Disability Services	0	0	0	107,944	N/A
All other agencies	81,361	92,933	74,306	87,934	2.6%
Human Support Services	2,558,706	2,710,610	2,890,200	2,993,539	5.4%
Department of Public Works	92,175	100,633	113,659	129,293	11.9%
Department of Transportation	39,016	38,134	60,145	141,016	53.5%
Washington Metropolitan Area Transit Authority	167,783	187,615	198,484	214,905	8.6%
Washington Metropolitan Area Transit Commission	95	110	110	113	6.0%
All other agencies	43,656	44,374	85,227	101,103	32.3%
Public Works	342,725	370,866	457,625	586,429	19.6%
Repayment of Loans and Interest	342,683	370,128	386,245	420,827	7.1%
Baseball Dedicated Tax Transfer	0	0	0	46,397	N/A
Certificate of Participation	10,904	10,941	30,448	30,664	41.2%
Settlements and Judgments Fund	19,323	29,956	25,029	21,015	2.8%
District Retiree Health Contribution	0	138,000	4,700	110,907	N/A
Pay-As-You-Go Capital Fund	20,550	265,023	118,861	140,737	89.9%
All other agencies	86,915	49,868	54,046	76,552	-4.1%
Financing and Other	480,375	863,917	619,329	847,098	20.8%
Total General Operating Funds	6,180,041	7,047,888	7,378,306	8,111,589	9.5%

Comprehensive Annual Financial Report (CAFR) Budgetary Schedules

Federal and Private Resources expenditures reported for certain agencies differ from comparable amounts presented in the FY 2008 CAFR budgetary schedules. These differences resulted from the inadvertent reporting of some budgetary expenditures as non-budgetary in the CAFR. The budgetary expenditures classified as non-budgetary in the CAFR totaled \$24,067,130. Such classification of expenditures does not impact the presentation of the surplus/deficit or fund balance of the related fund on a basis consistent with generally accepted accounting principles.

Table 5A-4

Local Funds Expenditures by Appropriation Year and Fiscal Year (Three School Systems and University)

(Dollars in thousands)

	FY 2005	FY 2006	FY 2007	FY 2008
D.C. Public Schools				
Expenditures, current AY and FY	776,578	812,830	808,945	867,624
PLUS: AY Expenditures in prior FY	6,662	4,799	2,943	4,956
EQUALS: Total AY expenditures	783,240	817,628	811,889	872,581
LESS: AY Expenditures in prior FY	(6,662)	(4,799)	(2,943)	(4,956)
PLUS: FY expenditures from following AY	4,799	2,943	4,956	517
EQUALS: Total FY expenditures (as shown in CAFR and table 5-1 above)	781,377	815,773	813,902	868,141
D.C. Public Charter Schools				
Expenditures, current AY and FY	129,906	161,069	197,067	225,363
PLUS: AY Expenditures in prior FY	46,456	58,419	66,121	80,091
EQUALS: Total AY expenditures	176,361	219,488	263,188	305,454
LESS: AY Expenditures in prior FY	(46,456)	(58,419)	(66,121)	(80,091)
PLUS: FY expenditures from following AY	58,419	66,121	80,091	91,312
EQUALS: Total FY expenditures (as shown in CAFR and table 5-1 above)	188,324	227,190	277,159	316,675
Special Education Transportation				
Expenditures, current AY and FY	-	-	-	-
PLUS: AY Expenditures in prior FY	-	-	-	-
EQUALS: Total AY expenditures	-	-	-	-
LESS: AY Expenditures in prior FY	-	-	-	-
PLUS: FY expenditures from following AY	-	-	-	171
EQUALS: Total FY expenditures (as shown in CAFR)	-	-	-	171
University of the District of Columbia				
Expenditures, current AY and FY	51,581	61,267	62,636	62,770
PLUS: AY Expenditures in prior FY	80	-	-	-
EQUALS: Total AY expenditures	51,660	61,267	62,636	62,770
LESS: AY Expenditures in prior FY	(80)	-	-	-
PLUS: FY expenditures from following AY	-	-	-	-
EQUALS: Total FY expenditures (as shown in CAFR)	51,581	61,267	62,636	62,770

Table 5A-5

Federal Payments Awarded to the District in its Appropriation Act, FY 2005 - 2008

(Dollars in Thousands)

	FY 2005 Approved	FY 2006 Approved	FY 2007 Approved	FY 2008 Approved
Child and Family Services Agency	3,224	1,733	1,733	
Commission on Arts and Humanities	397			
DC National Guard		495		352
D.C. Public Schools	19,146	12,870	12,870	13,000
Department of Mental Health	1,240			
Department of Transportation		990	20,990	
Emergency Planning and Security Costs	14,880	13,365	8,533	3,000
Executive Office of the Mayor				5,000
Forensic Lab (Increased FBI services)				4,000
Office of the Chief Financial Officer	99			
Criminal Justice Coordinating Council	1,290	1,287	1,287	1,300
Office of the State Superintendent of Education:				
Resident Tuition Assistance	25,395	32,868	32,868	33,000
Public Charter School Improvement/Expansion	13,888	12,870	12,870	13,000
Various — Capital	24,112	15,296	14,850	14,000
Washington Metropolitan Transit Authority	2,480			
Total	106,150	91,774	106,001	86,652

Notes:

(Details may not sum to totals because of rounding.)

- FY 2005, 2006 and 2007 figures reflect rescissions made by the Federal government.
- FY 2008 figures are not subject to a rescission by the Federal government.
- FY 2007 Various- Capital adjusted downwards by \$20M and DDOT adjusted upwards by \$20M from the FY 2008 Budget and Financial Plan to show the transfer of the payment for transportation upgrades to the DDOT budget.
- FY 2008 Various - Capital includes the renovation and rehabilitation of D.C. Public Libraries (\$9M) and the consolidated forensics lab (\$5M) only, the Combined Sewer Overflow payment to WASA previously shown (\$8M) was removed as that payment went directly to WASA.
- Amounts for the Emergency Planning and Security Costs reflect a reimbursable account and thus the amount shown is the amount authorized for the fund for a particular year and does not reflect the amount actually reimbursed to the District. That detail is found in agency chapter EP0 within the Financing and Other portion of the agency chapters.

Table 5A-6

Federal Grant Actual Expenditures (including Medicaid), FY 2005 - FY 2008

(Excluding Federal Payments, and Enterprise and Other Funds)

(Dollars in thousands)

Agency	FY 2005	FY 2006	FY 2007	FY 2008	Annual Growth Rate 2005 -2008
Child and Family Services Agency	33,462	24,602	31,405	35,812	2.3%
Department of Employment Services	34,259	28,491	30,010	29,293	-5.1%
Department of Health	1,052,134	1,088,156	1,159,041	1,138,591	2.7%
Department of Housing and Community Development	56,159	99,888	90,364	69,948	7.6%
Department of Human Services	187,594	176,041	174,110	146,194	-8.0%
Department of Mental Health	2,874	2,674	4,212	4,272	14.1%
District of Columbia Public Schools	116,983	111,925	121,381	8,185	-58.8%
Subtotal - Selected Agencies	1,483,465	1,531,777	1,610,523	1,432,295	-1.2%
All Other Agencies	155,243	167,818	176,343	255,734	18.1%
Total General Operating Funds	1,638,708	1,699,595	1,786,867	1,688,029	1.0%

Comprehensive Annual Financial Report (CAFR) Budgetary Schedules

Federal and Private Resources expenditures reported for certain agencies differ from comparable amounts presented in the FY2008 CAFR budgetary schedules. These differences resulted from the inadvertent reporting of some budgetary expenditures as non-budgetary in the CAFR. The budgetary expenditures classified as non-budgetary in the CAFR totaled \$24,067,130. Such classification of expenditures does not impact the presentation of the surplus/deficit or fund balance of the related fund on a basis consistent with generally accepted accounting principles.

Table 5A-7

Local Funds Actual Expenditures by Fiscal Year for Selected Object Classes (Excluding Dedicated Taxes, and excluding Enterprise agencies)

(Dollars in thousands)

	FY 2005	FY 2006	FY 2007	FY 2008	Annual Growth Rate 2005 -2008
Regular salaries and wages (0011 & 0012)	1,295,217	1,351,414	1,434,670	1,573,610	6.7%
Extra pay & Overtime	93,693	145,877	129,771	146,564	16.1%
Fringe Benefits (0014)	183,742	205,196	223,894	246,899	10.3%
Subtotal, PS	1,572,652	1,702,487	1,788,335	1,967,073	7.7%
FDO - PS Paid by NPS (0050) - Police/Fire Retirement	112,100	117,500	140,100	137,000	6.9%
GXO - PS Paid by NPS (0050) - Teachers Retirement	9,147	15,431	14,540	5,964	-13.3%
BGO - PS Paid by Disability Compensation Fund	20,110	16,277	14,168	18,580	-2.6%
BHO - PS Paid by DC Unemployment Compensation Fund	5,198	5,056	5,250	6,459	7.5%
RHO - PS Paid by District Retiree Health Contribution		138,000	4,700	110,907	N/A
Subtotal, PS with Retirement, Disability, Unemployment and Health Benefit Contributions	1,719,207	1,994,751	1,967,113	2,245,934	9.3%
Fixed Cost (0030-0035)	209,423	214,338	247,284	262,825	7.9%
Subsidies and Transfers (0050 less Selected Subsidies and Transfers Subtotal Above)	1,304,021	1,711,892	1,718,619	1,689,391	9.0%
Debt service (0080)	385,246	421,490	448,209	512,862	10.0%
Contractual services (0041)	379,037	363,560	411,233	660,695	20.3%
Other NPS (0020, 0040, 0070, 0060, 0082, 0083, 0084, 0091)	227,112	260,610	275,503	397,932	20.6%
Subtotal, NPS excluding Retirement	2,504,839	2,971,890	3,100,848	3,523,705	12.0%
Total Expenditures	4,224,046	4,966,641	5,067,941	5,769,689	11.0%

Table 5A-8

Dedicated Taxes Funds Actual Expenditures by Fiscal Year for Selected Object Classes

(Excluding Enterprise agencies)

(Dollars in thousands)

	FY 2005	FY 2006	FY 2007	FY 2008	Annual Growth Rate 2005 -2008
Regular salaries and wages (0011 & 0012)	-	-	-	219	N/A
Extra pay & Overtime	-	-	-	4	N/A
Fringe Benefits (0014)	-	-	-	31	N/A
Subtotal, PS	-	-	-	254	N/A
FD0 - PS Paid by NPS (0050) - Police/Fire	-	-	-	-	N/A
GX0 - PS Paid by NPS (0050) - Teachers Retirement	-	-	-	-	N/A
BG0 - PS Paid by Disability Compensation Fund	-	-	-	-	N/A
BH0 - PS Paid by DC Unemployment Compensation Fund	-	-	-	-	N/A
RH0 - PS Paid by District Retiree Health Contribution	-	-	-	-	N/A
Subtotal, PS with Selected Subsidies and Transfers	-	-	-	254	N/A
Fixed Cost (0030-0035)	-	-	-	-	N/A
Subsidies and Transfers (0050 less Selected Subsidies and Transfers Subtotal Above)	-	-	58,731	128,480	N/A
Debt service (0080)	-	-	-	-	N/A
Contractual services (0041)	-	-	-	1,805	N/A
Other NPS (0020, 0040, 0070, 0060, 0082, 0083, 0084, 0091)	-	-	-	1	N/A
Subtotal, NPS excluding Retirement	-	-	58,731	130,287	N/A
Total Expenditures	-	-	58,731	130,541	N/A

FY 2010 - FY 2015 Capital Improvements Plan

Introduction

The District's proposed capital budget for FY 2010 - FY 2015 calls for financing \$595 million of general capital expenditures in FY 2010. Highlights include:

- Fulfilling the commitments to schools made since FY 2006;
- Making major investments in new neighborhoods, parks and recreation centers, libraries and other areas;
- Building a new consolidated forensics laboratory;
- Purchasing property at 225 Virginia Avenue, SE;
- Completing construction of a new mental health hospital; and
- Investing in mass transit.

The proposed capital budget calls for financing of general capital expenditures in FY 2010 from the following sources:

- \$459 million of General Obligation (G.O.) or Income Tax (I.T.) revenue bonds;
- \$3 million of pay-as-you-go (PAYGO) capital financing, which is a transfer of funds from the General Fund to the General Capital Improvements Fund; and
- \$32 million through the master equipment lease/purchase program.

In addition, two large-scale capital projects, the purchase of property at 225 Virginia Ave SE to house three different District Government agencies, and the construction of a consolidated forensics laboratory, are continuing.

The FY 2010 Paygo total of \$3 million is for a Department of the Environment project that will fulfill responsibilities for the implementation of the District's National Pollutant Discharge Elimination System as required by the federal Environmental Protection Agency. Because of the significant decline in District revenue forecasts as a result of the weakened U.S. economy,

the Paygo of prior years for school modernization is replaced by additional bond financing for FY 2010 through FY 2013.

This overview chapter summarizes:

- The District's proposed FY 2010 - FY 2015 capital budget and planned expenditures;
- Details on the District's sources of funds for capital expenditures;
- Progress made on reducing the shortfall in the District's capital fund; and
- A brief description of the Highway Trust Fund and Local Roads Construction and Maintenance Fund.

The Proposed FY 2010 - FY 2015 Capital Budget and Planned Expenditures

The District budgets for capital using a six-year Capital

Table 6-1

Overview

(Dollars in thousands)*

Total number of projects receiving funding	129
Number of ongoing projects receiving funding	102
Number of new projects receiving funding	27
FY 2010 new budget allotments	\$493,807
Total FY 2010 to FY 2015 planned funding	\$3,530,731
Total FY 2010 to FY 2015 planned expenditures	\$3,530,731
FY 2010 Appropriated Budget Authority Request**	\$1,323,821
FY 2010 Planned Debt Service (G.O./ I.T. Bonds)	\$480,673
FY 2010-FY 2013 Planned Debt Service (G.O. / I.T. Bonds)	\$2,051,733

* Local funds only; excludes projects financed through Local Streets Maintenance Fund, Highway Trust Fund, or one-time large project borrowing, except where noted.

** From all funds.

Improvements Plan (CIP), which is updated annually. The CIP consists of:

- The appropriated budget authority request for the upcoming fiscal year, and
- An expenditure plan and projected funding for the next 5 years.

Each year's CIP includes many of the projects from the previous year's CIP, but some projects are proposed to receive different levels of funding than in the previous year. New projects are added each year as well.

The CIP is used as the basis for formulating the District's annual capital budget. The Council and the Congress adopt the budget as part of the District's overall six-year CIP. Inclusion of a project in a congressionally adopted capital budget and approval of requisite financing gives the District the authority to spend funds for each project. The remaining five years of the program show the official plan for making improvements to District-owned facilities in future years. Following approval of the capital budget, bond acts and bond resolutions are adopted to authorize financing for the majority of projects identified in the capital budget. The District issued Income Tax (I.T.) revenue bonds in FY 2009 to finance some or all of its capital projects currently financed by General Obligation (G.O.) bonds. Where this chapter refers to G.O. bond financing for capital projects, the District might ultimately substitute I.T. bond financing.

The District uses two terms in describing budgets for capital projects:

- Budget authority is given to a project at its outset in the amount of its planned lifetime budget; it can later be increased or decreased during the course of implementing the project. The District's appropriation request consists of changes to budget authority for all projects in the CIP.
- Allotments are planned expenditure amounts on an annual basis. A multi-year project receives full budget authority in its first year but only receives an allotment in the amount that is projected to be spent in that first year. In later years, additional allotments are given annually. If a year's allotment would increase the total allotments above the lifetime budget amount, an increase in budget authority is required to cover the difference.

Agencies may obligate funds up to the limit of (lifetime) budget authority for a project but cannot spend more than the total of allotments the project has received

to date.

The FY 2010 - FY 2015 CIP proposes a net increase in budget authority of \$1.324 billion during the next six fiscal years (an increase of \$3.250 billion of new budget authority offset by \$1.926 billion of rescissions).

Planned capital expenditures from local sources (see Table 6-3) in FY 2010 total \$595 million, of which \$564 million is to be funded by bonds and Paygo financing (transfers from the District's General Fund). To finance this \$564 million of expenditures, the District plans to borrow \$561 million in new bonds and fund \$3 million using Paygo financing.

As in FY 2007, FY 2008, and FY 2009, the plan anticipates borrowing more in FY 2010 than it budgets in new allotments. Actual bond borrowing will be \$484 million, excluding special and large-scale financings, although only \$459 million will be made available for FY 2010 capital expenditures. The other \$25 million will go toward deficit reduction for the capital fund (see the section "Fund Balance of the Capital Fund" below).

In recent years, the District has increased its capital expenditures to reinvest in its aging infrastructure. The District is limited by funding constraints as well as multiple competing demands on capital and is not able to fund all identified capital needs. As a result of these demands, the District has taken action to meet its priorities while also maintaining a fiscally sound CIP. This has been accomplished by prioritizing capital projects and rescinding budget authority from projects deemed less important, and by reallocating budget to existing and new high priority projects to meet the most pressing infrastructure needs.

Figure 6-1 illustrates FY 2010 capital budget allotments by major agency. Funding for the Office of Public Education Facilities Modernization (OPEFM), which manages modernization projects for District of Columbia Public Schools (DCPS), constitutes the largest share of the planned expenditures. OPEFM will have a total of \$236 million available from bond sources of capital project financing in FY 2010.

In addition, as with all agencies, unspent capital budget allotments from prior years will be available to be spent in FY 2010.

Large shares of funding also go toward the Washington Metropolitan Area Transit Authority, the Department of Parks and Recreation, the Department of Mental Health, and the Fire and Emergency Medical Services Department.

Figure 6-1
FY 2010 Capital Allotments, by Major Agency

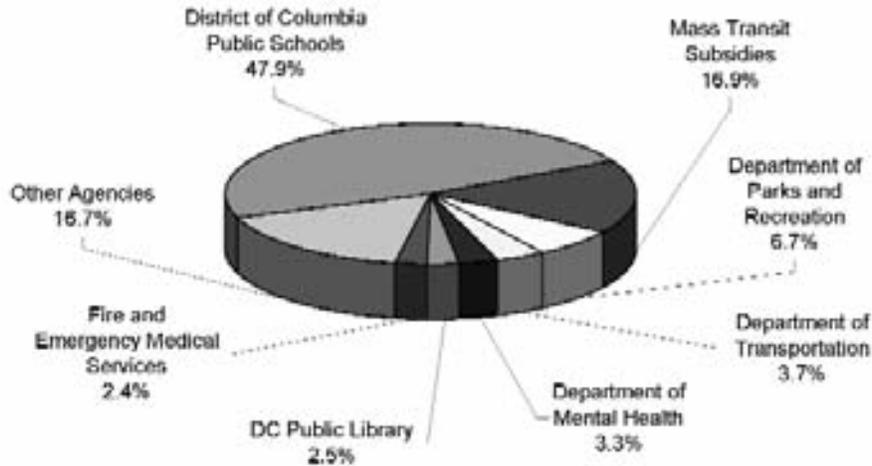


Table 6-2
Proposed FY 2010 Expenditures from FY 2010 - FY 2015 Capital Budget Authority
 (Dollars in thousands)

Source	Proposed FY 2010 Expenditures	Proposed FY 2010-FY 2015 Budget Authority
G.O. / I.T. Bonds	\$459,187	
Paygo capital funding (transfer from the General Fund)	2,984	
Master Equipment Lease/Purchase financing	31,636	
Subtotal	\$493,807	\$834,788
Additional G.O. / I.T. bond borrowing:		
Capital fund deficit reduction	25,000	25,000
Consolidated Laboratory	16,478	(8,522)
225 Virginia Ave SE	85,200	
Subtotal, Including Additional Borrowing and Financing	\$620,485	\$851,266
Local Street Maintenance Fund:		
Rights-of-way funds and Parking Tax Revenue	\$35,914	\$95,478
Highway Trust Fund:		
Federal Highway Administration grants	322,184	322,184
Local match (from motor fuel tax and other sources)	54,893	54,893
Total, District of Columbia	\$1,033,476	\$1,323,821

Table 6-3

Capital Fund Pro Forma

(Dollars in thousands; excludes Highway Trust and Local Streets Maintenance Funds)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Total, FY 2010- FY 2015	Percent of FY 2010
Sources:								
G.O. / I.T. Bonds	\$459,187	\$538,721	\$536,539	\$574,070	\$450,078	\$418,168	\$2,976,763	
Master Equipment Lease	31,636	40,894	34,814	30,739	29,468	21,346	\$188,897	
Pay-As-You-Go (Paygo)	2,984	0	0	0	164,269	197,818	\$365,071	
Subtotal, Sources	\$493,807	\$579,615	\$571,353	\$604,809	\$643,815	\$637,332	\$3,530,731	
Additional G.O. Bonds - Large Scale Financings	101,678	20,000	5,000	0	0	0	126,678	
Total, Sources	\$595,485	\$599,615	\$576,353	\$604,809	\$643,815	\$637,332	\$3,657,409	
Uses:								
Office of Public Education Facilities Modernization	\$236,435	\$250,202	\$268,825	\$290,106	\$307,462	\$323,773	\$1,676,803	47.9%
Washington Metropolitan Area Transit Authority	83,238	85,919	87,019	91,019	118,419	120,719	\$586,333	16.9%
Department of Parks and Recreation	33,109	58,705	46,389	43,020	44,810	39,998	\$266,031	6.7%
Department of Transportation	18,381	20,300	21,300	19,500	19,500	18,000	\$116,981	3.7%
Department of Mental Health	16,216	0	0	0	0	0	\$16,216	3.3%
District of Columbia Public Library	12,238	22,880	17,893	27,000	27,000	27,000	\$134,010	2.5%
Fire and Emergency Medical Services Department	11,846	23,686	29,726	29,716	18,896	15,536	\$129,406	2.4%
University of the District of Columbia	10,540	25,555	23,220	14,340	7,160	6,000	\$86,815	2.1%
Office of the Chief Technology Officer	9,440	18,836	13,816	10,341	7,851	10,300	\$70,584	1.9%
Department of Real Estate Services	9,260	15,530	18,530	34,860	58,160	52,000	\$188,340	1.9%
Department of Consumer and Regulatory Affairs	7,000	9,000	5,000	5,000	2,500	0	\$28,500	1.4%
Office of the State Superintendent of Education	7,000	0	0	0	0	0	\$7,000	1.4%
Department of Public Works	6,500	7,560	8,800	8,800	7,800	1,500	\$40,960	1.3%
Department of Housing and Community Development	6,375	7,675	4,950	7,500	4,250	5,000	\$35,750	1.3%
Office of the Chief Financial Officer	5,600	6,200	3,200	600	0	0	\$15,600	1.1%
Metropolitan Police Department	5,000	11,679	9,879	10,200	10,200	10,200	\$57,158	1.0%
Department of Corrections	3,750	3,582	2,000	0	0	0	\$9,332	0.8%
Office of Unified Communications	3,500	6,000	5,000	5,000	5,000	2,500	\$27,000	0.7%
District Department of the Environment	2,984	0	0	0	0	0	\$2,984	0.6%
Office of the Deputy Mayor for Planning and Economic Development	2,735	1,500	1,000	3,000	0	0	\$8,235	0.6%
Commission on Arts and Humanities	1,350	2,700	2,700	2,700	2,700	2,700	\$14,850	0.3%
Office of Planning	1,311	2,106	2,106	2,106	2,106	2,106	\$11,843	0.3%
Subtotal, Uses:	\$493,807	\$579,615	\$571,353	\$604,809	\$643,815	\$637,332	\$3,530,731	100.0%
Large-Scale Financings (Department of Real Estate Services)								
Consolidated Laboratory Financing	\$16,478	\$20,000	\$5,000	\$0	\$0	\$0	\$41,478	
Purchase of Property of 225 Virginia Ave SE	\$85,200	\$0	\$0	\$0	\$0	\$0	\$85,200	
Total, Uses	\$595,485	\$599,615	\$576,353	\$604,809	\$643,815	\$637,332	\$3,657,409	

Note: Details may not add up to totals because of rounding.

Table 6-2 summarizes planned expenditure amounts for FY 2010 and budget authority requests for FY 2010 - FY 2015. It includes local funds (G.O. /I.T) bonds, Paygo, and master equipment lease/purchase), federal grants, and special financings that are discussed in greater detail later in this chapter.

The capital fund pro forma, table 6-3, summarizes sources and uses in the District's CIP. The Project Description Forms that constitute the detail of this capital budget document include projects receiving new allotments in FY 2010 through FY 2015, as included in the pro forma, totaling \$595 million in FY 2010.

FY 2010 Operating Budget Impact

In general, each \$15 million in borrowing has approximately a \$1 million impact on the operating budget for annual debt service. The capital budget's primary impact on the operating budget is the debt service cost, paid from local revenue in the operating budget, associated with issuing G.O. bonds to finance the CIP. Table 6-4 shows the overall debt service funded in the FY 2010 operating budget and financial plan.

A secondary impact on the operating budget is the cost of operating and maintaining newly completed capital projects. For example, the replacement of a

Table 6-4

OFFICE OF FINANCE AND TREASURY Fiscal Years 2010 - 2013 Debt Service Expenditure Projections

	FY 2010	FY 2011	FY 2012	FY 2013
Existing General Obligation (G.O.) Bonds and Income Tax (I.T.) Bonds Debt Service	\$464,582,583	\$436,919,759	\$431,004,482	\$419,571,816
Prospective I.T. Bonds Debt Service				
- FY 2010 (Fall) IT Bonds (\$330.4M)	\$7,478,888	\$22,147,288	\$22,148,663	\$22,144,513
- FY 2010 (Spring) IT Bonds (\$330.4M)		\$14,957,775	\$22,147,288	\$22,148,663
- FY 2011 (Fall) IT Bonds (\$291.9M)		\$6,608,925	\$19,571,600	\$19,572,350
- FY 2011 (Spring) IT Bonds (\$291.9M)			\$13,217,850	\$19,571,600
- FY 2012 (Fall) IT Bonds (\$283.3M)			\$7,426,650	\$19,521,300
- FY 2012 (Spring) IT Bonds (\$283.3M)				\$15,680,225
- FY 2013 (Fall) IT Bonds (\$299.5M)				\$7,840,113
- FY 2013 (Spring) IT Bonds (\$299.5M)				
Total G.O. and I.T. Bonds Debt Service (Agency DSO)	\$472,061,471	\$480,633,747	\$515,516,532	\$546,050,579
School Modernization Fund Subtotal (Agency SMO)	\$8,611,763	\$8,612,963	\$8,620,713	\$8,625,713
Certificates of Participation (Agency CPO)	\$32,284,610	\$33,044,575	\$33,033,738	\$33,041,713
Housing Production Trust Fund Financing (Agency DTO)	\$4,861,200	\$7,574,225	\$10,289,825	\$13,006,150
Total Long-Term Debt Service	\$517,819,044	\$529,865,510	\$567,460,808	\$600,724,155
Master Equipment Lease/Purchase Financing (Agency ELO)	\$46,157,000	\$44,605,085	\$34,997,975	\$26,927,568
Interest on Short-term Borrowing (Agency ZAO)	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000
Total Debt Service	\$572,976,044	\$583,470,595	\$611,458,783	\$636,651,723
Bond Issuance Costs (Agency ZBO) *	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000
Total Debt-Related Expenditures	\$587,976,044	\$598,470,595	\$626,458,783	\$651,651,723

* Has equal and offsetting revenue component funded by bond proceeds in the amount of the actual expenditures

Source: OFFICE OF FINANCE AND TREASURY

Table 6-5

Proposed G.O./I.T. Bond Borrowing, FY 2009 Through FY 2012

(Dollars in thousands)

Source	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
G.O. / I.T Bonds, general, including deficit reduction	\$450,000	\$484,187	\$563,721	\$561,539	\$599,070
G.O. / I.T Bonds for Consolidated Laboratory Facility	\$0	\$91,478	\$20,000	\$5,000	\$0
G.O./I.T. Bonds for Purchase of 225 Virginia Ave SE	\$0	\$85,200	\$0	\$0	\$0
G.O./I.T. Bonds for 11th Street Bridge	\$52,500	\$0	\$0	\$0	\$0
Total	\$502,500	\$660,865	\$583,721	\$566,539	\$599,070

Note: All amounts and methods of borrowing are subject to change depending on status of projects and market conditions.

building's roof, windows, and mechanical systems may decrease the cost of utilities, which would effectively lower the owner agency's operating costs. Conversely, the construction of a new recreation center is likely to increase the owner agency's operating costs for staffing the facility and operating programs there. Similarly, completed information technology projects will likely entail additional operating costs as upgrades, license renewals, or training of staff to operate new systems are required. OBP and the Office of the City Administrator are working to improve the descriptions of operating impact of projects currently found in the Project Description Forms.

Capital-Funded Positions

Designing and implementing capital projects can require specialized labor. In many instances, the personal services costs associated with these positions are charged to the General Fund. However, there are certain circumstances that allow agencies to charge positions against capital projects. For example, the Department of Transportation may hire specific types of construction engineers and project managers to work on a Highway Trust Fund road project and charge them against a capital project. Funding for these types of positions is permissible, as long as the position contributes directly to completion of the project.

The number of capital-funded positions rose in FY 2008 compared to FY 2007. Figure 6-2 shows that the District reduced the total number of capital-funded positions between 1993 and 1999. Capital funded FTEs have increased since then but have not reached the level of the early 1990s.

Details on the District's Sources of Funds for Capital Expenditures

The District's proposed FY 2010 - FY 2015 capital bud-

get includes a number of funding sources. The District uses the following sources to fund capital budget authority across a large number of agencies that have capital programs:

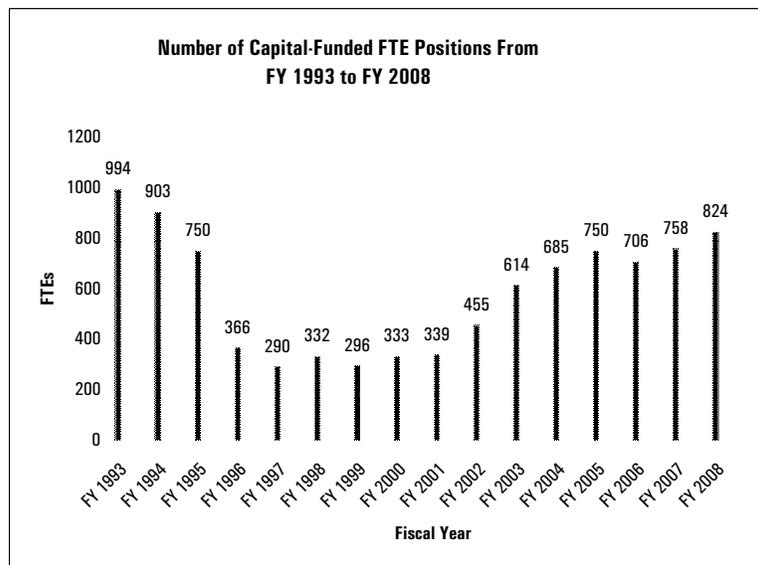
- G.O. or I.T. bonds,
- PAYGO capital funding, and
- Master Equipment Lease/Purchase financing.

Projects funded by these sources are detailed in the Project Description Forms (PDFs) in this budget document. Additional bond borrowing of \$25 million annually, through FY 2013, is proposed for deficit reduction in the capital fund. The District also proposes to use additional G.O./I.T. bond borrowing, revenue bonds, and a one-time borrowing to finance specific projects:

School Facilities Modernization. Pursuant to the School Reform Act, OPEFM was established to implement capital projects on behalf of DCPS. OPEFM is responsible for substantial rehabilitation of existing DCPS facilities, correcting fire code and life safety violations, addressing system and component replacements, constructing new schools and facilities, and developing a Master Facilities Plan (MFP). In addition, the School Modernization Use of Funds Requirement Emergency Amendment Act of 2007 authorized OPEFM to assume responsibility for maintenance previously conducted by the DCPS Office of Facilities Management. Beginning with the FY 2007 budget, the District has transferred at least \$100 million per year of pay-as-you-go capital financing from the operating budget to supplement the bond financing it borrows for DCPS facilities capital projects. In FY 2010, through FY 2013, the previously planned Paygo will instead be financed as part of the District's bonds. The financing plan reflects a return to Paygo capital financing in FY 2014 and FY 2015.

Figure 6-2

Number of Capital-Funded FTE Positions From FY 1993 to FY 2008



Renovation of University Facilities. Beginning in FY 2010, the University of the District of Columbia will implement its own capital projects. The District of Columbia will borrow on the University's behalf and provide approved allotments in the form of an annual capital subsidy. One particularly noteworthy capital project to be constructed is a new student center. UDC collects student fees to offset a portion of the construction cost of this facility.

Neighborhood Branch Libraries. In FY 2009, a federal payment of \$7 million was approved by Congress for general improvements and renovations as well as branch libraries including Washington Highlands and Francis Gregory. This payment supplemented the District's investment in its libraries through its regular Capital Improvements Plan.

Government Center Buildings. The District has begun to borrow funds for two Government Center projects, the Anacostia Gateway Building and the Minnesota/Benning Center. These centers were planned to house the District Department of Transportation (DDOT), Department of Human Services (DHS), and Department of Employment Services (DOES), with the DOES portion supported by proceeds from the sale of its previous building. In the FY 2006 budget, the District received \$200 million of budget authority for these projects. Since that time the scope of the project has narrowed. The current plan is to move DHS to another location, and the scope of the DDOT building

is currently being reconsidered, thus reducing the amount needed for the Government Center construction project.

New Communities. The New Communities Initiative is a large-scale, comprehensive plan to revitalize selected District neighborhoods. The District issued \$34 million of revenue bonds in FY 2007 for a major investment in the Northwest One community, which includes the Sursum Corda public housing development and surrounding areas as part of the New Communities Initiative. To pay the debt service on these bonds, funds will be transferred from the Housing Production Trust Fund (HPTF), which is funded by dedicated revenue (from deed recordation and deed transfer taxes). In FY 2008, the District budgeted a total of \$150 million of capital budget authority for the New Communities Initiative, which includes several additional projects. Revenue bonds for these projects will be issued in FY 2009 and/or subsequent years.

East Washington Traffic Initiative. In the FY 2006 budget, the District received \$230 million of budget authority for this project, the major component of which is the rebuilding of the 11th Street SE bridge. Of this amount, \$200 million was planned to be financed by bond issuances and federal funds also are anticipated to support this project. Borrowing began in FY 2008 and continued in FY 2009, with debt service to be paid by a portion of the District's parking tax revenues. The District acted in FY 2009 to reduce future debt service

Table 6-6

Fund Balance in the General Capital Improvements Fund, FY 1998-FY 2008

(Dollars in millions)

Fiscal Year	Positive/(Negative) Fund Balance
1998	224.0
1999	387.5
2000	458.4
2001	(57.9)
2002	(389.5)
2003	(141.8)
2004	(250.2)
2005	(246.4)
2006	396.8
2007	703.8
2008	586.9

costs with the result that a total of \$65 million will be borrowed for the project, rather than the originally planned \$200 million. Alternative financing is being considered.

Consolidated Laboratory Facility. The District is building a new consolidated laboratory that will be used by the Metropolitan Police Department, the Office of the Chief Medical Examiner, and other agencies. Both the District and the federal government have begun financing this project, and planning and design have begun. In FY 2008, Congress approved \$9 million of federal funds, and the District issued \$25 million of general obligation bonds for this project. The District sought additional federal funding in FY 2009 and received \$21 million. The District plans to borrow an additional \$116 million through FY 2012.

Purchase of 225 Virginia Ave SE. In the first quarter of FY 2010 the District will purchase the property currently being leased at 225 Virginia Ave SE. Plans are to relocate the Commission on the Arts and Humanities, a significant portion of the Office of the Chief Technology Officer, and the Child and Family Services Agency to the new property. Reductions in the current cost of leases for these agencies, and the current lease cost for the 225 Virginia Ave property will serve to off-set the additional debt service.

WMATA Fund Increase. The District plans a contribution of \$50 million annually to WMATA capital

investments beginning in FY 2010 and continuing for ten years, through FY 2019. The contribution is contingent upon annual appropriated funding from the Congress of \$150 million along with \$50 million in annual appropriations from both the State of Maryland and the Commonwealth of Virginia as contributors to the required match for the local jurisdictions to ensure receipt of the federal appropriations.

Table 6-5 shows expected G.O. / I.T. bond borrowing amounts for FY 2009 through FY 2013 for general capital needs and specific projects. It excludes the New Communities project, which is funded by revenue bonds.

Finally, the District's Department of Transportation uses the following sources to fund its capital projects:

- Rights-of-way funds, parking tax revenue, and Paygo capital, for Local Street Maintenance Fund projects;
- Federal Highway Administration grants, for Highway Trust Fund projects; and
- Dedicated motor fuel tax revenues, and several new sources, for Highway Trust Fund projects (these provide the local match for the Federal Highway Administration grants).

Fund Balance of the Capital Fund

From FY 2001 through FY 2005, the District's Comprehensive Annual Financial Report (CAFR) showed a deficit in the General Capital Improvements

fund (the "capital fund"), but since FY 2006 the CAFR has shown a surplus (see table 6-6). The shortfall at the end of FY 2005 meant that capital expenditures had exceeded financing sources by that amount on a cumulative basis, and the District's General Fund had advanced funds to the capital fund to cover the expenditures. Because of several large financings in FY 2006 and FY 2007, from which very little was initially spent, the accumulated deficit has become an accumulated surplus. As District agencies spend these proceeds in coming years, this portion of the surplus will disappear. The Chief Financial Officer's management goal is to balance the capital fund on a long-term basis.

Until a few years ago, agencies had been slow to spend capital dollars, resulting in the District's paying interest on borrowed funds that then sat idle earning lower interest rates in District bank accounts. The District instituted a policy to delay borrowing until funds were needed for expenditures, and borrowing less than the full amount budgeted and/or allotted. At the same time, agencies were pressured to begin spending budgeted capital dollars. Eventually, this resulted in a situation in which total agency spending (of existing capital budget authority and prior allotments) exceeded the amount of funds borrowed, producing a deficit in the capital fund. The General Fund paid for these capital expenditures, essentially as a loan to the capital fund. It was necessary to cure this shortfall in order to bring the capital fund and General Fund back into balance and also to prevent cash flow problems in the General Fund.

In FY 2006, the District borrowed \$196.9 million through Certificates of Participation (COPs) for a new mental health hospital and a new building for the Department of Motor Vehicles, and it securitized \$245.3 million of future tobacco revenues to pay for health care needs in the District, primarily through capital expenditures. Little was spent against these two financings in FY 2006, so they had a large positive net effect on the capital fund balance. Similarly, in FY 2007, there were several large sources of revenues with minimal FY 2007 spending. For example, the District transferred \$100 million of Paygo revenue to the capital fund for schools construction and also borrowed \$60 million in the first installment of the additional FY 2006 bond funds for schools. However, D.C. Public Schools did not have access to the budget for these funds until April of 2007 because of legislative restrictions, and little was spent by the end of FY 2007. The District also borrowed

\$64 million against future bus shelter advertising revenues for the Great Streets programs. Thus, about \$406 million of the FY 2008 year-end capital fund balance is the unspent proceeds of FY 2006 COPs and tobacco bonds and FY 2007 school modernization and Great Streets financing.

Most of these balances are likely to be spent within the next several fiscal years, which will rapidly reduce the capital fund balance. Thus, the District must still keep a close watch on the underlying status of the capital fund, notwithstanding the current surplus. The long-term solution to the capital fund shortfall includes development of, and monitoring against, agency spending plans for their capital projects that manage each year's overall expenditures against that year's revenues. The District will also continue to borrow \$25 million per year, through FY 2013, above each year's new capital budget allotments to gradually repay the General Fund for advances it made to the capital fund.

Highway Trust Fund and Local Roads Construction and Maintenance Fund

The Highway Trust Fund and Local Roads Construction and Maintenance Fund both finance projects implemented by the District Department of Transportation.

The Highway Trust Fund (HTF) consists of federal-aid funds and dedicated tax collections used to support investment on the 44 miles of eligible federal-aid roads and highways. The HTF is used to pay the local match for obligated Federal Aid projects, match future transportation grants and the remaining balances are to be used for capital improvements to local streets and roads.

The inventory of streets and highways under the District's jurisdiction extends over 1,000 centerline-miles of urban roads. The streets and highways consist of two-lane residential streets up to multi-lane Interstates. There are approximately 200 bridges eligible for Federal Aid match, and they range from crossings over minor drainage ways to the interstate highway bridges over the Potomac and Anacostia Rivers. Approximately 400 of the over 1,000 miles of streets and highways are eligible for Federal Aid match. Federal Aid match is granted for (approximately) 80 percent of the construction, design and project management costs of an eligible roadway project provided that the District matches the remaining (approximately) 20 percent.

The District anticipates HTF expenditures of \$297 million (local share) during the six-year period FY

2010 through FY 2015. Over the same period, the Federal Aid Match (Federal Aid) anticipates expenditures of \$1.231 billion. Thus, total Highway Trust Fund planned expenditures are \$1.528 billion.

The Local Roads Construction and Maintenance Fund was created in FY 2002 and funded with Rights-of-Way fee collections. This funding source allows the District of Columbia to maintain the quality of its local street system. Funds are dedicated for the maintenance and enhancement of all local streets. Beginning in FY 2006, 50 percent of parking tax receipts were deposited into this fund annually to support local road rehabilitation and construction. The District anticipates expenditures of \$363 million from FY 2010 through FY 2015.

For more details on the Highway Trust Fund and Local Roads Construction and Maintenance Fund, see Volume 7 of the FY 2010 Proposed Budget and Financial Plan.

Appendices

**D.C.
Comprehensive
Financial
Management
Policy**

Government of the District of Columbia

Comprehensive Financial Management Policy

INTRODUCTION

In accordance with requirements set forth in the District of Columbia Home Rule Act, this Comprehensive Financial Management Policy provides a framework for fiscal decision-making for the Office of the Chief Financial Officer (OCFO) and the Government of the District of Columbia (“District government” or “District”). The intent of this document is to establish policies that ensure that financial resources are available to meet the present and future needs of the citizens of the District of Columbia. This document establishes the District government’s policies in the following areas:

- Debt Management
- Financial Asset Management
- Fixed Asset Management
- Reserve Management
- Fiscal Management
- Economic Development

These financial management policies were established by the OCFO for review and comment by the Mayor of the District of Columbia and the Council of the District of Columbia. The OCFO will consider amendments to this document on a continuing basis, as needed, following this same review and approval process.

DEBT MANAGEMENT POLICY

The District government will maintain, at all times, debt management policies that are fiscally prudent,

consistent with District and federal law, and reflect Washington, D.C.’s unique municipal status.

Credit Ratings

The District will do everything in its power to attain and maintain the highest possible credit ratings for its outstanding general obligation bonds, including producing balanced budgets and “clean” audits annually, implementing and maintaining sound financial and debt management policies and practices, and maintaining regular communications with the major rating agencies.

Long-Term Debt Capacity

The District will not only stay within its statutorily mandated debt limits of 17 percent (maximum annual debt service to total current-year local revenues) for general obligation bonds, and 12 percent (annual debt service to total General Fund expenditures) for all tax-supported debt, but will maintain other debt ratios and practices that are prudent in light of industry standards, rating agencies’ benchmarks and the District’s long-term financial health. The District will seek to balance the need for maintenance and development of its capital infrastructure with the need to maintain reasonable debt ratios and debt service expense levels.

Timing and Amount of Long-Term Borrowing

With the exception of certain special capital projects for which it is necessary to have all funds on hand at the outset of the project, the District shall engage in

annual long-term borrowing for its capital projects in amounts that are planned and reasonably expected to be spent over the course of the fiscal year in which such funds are borrowed. Such borrowing amounts will be determined in the context of an ongoing effort to balance the need for continual development and refurbishment of the District's infrastructure with the need to prudently manage the District's debt burden.

Method of Bond Sale

The District shall issue its bonds via competitive sale unless a determination is made by the OCFO, supported by credible documentation, that issuing bonds via a negotiated sale is likely to yield a more favorable result for the District.

Composition of Debt Portfolio

The District shall issue fixed-rate, tax-free municipal bonds, typically general obligation bonds, except that a target percentage of 15 to 20 percent of its outstanding debt shall be variable-rate municipal bonds. This policy will allow the District to take advantage of the generally lower interest rates associated with variable-rate municipal debt without over-exposing itself to higher levels of risk associated with such debt. In addition, with every issuance of debt, the District shall evaluate whether or not it is financially beneficial to issue the debt with bond insurance or some comparable form of credit enhancement, and shall structure the issuance accordingly. The District will also regularly examine the marketplace and its financial structure to determine whether it would be beneficial to issue debt in a form other than general obligation bonds (i.e., revenue bonds, certificates of participation) to fund certain governmental projects.

Timely Debt Service Payments

The District shall escrow funds received from its Special Real Property Tax levy semi-annually in amounts sufficient to ensure timely payment of all principal and interest due on its outstanding general obligation bonds.

Compliance with Arbitrage Regulations

The District shall contract with a reputable firm to perform annual analyses of the District's investment and expenditure of bond proceeds in order to ensure compliance with federal arbitrage regulations.

Refunding of Outstanding Debt

The District will regularly monitor its outstanding debt for optimal opportunities and timing to refund such debt at lower interest rates to produce debt service savings to the District.

Selection of Financial Consultants and Service Providers

The District shall select Bond Counsel, Disclosure Counsel, and Financial Advisor services on a competitive basis through a Request for Proposals (RFP) process, unless in an emergency situation, with the nature of such emergency documented in writing.

Equipment Financing Program

The District will maintain a program to finance (on a tax-exempt basis) the acquisition of agency capital equipment with estimated useful lives of five to ten years. This program is part of the District's policy of seeking to match the useful lives of its capital assets with the duration of the debt that finances such assets, identifying the lowest available cost of financing, as well as managing agency operating costs.

Independent Agency/Instrumentality Debt Issuance

The Chief Financial Officer (CFO) shall determine whether or not it is advisable for certain independent agencies/instrumentalities of the District that have segregated revenue streams to pursue issuing bonds supported by such revenue streams. If the CFO determines that such a transaction is advisable, the CFO shall, through the Mayor, submit a written request to the Council for enactment of the necessary authorizing legislation. The CFO must approve the ultimate structure of any such transaction, and must approve the transaction itself. In the event of such a financing, the independent agency/instrumentality must report to the CFO within 30 days after each debt service payment, and in such report confirm timely payment and the amount paid, document the amount of debt outstanding, and provide any other pertinent information requested by the CFO. (Examples of entities that have issued such debt are the Washington Convention Center Authority and the District of Columbia Water and Sewer Authority.)

Short-Term Borrowing

The District's policy is to issue short-term debt in the form of Tax Revenue Anticipation Notes to finance any intra-year seasonal cash needs. Such notes must be repaid by the end of the fiscal year in which they are issued. The policy goal is for the District to maintain sufficient operating cash balances so that short-term borrowing is not necessary.

FINANCIAL ASSET MANAGEMENT POLICY

Authorization and Responsibility

The CFO, established by the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Pub.L. 104-8, Sec 302, 109 Stat 142), is responsible for maintaining custody of all public funds belonging under the control of the District government and depositing all amounts paid in such depositories and under such terms and conditions as may be designated by the Council of the District of Columbia pursuant to Section 424 of the District of Columbia Home Rule Act (Pub.L. 93-198). Except where prescribed by law, the CFO has delegated this responsibility to the Treasurer of the District of Columbia.

The Treasurer, on behalf of the CFO, actually maintains custody of all public funds belonging to or under the control of the District government or its agencies and deposits all funds in depositories designated by law. (P.L. 104-8, Sec. 302 (e); D.C. Official Code 1-204.24d(1)-(2)) The Treasurer is responsible for the administration and supervision of the Office of Finance and Treasury (OFT), which includes the responsibility for the collection and deposit of all receipts. The Treasurer shall also specify operational procedures and standards to be used for all depository intake facilities.

Deposit of Cash Receipts Policy

All District government instrumentalities, including component units, boards, commissions and other public entities, are subject to D.C. Official Code 47-351 et seq. and shall deposit all cash, checks and other negotiable instruments received within two business days after collection or receipt of such moneys. Items deposited pursuant to D.C. Official Code 47-351 et seq. shall be properly posted in the District's accounting system of record within two business days of receipt.

Background: The timely deposit of moneys received provides several benefits. The most important benefit is the improved control of these funds, which reduces the risk of loss due to errors, carelessness or theft. In addition, the timely deposit of funds results in improved interest earnings and lowers the risk of returned checks due to non-sufficient funds or accounts being closed. It also provides a responsive service to the payers who would otherwise be uncertain whether their checks were received.

Disbursement of Public Funds Policy

All disbursements from District depository accounts shall be made by check or electronic fund transfer. All District agencies shall comply with OCFO's Financial Management and Control Order No. 96-04, which establishes guidelines of authority, indicates required documentation, and requires expediency in the processing of payment vouchers. All District agencies and employees shall comply with Financial Management and Control Order No. 01-001, which governs the establishment, control and maintenance of bank accounts, checks and signature authority to prevent fraud, abuse or other irregularities. Likewise, all District agencies shall also comply with the provisions in the District's Quick Payment Act which ensures the timely payment of public funds to vendors.

Background: The District of Columbia's Office of Finance and Treasury recognizes the financial risks associated with the issuance of checks. The rapid growth of check fraud due to improvements and affordability in desktop publishing and color photocopying has prompted the development of a single state check design. Checks issued by the District government use a controlled paper stock with numerous security features and a background design that makes all District government checks easily recognizable as obligations of the District government.

Revolving Fund Policy

Revolving fund disbursements must be authorized and shall be limited to emergency situations that cannot be accommodated through established procedures due to time or other constraints.

Therefore, revolving funds shall only be used for approved emergency transactions, but in no case shall revolving funds be used for the following:

- Loans or cash advances to employees;
- Travel reimbursements;
- Travel advances;
- Payments to employees for personal services;
- Subscriptions, memberships, registrations, or tuition;
- Clearing fund for any purpose;
- Monthly recurring operating expenses of the agency; and
- Situations that can be accommodated through other established procedures.

Background: Revolving funds are established for the purpose of making emergency or other disbursements that cannot be accommodated through established procedures due to time constraints. When revolving funds are used, the disbursement process is not complete until claims for the payments are made from District funds and the revolving fund is reimbursed for the emergency activity.

In the District of Columbia there are four types of revolving funds:

- Internal Service Funds (D.C. Official Code 47-373 (2)E);
- Enterprise Funds (D.C. Official Code 47-373 (2)D);
- Statutorily mandated funds such as the Public Assistance and Administration Revolving Fund (D.C. Official Code 47-373 (2)); and
- Imprest Fund (Mayor's Memorandum 82-29, dated May 28, 1982).

Collateralization Policy

The District of Columbia shall institute guidelines sufficient to ensure that eligible financial institutions collateralize District deposits at 102 percent of the District's collected balances held that are not fully federally insured. The District's Office of Finance and Treasury shall monitor collateral on a daily basis.

Banking Services Policy

It is the policy of the District government to expeditiously establish bank accounts pursuant to competitive award practices as prescribed in the Financial Institutions Deposit and Investment Act of 1997, D.C. Official Code 47-351 et seq. The Office of Finance and Treasury shall routinely monitor bank performance using predetermined performance stan-

dards with penalties for failure to perform.

Electronic Benefits Payment Policy

The OFT in conjunction with the Department of Human Services shall administer the District's Electronic Benefit Transfer (EBT) in compliance with the Welfare Reform Act of 1996 and provide necessary training to eligible District of Columbia residents in using this service.

Background: The Welfare Reform Act of 1996 mandates that all states and the District of Columbia establish an electronic delivery system for the distribution of food stamp benefits by October, 2002. As a result, the District's EBT system was implemented in 1998. The system electronically delivers both food stamps and cash assistance welfare benefits to District recipients. EBT is a special application of electronic funds transfer (EFT) technology, which takes money directly from one account and transfers it to another and eliminates the cumbersome processes required by the paper food stamp and check writing systems. Also, it provides the retail food industry in the District with an improved method of accepting food stamp benefits, accounting of food stamp benefits and the transferring of funds from the U.S. Department of Agriculture to individual merchants.

Internal Control Policy

The District government shall administer Generally Accepted Auditing Standards and OCFO approved internal control practices to ensure the safeguarding of cash under the control of agencies, component units, boards and commissions. Such practices include:

- All cash received by District agencies shall be deposited with OFT. Any exceptions shall be approved in advance by the OCFO;
- Bank accounts shall be reconciled monthly under the supervision of someone independent of receiving, disbursing and depositing cash;
- Employees who handle cash shall be bonded as a condition of employment and cannot maintain accounting records;
- Pre-numbered deposit tickets shall be supported with sequentially numbered cash receipts;
- Checks received shall be restrictively endorsed;
- Cash receipts shall be reconciled daily and discrepancies shall be investigated promptly by the designated authorized personnel; and

- Access to cash registers and cash boxes shall be restricted to cashiers and shall be promptly secured during the cashier's absence.

Investment Priorities

The District will invest idle cash in a manner consistent with applicable District law that seeks to (i) provide for the safekeeping of principal amounts invested, (ii) maintain adequate liquidity to fund the District's daily operations, and (iii) maximize earnings on invested funds, in that order of priority. The maximization of earnings will be accomplished by analyzing (i) up-to-date cash flow projections documenting the amounts and timing of the District's operating cash needs over the course of a given fiscal year and (ii) the investment yield curve and the respective earnings (interest) rates available to the District on the various legally-permissible investment instruments, and making investment decisions accordingly.

Investment of Idle Operating Cash Balances

The Office of Finance and Treasury, each business day, will determine, using same-day data from its banks on check clearings for that day and allowing for a relatively small cushion for unexpected disbursements, the amount of cash that is not needed to fund disbursements for that particular day. All such cash will be invested in one or more of the permissible investment instruments in accordance with the policy described in the "Investment Priorities" section above.

Investment of Additional Idle Bank Account Balances

The District government will ensure that no cash balances sit idly without being invested. All District bank accounts will be structured such that all funds in collection or disbursement accounts at the end of a given day will be invested in overnight sweep investments and returned to these respective accounts the following morning with interest.

Investment of Bond Escrow and Note Escrow Funds

The District government will invest idle bond escrow and note escrow balances (funds set aside for the payment of principal and/or interest on outstanding District bonds or notes) in accordance with the same general policy guidelines described in the "Investment Priorities" section above, except that the maximum

duration of such investments (the liquidity aspect referenced above) will be determined by the principal and/or interest payment due dates on the bonds or notes as opposed to operating cash flow projections.

Investment of Bond and Note Proceeds

Proceeds from the sale of District bonds and notes shall be invested in permissible investments in accordance with District law, stipulations in the respective bond or note documents as to how such funds are to be invested, Federal arbitrage regulations regarding the investment of bond and note proceeds (both of which may be more restrictive than District law), and pre-determined payout schedules (or estimates) for such proceeds (based on the purpose and manner of use of such Funds Reserve Funds (see Reserve Policy section) of the District shall be invested in permitted investments in accordance with District law, and shall be invested in a manner that will allow some or all of the investments to be liquidated within one business day in the event of an emergency need for such funds. With this stipulation, funds shall be otherwise invested in accordance with the policy described in the "Investment Policies" section above.

Limits on Placement of Funds

In accordance with applicable law, the District will not deposit/invest more than 25 percent of its funds on hand with any one financial institution, and will not deposit/invest an amount with any one financial institution that amounts to more than 25 percent of the assets of such institution.

FIXED ASSET MANAGEMENT POLICY

Policy for Defining Fixed Assets

Fixed assets are long-lived tangible items that provide a benefit for a number of future periods. They are either classified as "capitalized assets," subject to the District's standard depreciation rules, or "controllable property," which are neither capitalized nor depreciated for financial reporting purposes. The General Fixed Asset Account Group (GFAAG) includes the cost of acquiring fixed assets and the cost of improvements to existing property owned by the District government (D.C. Official Code 47-372 (7)).

Proper accounting for fixed assets requires the capitalization of appropriate expenditures for each of

the following asset categories:

- Land - non-expendable, real property, for which title is held by the District;
- Land Improvements - shall include the cost of permanent attachments, other than buildings, which add value to land;
- Buildings - all real estate, excluding lands and land improvements, used for shelter, dwelling, and other similar purpose;
- Equipment/Furniture/Vehicles - tangible personal property that is: a) complete in itself; b) does not lose identity or become a component of the building where it resides; c) of a durable nature with an expected service life of three or more years;
- Construction-in-Progress - includes the costs incurred for incomplete projects for construction of buildings and improvement; and
- Infrastructure Assets - long-lived capital assets that normally can be preserved for a significantly greater number of years than most capital assets and that normally are stationary in nature. Examples of infrastructure assets include roads, sidewalks, bridges, tunnels, drainage systems, water and sewer systems, dams, street lighting systems and transit subway systems.

General Fixed Asset Policy

Fixed assets must be properly authorized, classified, valued and adequately safeguarded. Physical and accounting control policies and procedures established by the Office of Financial Operations and Systems (OFOS) must be followed by each agency. Each agency must implement the following policies:

- All fixed assets that have been capitalized or part of controllable inventory shall be included on the agency's fixed asset listing;
- All capitalized or controllable inventory fixed assets shall be reported in the Fixed Assets Subsystem (FAS) of the System Of Accounting and Reporting (SOAR), maintained by OFOS;
- Each agency shall designate a Property Control Officer to account for fixed assets and ensure that all divisions within the agency comply with District requirements;
- All agencies shall use the capitalization and controllable inventory policies and procedures established by OFOS;
- All acquisitions and disposals of fixed assets shall

be properly authorized by the agency Director or designee. In addition to the agency Director, some acquisitions and disposals may require the approval of the appropriate regulating bodies; and

- All agencies shall maintain all documentation relating to the acquisition and disposal of the fixed asset through the life of the fixed asset and for a specified time after disposal.

Capitalization Policy

- All land, land improvements and building additions must be capitalized regardless of cost.
- Capital improvements shall be capitalized if the total project cost is \$5,000 or more, and the improvements increase the utility of the asset or significantly extend (2 years or more) its useful life. If an expenditure for improvements does not increase the utility of the asset or significantly extend its life, it should be classified as repairs and maintenance and not capitalized.
- Furniture, vehicles, and equipment shall be capitalized if the aggregate cost is \$5,000 or more and the useful life of the asset is three years or greater. Cost for personal computer equipment includes monitors, cables, battery packs or any additional accessories needed for the equipment to function. It would not include printers. Printing functions can be spooled to a central printer and several computers can utilize it.
- Computer software system costs should be capitalized if the total cost including purchase, installation, and testing is \$5,000 or more. Training that is directly related to installation and testing should be capitalized. The cost of training after the system has been placed in service should be expensed as incurred. Upgrades and enhancements should only be capitalized if such costs significantly increase (2 years or more) the life or functionality of the system.
- Computer hardware system costs should be capitalized if the total cost including acquisition, installation, and testing is \$5,000 or more. The cost of each component of a computer hardware system should be initially recorded as controllable inventory in the Fixed Asset Subsystem (FAS). When the hardware system is ready for its intended use, the inventoried costs should be grouped and capitalized as one unit of property in the FAS. Upgrades and enhancements should only be cap-

itized if such costs significantly increase (2 years or more) the life or functionality of the system.

- Betterments shall be capitalized if the cost is \$5,000 or more and the addition made to the fixed asset is expected to prolong its life or increase its efficiency over and above that arising from repairs or maintenance. The cost of the betterment is added to the book value of the asset. Betterments do not include building improvements. Betterments that cost less than \$5,000 should be classified as expenses.
- Fixed assets with a unit cost of less than \$5,000 should be identified as controllable equipment of the agency. The minimum unit cost level required to be identified as controllable equipment of the agency is \$1,000, except certain items. Equipment below \$1,000 may be tagged with a property identification number and recorded on a supplementary listing for stewardship and sensitivity reasons.
- Agencies may account for and record items under \$5,000 in the FAS. Agencies shall record and maintain a supplementary listing internally on the agency FAS or in the OFOS FAS for those items that are between \$1,000 and \$5,000. The agency shall also maintain records for items less than \$1,000 that are considered sensitive or at high risk of theft, such as weapons, computer components, and cellular equipment.

Controllable Property Policy

Controllable property is non-capitalized tangible property that is considered valuable and/or sensitive with a high risk of theft with a value of less than \$5,000 and/or with an expected life of less than three years. Similar to capitalized property, controllable property is subject to the requirements of this Comprehensive Financial Policy Management document regarding security, stewardship, maintenance, and utilization. These assets shall be excluded from depreciation calculations and financial reports. They shall, however, appear on other management information reports and fixed assets inventory records. Each agency director/fiscal officer shall designate an agency Property Manager to account for fixed assets and ensure that all divisions within the agency comply with the District's accounting policy.

To ensure that personal property fixed assets are properly safeguarded and accounted for, the Office of

Financial Operations and Systems (OFOS) shall conduct a physical inventory of personal property fixed assets annually. The inventory shall be conducted based upon the assets listed in the Fixed Asset Subsystem (FAS) as of a given date. Each agency shall be responsible for making sure that the proper personnel are available to guide the inventory contractor to the location of the asset. The physical inventory shall be properly managed and supervised by the agency's Property Manager to ensure that the inventory process is effective and efficient. OFOS shall oversee reconciliations and adjustments to the detailed accounting records resulting from the physical inventory.

Acquisition Policy

Fixed assets shall be initially recorded at historical cost which is defined as cash or cash equivalent price of obtaining the asset and bringing it to the location and condition necessary for its intended use.

Donated assets shall be recorded at fair market value at the date of acquisition, generally defined as "consideration given or consideration received, whichever is more clearly determinable."

Construction-in-progress represents capitalization of labor, material, and overhead costs of a capital project. When the project is completed, costs in the construction-in-progress balance sheet account shall be reclassified to one or more of the property and equipment accounts.

Valuation Policy

The most desired method of valuation is original cost (historical). Such data can be determined by retrieving original invoices, purchase orders, check copies, contracts, minutes, or auditor's work papers. However, if the original cost cannot be established, estimated historical cost data may be used.

Stewardship Policy

Fixed assets comprise the majority of the District's total assets. Extreme care shall be used in safeguarding and accounting for all fixed assets. Persons assigned fixed assets (e.g., cellular telephones, pagers and laptop computers, etc.) for their direct official use shall be held responsible and liable for the fixed asset assigned to them. All fixed assets shall be returned to the agency when the official leaves the employment of the agency.

Document Retention Policy

Documents relating to the acquisition and disposal of fixed assets shall be retained throughout the life of the fixed asset and for a minimum of three years following the disposal of the fixed asset or as required by the funding laws and regulations.

Depreciation Policy

The FAS automatically calculates and posts depreciation for fixed assets. Depreciation expense shall be calculated using the straight-line accounting method based on the useful life of the fixed assets as determined by the District.

Property Control Policy

Each agency director/CFO shall designate an agency Property Control Officer to account for fixed assets and ensure that all divisions within the agency comply with the District's accounting policy. Each agency shall perform a physical inventory of its fixed assets annually to ensure that adequate care is used in the control and accountability of District assets. The physical inventory shall be carefully planned and supervised by the Property Control Officer to ensure reliable results. The agency controller shall receive all inventory representations from the Property Control Officer and approve reconciliations and adjustments to the detailed accounting records resulting from the physical inventory.

Disposal Policy

All disposals of fixed assets shall be properly authorized by the agency director or designee. The appropriate regulating bodies shall approve some disposals in addition to the agency Director. All proceeds from the sale of District government property should be dedicated for use by the government for the construction and rehabilitation of its facilities, unless Council approves an exception. Agencies shall maintain all documentation related to the disposal of the fixed asset for a specified time after disposal.

RESERVE MANAGEMENT POLICY

Cash Set Aside

The District Cash Set Aside (or Cumulative Cash Reserve) was phased out as a result of the expiration after FY 2006 of the federally mandated requirement to maintain the reserve. The Cash Reserve dollars were to be expended and obligated in accordance with directives of the Chief Financial Officer, the D.C. Council, the Mayor, and Congress. Funds that were expended from the cash reserve were replaced entirely the following fiscal year. Beginning FY 2009, Cash Reserve has been abolished because of the expiration of the aforementioned requirement. Decisions may be made on a year-to-year basis to reserve amounts for a particular year.

Emergency Cash Reserve Fund Management

It is the policy of the District government to comply with current requirements for building and maintaining the District of Columbia's Emergency Cash Reserve Fund as defined by D.C. Official Code 1-204.50(a). Any modifications to these requirements shall be reflected in the Policy.

It is the policy of the District to deposit all interest earned on these funds back into the Emergency Cash Reserve. If these interest payments are not sufficient to maintain the fund at its prescribed level, the District shall reserve sufficient funds in the subsequent fiscal year to ensure that the Reserve is fully funded in the District's Proposed Budget and Financial Plan.

Background: The District is required to build and maintain an Emergency Cash Reserve Fund equaling 2 percent of the total local source budget appropriated for operating expenditures for the preceding fiscal year. Operating expenditures do not include debt service on general obligation bonds, which are supported by a separate reserve account referred to as bond escrow.

This fund may only be used for unanticipated and nonrecurring extraordinary needs of an emergency nature, including a natural disaster or calamity (as defined by section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act) or unexpected liability created by Federal Law. The Emergency Cash Reserve fund may not be used to fund any department, agency, or office of the District government administered by a receiver or other official appointed by a court, shortfalls in any projected reductions included in the budget proposed by the District government for the fiscal year, nor settlements and judgments made by or against the District of Columbia government. Funds may only be

allocated after an analysis has been prepared by the CFO and only after a projection by the CFO that the entire Contingency Cash Reserve Fund (see next section) will be completely exhausted at the time of the allocation.

For purposes of cash flow management, the Chief Financial Officer may borrow from the emergency reserve fund as long as the amount borrowed does not exceed 50 percent of the total balance in both the emergency and contingency funds and neither fund is depleted by more than 50 percent. The amount borrowed shall be replenished to the funds by the earlier of 9 months of the date the money was borrowed or the end of the fiscal year in which the money was borrowed. If, after a cash flow management borrowing, the amounts in the funds are later depleted below the 50 percent threshold for other authorized reasons, the District shall restore the funds to the 50 percent level within 60 days.

The District government shall allocate sufficient funds each fiscal year in the budget process to replenish any amounts allocated from the Emergency Cash Reserve Fund during the preceding fiscal year or shall move unreserved undesignated fund balance into the reserve as needed.

Contingency Cash Reserve Fund Management

It is the policy of the District of Columbia to comply with current requirements for building and maintaining the District of Columbia's Contingency Cash Reserve Fund as defined by D.C. Official Code 1-204.50(a). Any modifications to these requirements shall be reflected in the policy.

It is the policy of the District to deposit all interest earned on these funds back into the Contingency Cash Reserve. If these interest payments are not sufficient to maintain the fund at its prescribed level, the District shall reserve sufficient funds in the subsequent fiscal year to ensure that the Reserve is fully funded in the District's Proposed Budget and Financial Plan.

Background: The District is required to establish and maintain a Contingency Cash Reserve Fund equaling at least 4 percent of the total local source budget appropriated for operating expenditures for the preceding fiscal year. Operating expenditures do not include debt service on general obligation bonds, which are supported by a separate reserve account referred to as bond escrow.

This fund may be used only for nonrecurring or unforeseen needs that arise during the fiscal year, including expenses associated with unforeseen weather or other natural disasters, unexpected liability created by Federal law or new public safety or health needs or requirements that have been identified after the budget process has occurred, or opportunities to achieve cost savings. The fund may also be used, if needed, to cover revenue shortfalls experienced by the District government for 3 consecutive months (based on a two-month rolling average) that are 5 percent or more below the budget forecast. The Contingency Cash Reserve Fund may not be used to fund any shortfalls in any projected reductions that are included in the budget proposed by the District government for the fiscal year. Funds may only be allocated after an analysis has been prepared by the CFO and all other surplus funds available to the District have been completely exhausted.

For purposes of cash flow management, the Chief Financial Officer may borrow from the contingency reserve fund as long as the amount borrowed does not exceed 50 percent of the total balance in both the emergency and contingency funds and neither fund is depleted by more than 50 percent. The amount borrowed shall be replenished to the funds by the earlier of 9 months of the date the money was borrowed or the end of the fiscal year in which the money was borrowed. If, after a cash flow management borrowing, the amounts in the funds are later depleted below the 50 percent threshold for other authorized reasons, the District shall restore the funds to the 50 percent level within 60 days.

The District shall allocate sufficient funds each fiscal year in the budget process to replenish any amounts allocated from the Contingency Cash Reserve Fund during the preceding fiscal year or shall move unreserved undesignated fund balance into the reserve as needed.

FISCAL MANAGEMENT POLICY

Revenues

The District shall strive to maintain a balanced and diversified revenue system to protect against adverse fluctuations in any one source of revenue, which may result from changes in local and/or national economic conditions.

Quarterly Revenue Adjustments: The Office of the Chief Financial Officer shall make revised quarterly adjustments to the revenue estimated for the year in progress as required by law (D.C. Code 47-317.3(5)B). These adjustments, as certified by the Chief Financial Officer, will be submitted to the Mayor and the Council of the District of Columbia. They shall serve as the basis for determining whether revenues are in balance with anticipated expenditures. Any request for supplemental appropriations submitted to the Congress of the United States that would increase the total amount of general fund revenue appropriated to the District shall use these certified estimates as a basis for the request.

General Fund Balance

There are two major components of the fund balance of the General Fund, the reserved fund balance and the unreserved balance. The unreserved fund balance is apportioned further into designated and undesignated components. It is the policy of the District government to maintain the reserved fund balance of the General Fund in perpetuity in accordance with those laws and regulations governing the use of the funds. Fund balance appropriated for the current fiscal year's operating budget shall be used only to the extent needed, if any, to balance the current fiscal year's actual revenues to actual expenditures. In a given fiscal year, actual revenues may exceed projected and appropriated revenues. When this occurs, the District shall first apply the excess revenues before it applies any appropriated fund balance. Under no circumstances shall the District apply more fund balance than has been duly appropriated. The portion of the fund balance of the General Fund that is unreserved and designated or earmarked for use by the D.C. Code shall be maintained for its designated purpose, unless modified by subsequent legislation. The District should consider alternate uses in the event of a revenue shortfall or for nonrecurring or unforeseen needs that arise during the fiscal year, including expenses associated with unforeseen weather or other natural disasters, unexpected liability created by federal law or new public safety or health needs or requirements that have been identified after the budget process has occurred. It is the policy of the District government to maintain as unreserved and undesignated Fund Balance an amount up to the level that would result in sufficient working cash to supplant the need for

short-term borrowing to finance operations of the subsequent year. Unreserved and undesignated funds in excess of that amount may be allocated and appropriated through the normal appropriations process when they become available. If allocated and appropriated, the fund balance should be allocated and appropriated to fund non-recurring items.

Background: The fund balance of the General Fund represents the difference between the District's assets and its liabilities at the end of a fiscal year, or September 30th. The ending Fund Balance of a fiscal year is also the beginning Fund Balance of the ensuing fiscal year. Positive differences between revenues and expenditures, or surpluses, increase the Fund Balance. Negative differences, or deficits, decrease the Fund Balance. An ever-growing Fund Balance that is inaccessible is not advantageous to the District because it restricts the District's ability to allocate resources among priorities. The amount of the Fund Balance is not indicative of funds that may be used for any purpose in the future. Rather, the unreserved, undesignated Fund Balance represents the amount that may be used for District priorities after approval by both the District Council and the Congress.

Expenditure Reporting

The District shall make expenditures only in accordance with federal appropriations law. Financial statements will accurately reflect these expenditures. The District's Comprehensive Annual Financial Report (CAFR) shall reflect expenditures in the relevant appropriations titles.

Accrual Accounting

The District shall prepare financial statements using both the modified accrual and the full accrual bases of accounting in accordance with Governmental Accounting Standards Board (GASB) Statement Number 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.

Background: The District implemented the requirements of GASB Statements Nos. 34, 35, 36, 37, and 38 during FY 2002 as required by GASB. As a result of this implementation, the District issued two new full accrual financial statements (Statement of Net Assets and a Statement of Activities) and a

Management's Discussion and Analysis section in its FY 2002 CAFR. Accrual accounting reports all of the revenues and costs of providing services each year. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting helps the District meet the following important objectives of financial reporting:

- Assess the finances of the government in its entirety, including the year's operating results.
- Determine whether the government's overall financial position improved or deteriorated.
- Evaluate whether the government's current-year revenues were sufficient to pay for current-year services.
- Assess the government's cost of providing services to its citizenry.
- Assess how the government finances its programs – through user fees and other program revenues versus general tax revenues.
- Understand the extent to which the government has invested in capital assets, including roads, bridges, and other infrastructure assets.
- Make better comparisons between governments.

Tax Expenditure Budget

It is the policy of the District of Columbia to prepare a tax expenditure study every other year that summarizes all tax and other revenue deferrals or preferences that are required by law.

Special Purpose Revenues

Special Purpose Revenues are program revenues that are generated from fees, fines, special assessments, charges for services, and reimbursements that are set aside for a specific purpose for the District agency that collects the revenues to cover the cost of performing the related function. Program revenues are classified as general fund revenues.

Program revenues are defined as revenues that derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry as a whole; they reduce the net cost of the function to be financed from the government's general revenues.

An agency may have one or more agency funds within the Special Purpose Revenue category.

Revenues will be estimated for each agency fund on a quarterly basis consistent with all general fund revenues.

It is the policy of the District government that all program revenues generated by any agency belong to the District as a whole, unless otherwise required by law. As a general rule, all revenues should be allocated through the budget and appropriations process. Dedicated funds limit the use of the District's general fund revenue by earmarking a portion of the revenue for special purposes.

In certain limited cases, Special Purpose Revenue fund accounts are necessary to support a particular program or activity. In such limited cases of need, the agency fund account must be created through the normal legislative process and adhere to requirements to be recommended by the CFO and adopted by the Mayor and Council. Since program revenues are reported in a governmental fund, they should therefore be accounted for under the modified accrual basis of accounting in fund financial statements.

The District could reserve or designate in fund balance unspent program revenues in accordance with the criteria established by generally accepted accounting principles and make available for use in subsequent years if permitted by the authorizing legislation that established the fund. The function of reserved fund balance is simply to isolate the portion of fund balance not available for appropriation, so that unreserved balance can serve as a measure of current available financial resources. Designations represent management's intended use of resources and generally should reflect actual plans approved by the District. District agencies must have budget authority to expend Special Purpose Revenues, as with other revenue sources. Budget authority is backed by certified revenue estimates, planned use of certified amounts designated in the fund balance, or a combination of these two sources.

Expenditures are limited to the lesser of budget authority or realized revenues, unless the budget authority was backed by certified beginning fund balance. Agencies may not use fund balance in excess of the amount that was part of its budget.

Special Purpose Revenue budgets may be modified in accordance with federal appropriations law. Reprogrammings of budget authority from one agency fund to another are permissible. The CFO shall have discretion to reduce budget authority for

agency funds where revenue falls short of estimates.

Any existing Special Purpose Revenue fund accounts that are not supported by legislative authority may be converted to local revenue. In addition, when required to cover a revenue shortfall, such revenue may also be converted to local revenue.

Grants

The District depends on federal and private grant funds to support a wide range of services and programs for the citizens of the District. This section sets forth the District's policies related to resource development, fairness in awarding grants, grants administration and reporting, and budget authority for grants.

Resource Development: To better serve the residents of the District, all District agencies shall pursue to the maximum extent possible all federal and other funding opportunities that enhance their financial ability to carry out the Mayor's strategic plan and initiatives and address the needs of the residents of this city, without binding the District to unrealistic financial commitments.

Background: For the last decade, grants have comprised approximately one-fourth of the District's annual budget, and as such, have contributed significantly to the District's ability to meet the needs of its citizens. The District's policy is to continue and, to the extent possible, increase its use of funds from other sources to maximize delivery of services to residents.

Fairness in Awarding Grants: It is the intent of the District of Columbia to have a fair and open competitive process for the awarding of grant funds. To that end, the following procedures shall be followed:

- A Notice of Funds Availability (NOFA) shall be prepared and published in the D.C. Register.
- The agency administering the grant shall prepare the Request for Applications (RFA).
- For the purpose of awarding grants, District government agencies shall hold fair and open competitions that comply with the D.C. Grants Policies and Procedures Manual and the Notice of Final Rule making, Chapter 50: Subgrants to Private and Public Agencies.

The only exception is where an organization mer-

its a targeted grant, and this targeted grant is made transparent and justified through the budget formulation process.

After the NOFA has been published and the RFA released, the District government agency appoints a neutral and objective review panel. The panel is comprised of a minimum of 3 individuals with knowledge and expertise in the objectives of the grant and RFA, as well as in the standard administrative requirements mandated by the source of funds. The review panel scores the submitted applications and makes recommendations on which applications should be funded. The head of the District agency administering the grant makes final decisions on awards and amounts. After this review and before the agency issues the award documents, the District agency Chief Financial Officer shall certify that the award funds are in place and available for distribution. Grant Administration and Reporting: The District of Columbia government, by accepting grant funds, agrees to administer and report on them in strict adherence to the grantors' programmatic and financial rules and regulations and the District's laws and its Grants Policies and Procedures Manual.

Background: The receipt of grant funds triggers many requirements, including, but not limited to, spending and reporting requirements. Grant awards typically mandate the terms and conditions governing the grants and refer to the relevant regulations and statutes. Funds that are awarded to private and public agencies by District government agencies, as subgrants, are bound by the appropriate OMB Circular and Cost Principles as well as any policy guidelines issued by the grantor. In the case of grant awards from general funds, grantees must comply with both the appropriate OMB Circular and Cost Principles and any other policy guidance included in the grant agreement. The Chief Financial Officer will meet the District's reporting requirements by publishing the Congressional Quarterly report, sent to Congress and the Council, which provides grant-level information; and monthly financial status reports, which provide summaries at the agency level.

Budget Authority for Grants: District of Columbia agencies will spend grant funds only at such time as a grant award has been received, and to the extent they have budget authority to do so.

Budget authority applies to a particular fiscal year. If a grant covers multiple fiscal years, the sum of the budget authority across those fiscal years should not exceed the grant award amount. Changes in budget authority will be made only in accordance with the District's policies and procedures regarding budget modifications (increases or decreases in overall budget authority for a grant) or reprogrammings (increases or decreases in particular line-items within a grant that leaves the overall budget authority unchanged). Spending grant funds without budget authority is a violation of the Anti-Deficiency Act. Agency updates to the spending plans required by the Anti-Deficiency Act should reflect all changes to grant budget authority.

Background: Many of the grants that the District receives have performance year(s) different from the District's fiscal year. The timing differences between the grant year(s) and the District's fiscal year impact the budgeting for grants. Through the budget modification process, the Chief Financial Officer submits documentation to the Council requesting the approval of increases and decreases in budget authority that occur during the fiscal year. This process is unique among the District's funding types and is mainly due to the nature of grants in comparison to the District's fiscal year requirements. All government officials work together to insure that this administrative process is as efficient as possible. The efficiency of the process can play a critical role in grants management.

Donated Funds Monitoring Policy

Donated funds shall be authorized and monitored as required by the Rules of Conduct Governing Donations to the District Government (pursuant to Mayor's Memorandum 2002-1 dated 1/8/02) and the related donation agreement with the respective donor. All donated funds shall be used for the specific purpose expressed in the respective donation agreement, deposited into the appropriate account, and shall be available for that sole purpose until expended or unless the donor for some valid reasons request a refund. The Office of Partnerships and Grants Development's director or designee and the respective recipient District agency or entity of the donation shall be responsible for monitoring the expenditure of the donated funds, in accordance with the applicable rules and regulations as well as the MOU between the

Office of Partnerships and Grants Development and the Office of the Chief Financial Officer signed December 16, 2002.

Capital

Prior to recommending or approving new projects, the District shall prepare a capital budget expenditure baseline that accounts for the acquisition, maintenance, and replacement of assets required to maintain current service levels. The annualized cost of this baseline shall then be compared to the available funding streams over a 6-year period. New projects may be approved only insofar as the long-term financing cost of the Capital Improvements Program (CIP) stays within available funding limits

Anti-Deficiency Act

District program and financial managers and other employees are required to comply with the terms of the District Anti-Deficiency Act of 2002 (D.C. Official Code §47-355.01, et seq.). Among other provisions, the Act requires agency heads and agency chief financial officers to submit a spending plan and a position roster (schedule A) at the beginning of each fiscal year to the CFO. Managers must submit projections of year-end spending quarterly to the agency head and agency chief financial officer, with summarized reports being forwarded to the CFO no more than 30 days after the end of each quarter. Employees are prohibited from, among other violations,

- making or authorizing an expenditure or obligation exceeding an amount available in an appropriation for an agency or fund;
- obligating the District for the payment of money before an appropriation is made or before a certification of the availability of funds is made, unless authorized by law;
- approving a disbursement without appropriate authorization;
- allowing an expenditure or obligation to exceed apportioned amounts;
- deferring recording a transaction incurred in the current fiscal year to a future fiscal year;
- not submitting a required plan or projection in a timely manner;
- knowingly reporting incorrectly on spending to date or on projected total annual spending; or
- failing to adhere to a spending plan through overspending that is greater than 5 percent of the

agency's budget, or \$1 million.

The Mayor and the CFO have established a review board, per the terms of the Act, to review potential violations referred to the board, determine culpability, and recommend penalties for violations. The CFO shall submit quarterly reports to the Mayor and the Council on actual expenditures and obligations compared to planned levels. The CFO shall also be required to develop the quarterly apportionment of funds, by source of funds, for each agency based on the spending plans submitted by the agency heads and fiscal officers.

Background: The District's Anti-Deficiency Act supplements federal law on anti-deficiency. It establishes a lower level of control than does the federal law, and it provides specific penalties for violations. Spending plans are one of the Act's key requirements. Agencies must submit timely spending plans and must keep them updated. The primary report mandated by the Act is based on spending plans, and failure to adhere to a spending plan is a specific violation of the Act. Finally, apportionment amounts are to be based on the spending plans submitted by agencies.

ECONOMIC DEVELOPMENT POLICY

Real Property Tax Exemptions

The District of Columbia recognizes that granting real property tax exemptions on a limited basis may be used to promote selected economic development projects. It is the policy of the District government to grant real property tax exemptions in accordance with Federal statutes, the District of Columbia Code, and the social and economic interests of the District of Columbia. The Council of the District of Columbia, in order to promote economic development strategies benefiting the population at large, grants these exemptions with the approval of the Mayor. Where Federal law preempts District law and mandates that real property shall be taxed, or permits taxation of otherwise immune real property, such real property will be taxed to the fullest extent possible. The District has limited these exemptions because all taxable property owners indirectly subsidize tax-exempt property owners. Real property tax exemptions are granted on a case-by-case basis to taxpayers who are in compliance with the real property tax exemption provisions

in accordance with D.C. Official Code 47-1002 et seq. Real property tax exemptions may also be granted through specific Federal or District legislative action; however, these instances are rare. Except for real property exempted by a specific federal or District law and real property immune from taxation under Federal law, no real property (regardless of ownership or Federal tax exemption status) is automatically exempt from real property taxation. In the absence of such legislative action, real property owners must apply for a categorical exemption and demonstrate that the actual ownership and use of the property is within the categorical limitations prescribed by the applicable subsection of the D.C. Official Code 47-1002. Generally, legislation for specific real property tax exemptions shall be referred to the OCFO for analysis and recommendation before consideration by Council. Economic development strategies may include the issuance of tax incremental financing bonds and tax abatements, reductions, or holidays for certain classes of property owners.

Financial Planning

The District budget will incorporate legislated financial assistance expenditures and reductions in revenue that result from tax abatement and from dedication of tax revenue for economic development purposes.

Management of Assistance Programs

The District shall develop and maintain financial systems and management practices consistent with applicable federal and District regulations, law and best practices – including planning for expenditures, accurate and timely transactional execution, appropriate controls and regular reporting.

Economic Development Awards of Assistance

The District shall provide public-sector financing of economic development projects only when private financing is not reasonably available and there are compelling public benefits that could be realized through use of public dollars. Because there is greater need for public financing than resources available, not all projects can be funded.

Coordination with Related Entities

The District shall coordinate economic development finance programs with programs of quasi-independen-

dent agencies.

Debt Financing Tools

The District is authorized to issue debt to enhance economic development. The Industrial Revenue Bond Program allows private entities to issue bonds through the government and obtain lower (tax-exempt) interest rates than they otherwise could on funds acquired for private development projects. The debt service on these bonds is payable solely from the revenue of the private entity.

The other major economic development financing tools are:

- The Tax Increment Financing Program, in which incremental tax revenues from a project are pledged to pay debt service on Tax Increment Bonds to finance a portion of the project. Applications for Tax Increment Financing will be approved if they are in the District's economic development interest and produce a projected net economic benefit to the District.
- The Payment In Lieu of Taxes (PILOT) Financing Program, in which the PILOT payments from a project are pledged to pay debt service on PILOT bonds to finance a portion of the project. The PILOT Program can be used only for projects located on parcels that were previously exempt from the payment of real property taxes.

Grant Match and Maintenance of Effort

Required for federal grants awarded to
agencies of the District of Columbia
Government

Grant Match and Maintenance of Effort

Federal grants are one of the District's primary funding sources. In fiscal year 2008, 32 District agencies spent more than \$680 million in federal grants, covering a variety of program areas.

Many federal grants are awarded subject to the commitment of resources by the recipient. There are two basic types of required commitments: **Grant Match** and **Maintenance of Effort**.

Grant Match

Some federal grants may require a grant match, or a contribution in addition to the grant funds to expand the services of a grant to increase the impact of the original fund allocation. Depending on the conditions set forth in the formal grant award document, the match may be "direct" or "in-kind."

Grants that mandate a direct match require additional cash expenditure of a certain amount by the recipient. For example, a direct match may require that the grantee expend from its own resources an additional amount equal to 25 percent of the total grant award.

An in-kind match entails the commitment of staff resources, land, or facility space that support the program funded by the grant but without actual additional cost expenditure by the recipient. For example, the grantee might allocate some work hours of existing staff and a meeting room in its office space for a project developed with a grant award.

In general, grant matches are calculated as a percentage of the total grant award and resources to meet match requirements that can be obtained from Local, Private, or Federal funds, subject to any restrictions within the specific grant award.

Maintenance of Effort

Some federal grants have maintenance of effort requirements. These mandate the grantee to continue to allocate a certain level of its resources as a demonstrated maintenance of effort in the support of activities that are similar to or indirectly support the original grant's scope of services. Generally, this funding may be equal to or exceed the original grant funding level. The concept is to ensure that the grant funds augment, and not replace, existing recipient funding and levels of service.

In general, maintenance of effort requirements must be funded with recipient (Local) and not any federal grant funds. The grant award documents for a grant will specify the conditions for any required maintenance of effort.

Reporting of Grant Match and Maintenance of Effort

To ensure that the District captures the information and thus can monitor and adhere to the requirements of federal awards that require grant matches and or maintenance of effort, the Office of Budget and Planning within the Office of the Chief Financial Officer requests that all District agencies receiving grant awards report the required grant match and maintenance of efforts by grant for inclusion in the District's annual proposed budget.

The following tables display the information on grant match and maintenance of effort for Fiscal Year 2010 reported by the respective District agencies to the Office of Budget and Planning. In alignment with the proposed budget, the agencies are grouped by appropriation title:

A. Governmental Direction and Support

Within this appropriation title, 4 agencies have budgeted \$28,271,947 in federal grants. The largest grant award is within the Office of the Attorney General for the District of Columbia (CBO). This grant is funded by the United States Department of Health & Human Services to enforce the support obligations owed by absent parents to their children; locate absent parents; establish paternity; and obtain child, spousal and medical support. The agencies report that the budgeted grants require \$12,476,359 in grant matches, with no maintenance of effort.

Governmental Direction and Support

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
ADO	OFFICE OF THE INSPECTOR GENERAL	DC0310 MEDICAID FRAUD CONTROL UNIT	2,084,166.96	521,041.74	-
		Subtotal: OFFICE OF THE INSPECTOR GENERAL	2,084,166.96	521,041.74	-
CBO	OFFICE OF THE ATTORNEY GENERAL	91CSEF CHILD SUPPORT ENFORCEMENT PROGRAM	21,112,645.77	10,876,281.36	-
		INCENT CHILD SUPPORT INCENTIVE GRANT	1,563,000.00	531,420.00	-
		Subtotal: OFFICE OF THE ATTORNEY GENERAL	22,675,645.77	11,407,701.36	-
DLO	BOARD OF ELECTIONS & ETHICS	Grants with no match or MOE	189,000.00	-	-
		Subtotal: BOARD OF ELECTIONS & ETHICS	189,000.00	-	-
RSO	SERVE DC	LSASEO LEARN & SERVE AMERICA STATE EDUCATION	399,260.43	399,260.43	-
		PDATAD PDAT ADMINISTRATIVE TO STATE COMMISSIONS	148,355.39	148,355.39	-
		Grants with no match or MOE	2,775,518.82	-	-
		Subtotal: SERVE DC	3,323,134.64	547,615.82	-
Appropriation Group Title Subtotal: Governmental Direction and Support			28,271,947.37	12,476,358.92	-

B. Economic Development and Regulation

Within this appropriation title, 6 agencies have budgeted \$115,376,134 in federal grants. The largest grant awards are the Community Development grants funded by the United States Department of Housing and Urban Development and awarded to the Department of Housing and Community Development (DB0). These grants fund the development of viable urban communities and the expansion of the supply of affordable housing, particularly rental housing, for low and very low income Americans. The agencies report the budgeted grants require \$1,138,347 in grant matches, with no maintenance of effort.

Economic Development and Regulation

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
BDO	OFFICE OF MUNICIPAL PLANNING	BDHP09 HISTORIC PRESERVATION GRANT	225,000.00	90,000.00	-
		BDHP10 HISTORIC PRESERVATION GRANT	225,000.00	90,000.00	-
		Subtotal: OFFICE OF MUNICIPAL PLANNING	450,000.00	180,000.00	-
BXO	COMMISSION ON ARTS & HUMANITIES	AIED10 ARTS EDUCATION	48,700.00	48,700.00	-
		AIUS10 ARTS IN UNDERSERVED COMMUNITIES	92,800.00	92,800.00	-
		BASI10 BASIC STATE PLAN	587,894.08	587,894.75	-
		Subtotal: COMMISSION ON ARTS AND HUMANITIES	729,394.08	729,394.75	-
CFO	DEPARTMENT OF EMPLOYMENT SERVICES	645OSH OSHA	518,576.02	136,152.14	-
		648SEP SCSEP	583,000.95	58,000.00	-
		STISEP SCSEP STIMULUS FUNDS	348,000.00	34,800.00	-
		Grants with no match or MOE	40,631,532.21	-	-
		Subtotal: DEPARTMENT OF EMPLOYMENT SERVICES	42,081,109.18	228,952.14	-
DBO	DEPT. OF HOUSING AND COMM. DEVELOPMENT	Grants with no match or MOE	63,961,780.59	-	-
		Subtotal: DEPT. OF HOUSING AND COMMUNITY DEV.	63,961,780.59	-	-
DHO	PUBLIC SERVICE COMMISSION	Grants with no match or MOE	153,850.39	-	-
		Subtotal: PUBLIC SERVICE COMMISSION	153,850.39	-	-
EBO	DEPUTY MAYOR FOR ECONOMIC DEVELOPMENT	Grants with no match or MOE	8,000,000.00	-	-
		Subtotal: DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT	8,000,000.00	-	-
	Appropriation Group Title Subtotal: Economic Development and Regulation		115,376,134.24	1,138,346.89	-

C. Public Safety and Justice

Within this appropriation title, 5 agencies have budgeted \$260,481,356 in federal grants. The largest grant awards are Homeland Security Preparedness grants funded by the United States Department of Homeland Security awarded to the Homeland Security and Emergency Management Agency (BN0). These grants fund preparedness activities associated with implementing the State Homeland Security Strategy, any respective Urban Area Security Strategies, and the Investments identified during the application period. These programs provide an integrated mechanism to enhance the coordination of national priority efforts to prevent, respond to, and recover from terrorist attacks, major disasters, and other emergencies. The agencies report the budgeted grants require \$13,697,147 in grant matches, with no maintenance of effort.

Public Safety and Justice

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
BNO	HOMELAND SECURITY/EMERGENCY MANAGEMENT	CAP10F COMM. ASSIST. PROGRAM STATE SUPPORT SRVC	32,000.00	8,000.00	-
		DOT10F HAZARDOUS MATERIAL EMERG.	73,434.00	18,358.50	-
		EMP10F EMERGENCY MGMT PERFORMANCE GRANT	504,348.00	252,174.00	-
		EMPG9F EMERG. MANAGEMENT PREPAREDNESS	1,966,719.96	983,359.98	-
		FMA10F FLOOD MITIGATION ASSIST. PLAN GRANT	10,060.00	2,515.00	-
		NSG10F UASI NONPROFIT SECURITY GRANT PROGRAM	1,000,000.00	250,000.00	-
		NSGP7F NONPROFIT SECURITY GRANT	500,000.00	125,000.00	-
		NSGP8F NONPROFIT SECURITY GRANT	500,000.00	125,000.00	-
		NSGP9F NONPROFIT SECURITY GRANT	1,000,000.00	250,000.00	-
		PSIC7F PUBLIC SAFETY INTEROPERABLE COMM.	7,000,000.00	1,400,000.00	-
		TSGP7S TRANSIT SECURITY GRANT	5,000,000.00	2,500,000.00	-
		TSGP8F TRANSIT SECURITY GRANT	15,000,000.00	4,950,000.00	-
		Grants with no match or MOE	203,179,999.40	-	-
		Subtotal: HOMELAND SECURITY/EMERGENCY MANAGEMENT	235,766,561.36	10,864,407.48	-
FAO	METROPOLITAN POLICE DEPARTMENT	BOAT9F BOATING SAFETY	101,000.00	101,000.00	-
		BOS10F BOATING SAFETY	937,513.48	937,513.48	-
		FARS8F FATAL ACCIDENT REPORTING	11,908.00	2,382.00	-
		MCS09F MOTOR CARRIER SAFETY	100,000.00	20,000.00	-
		MCS10F MOTOR CARRIER SAFETY	710,000.00	142,000.00	-
		Grants with no match or MOE	4,630,838.00	-	-
		Subtotal: METROPOLITAN POLICE DEPARTMENT	6,491,259.48	1,202,895.48	-
FEO	OFFICE OF VICTIM SERVICES	CVA003 CRIME VICTIMS ASSISTANCE PROGRAM	1,379,999.99	345,000.00	-
		VOW901 STOP VIOLENCE AGAINST WOMEN	885,000.00	243,624.66	-
		VOW902 VIOLENCE AGAINST WOMEN - FRA	806,053.00	201,513.25	-
		Grants with no match or MOE	539,000.00	-	-
		Subtotal: OFFICE OF VICTIM SERVICES	3,610,052.99	790,137.91	-
FKO	DC NATIONAL GUARD	DCY10F DC YOUTH CHALLENGE PROGRAM	1,008,000.00	432,000.00	-
		Grants with no match or MOE	3,108,150.00	-	-
		Subtotal: DC NATIONAL GUARD	4,116,150.00	432,000.00	-

(Continued on next page)

Public Safety and Justice (cont)

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
FOO	OFFICE OF JUSTICE GRANTS ADMINISTRATION	JA9001 JUVENILE ACCOUNTABILITY INCENTIVE BLOCK	823,560.00	85,093.00	-
		JJD401 TITLE V FORMULA GRANT (FY96)	122,447.00	48,238.00	-
		JJD902 TITLE II FORMULA GRANT	1,146,001.23	120,000.00	-
		RENO01 DC FATHERING REENTRY COURT	449,098.10	154,375.00	-
		Grants with no match or MOE	7,956,225.52	-	-
		Subtotal: OFFICE OF JUSTICE GRANTS ADMINISTRATION	10,497,331.85	407,706.00	-
	Appropriation Group Title Subtotal: Public Safety and Justice		260,481,355.68	13,697,146.87	-

D. Public Education System

(Note: University of the District of Columbia appears under Enterprise and Other Funds)

Within this appropriation title, 3 agencies have budgeted \$256,142,841 in federal grants, the majority of which represent education grants funded by the United States Department of Education and administered by the Office of the State Superintendent of Education (GD0). The largest grant is the Title I Grants to Local Education Agencies (LEAs) to help LEAs and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging state academic standards. The agencies report that these awards require \$6,635,010 in grant matches and \$935,732 in maintenance of effort.

Public Education System

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
CEO	DC PUBLIC LIBRARY	92LSTA LIBRARY SERVICES & TECHNOLOGY ACT	794,432.00	409,252.85	827,387.48
		Subtotal: DC PUBLIC LIBRARY	794,432.00	409,252.85	827,387.48
GAO	DISTRICT OF COLUMBIA PUBLIC SCHOOLS	000ZAF HEADSTART	7,884,042.00	1,576,808.40	-
		Grants with no match or MOE	2,070,836.00	-	-
		Subtotal: DISTRICT OF COLUMBIA PUBLIC SCHOOLS	9,954,878.00	1,576,808.40	-
GDO	STATE SUPERINTENDENT OF EDUCATION (OSSE)	LDS001 DC STATEWIDE LONGITUDINAL DATA SYSTEM	1,620,000.00	1,755,478.00	-
		SAE001 STATE ADMINISTRATIVE EXPENSE	591,928.69	562,719.00	108,345.00
		SG002A ADULT EDUCATION	1,441,371.00	1,695,416.00	-
		SG048A VOC EDUC- BASIC GRANTS TO STATES	3,967,974.51	250,000.00	-
		SG330B ADVANCED PLACEMENT	74,048.00	43,840.00	-
		SG365A ENGLISH LANGUAGE ACQUISITION	1,027,423.00	341,496.00	-
		Grants with no match or MOE	236,670,786.12	-	-
		Subtotal: STATE SUPERINTENDENT OF EDUCATION (OSSE)	245,393,531.32	4,648,949.00	108,345.00
		Appropriation Group Title Subtotal: Public Education System	256,142,841.32	6,635,010.25	935,732.48

E. Human Support Services

Within this appropriation title, 8 agencies have budgeted \$373,745,007 in federal grants. The largest grant award is funded by the United States Department of Health and Human Services, Administration for Children and Families and awarded to the Department of Human Services (JA0), receiving approximately \$96 million, to provide temporary assistance for needy families. However, the Department of Health (HC0) administers the most federal grants, approximately 107. The agencies report that these awards require \$73,074,037 in grant matches and \$221,754,429 in maintenance of effort.

Human Support Services

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
BYO	OFFICE ON AGING	3B1320 SUPPORT SERVICES	776,891.00	116,533.65	77,689.10
		3C1712 CONGREGATE MEALS	2,133,000.00	319,950.00	213,300.00
		3C1713 HOME BOUND MEALS	1,036,000.00	155,400.00	103,600.00
		3E1719 FAMILY CAREGIVERS PROGRAM	849,439.00	127,415.85	84,943.90
		3F1717 PREVENTIVE HEALTH	106,779.00	16,016.85	10,677.90
		7A1715 OMBUDSMAN ACTIVITY	74,000.00	11,100.00	7,400.00
		7B1716 ELDER ABUSE PREVENTION	25,500.00	3,825.00	2,550.00
		ADMIN1 ADMIN SVCS	906,651.55	226,662.89	90,665.16
		NSIPO1 ELDERLY NUTRITION PROGRAM	510,256.00	76,538.40	51,025.60
		SHIPO1 STATE HEALTH INS.PROGRAM (SHIP)	103,374.00	15,506.10	10,337.40
		Grants with no match or MOE	263,768.00	-	-
		Subtotal: OFFICE ON AGING	6,785,658.55	1,068,948.74	652,189.06
HCO	DEPARTMENT OF HEALTH	01HAER HIV EMERGENCY RELIEF	14,165,021.00	-	9,747,619.00
		01HATT RYAN WHITE CARE ACT TITLE II	5,314,377.48	2,517,279.22	4,873,809.50
		01NCPC NATIONAL CANCER PREVENTION AND CONTROL P	55,800.00	283,605.00	615,706.00
		01PHBI TRAUMATIC BRAIN INJURY	5,000.00	50,051.00	-
		01PHCD CHRONIC DISEASE PREVENTION	2,000.00	96,185.00	-
		01PHDP DIABETES CONTROL	36,135.00	56,628.00	-
		01PSFM FARMERS MARKET PROGRAM	230,000.00	91,500.00	-
		01SHFS ICF/MR AND NURSING HOME CERT.	1,956,338.84	887,091.00	-
		01SHIH HEALTH INSURANCE (TITLE 18)	605,410.25	605,410.25	-
		01SHOI OCCUPATIONAL INJURIES PROGRAM	35,742.47	35,742.00	-
		02APBG SUBSTANCE ABUSE AND PREVENTION BLOCK	6,645,126.91	-	30,000,000.00
		02PHBG PREVENTIVE HEALTH BLOCK GRANT	776,492.67	-	3,672,500.00
		02PSMB MATERNAL AND CHILD BLOCK GRANT 516	2,922,535.82	8,171,954.77	-
		Grants with no match or MOE	103,109,510.82	-	-
		Subtotal: DEPARTMENT OF HEALTH	135,859,491.26	12,795,446.24	48,909,634.50
HMO	OFFICE OF HUMAN RIGHTS	Grants with no match or MOE	318,089.44	-	-
		Subtotal: OFFICE OF HUMAN RIGHTS	318,089.44	-	-
HTO	DEPARTMENT OF HEALTH CARE FINANCE	Grants with no match or MOE	1,028,444.46	-	-
		Subtotal: DEPARTMENT OF HEALTH CARE FINANCE	1,028,444.46	-	-

(Continued on next page)

Human Support Services (cont)

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
JAO	DEPARTMENT OF HUMAN SERVICES	01IDCR INDIRECT COST RECOVERY	7,413,675.28	7,413,675.28	-
		01JAFS FOOD STAMP ADMINISTRATION - DHD	9,406,449.07	9,406,449.07	-
		09AFTF TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	87,750,595.36	-	75,000,000.00
		Grants with no match or MOE	41,599,394.83	-	-
		Subtotal: DEPARTMENT OF HUMAN SERVICES	146,170,114.54	16,820,124.35	75,000,000.00
JMO	DEPARTMENT ON DISABILITY SERVICES	01IDCR INDIRECT COST RECOVERY	4,928,612.31	1,253,300.00	-
		02RSBS RS BASIC SUPPORT	10,521,255.70	8,732,641.92	-
		02RSIL RS INDEPENDENT LIVING (PART B)	298,035.90	56,626.82	-
		02RSIO RS INDEPENDENT LIVING OLDER & BLIND	130,000.00	25,000.00	-
		02RSVT RS IN-SERVICE TRAINING PROGRAM	18,466.00	2,346.00	-
		Grants with no match or MOE	8,261,402.51	-	-
		Subtotal: DEPARTMENT ON DISABILITY SERVICES	24,157,772.42	10,069,914.74	-
RLO	CHILD AND FAMILY SERVICES	01ADOP TITLE IV-E ADOPTION	19,335,821.07	9,667,910.54	-
		01FOST TITLE IV-E FOSTER CARE	36,042,462.47	21,625,477.48	-
		02CWEL CHILD WELFARE	324,541.00	108,180.33	-
		02EVTS CHAFEE FOSTER CARE INDEPENDENCE	207,052.00	55,213.87	-
		02FAMP FAMILY PRESERVATION	1,042,869.00	347,623.00	-
		02INDL CHAFEE FOSTER CARE INDEPENDENCE	1,091,992.02	272,998.01	-
		Grants with no match or MOE	158,594.00	-	-
		Subtotal: CHILD AND FAMILY SERVICES	58,203,331.56	32,077,403.23	-
RMO	DEPARTMENT OF MENTAL HEALTH	01MHPH PATH-PREVENTION FROM HOMELESSNESS	300,000.00	100,000.00	-
		01MHSD STATE DATA INFRASTRUCTURE GRANT	142,200.00	142,200.00	-
		02MHBG STATE MENTAL HEALTH BLOCK GRANT	679,972.00	-	97,192,605.00
		Grants with no match or MOE	99,933.00	-	-
		Subtotal: DEPARTMENT OF MENTAL HEALTH	1,222,105.00	242,200.00	97,192,605.00
	Appropriation Group Title Subtotal: Human Support Services		373,745,007.23	73,074,037.30	221,754,428.56

F. Public Works

Within this appropriation title, 2 agencies have budgeted \$55,962,167 in federal grants. The largest grant award is funded by the Administration for Children and Families, Department of Health and Human Services and awarded to the District Department of the Environment (KGO) to assist eligible households to meet the costs of home energy. The agencies report that these awards require \$5,569,893 in grant matches and \$1,305,000 in maintenance of effort.

Public Works

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
KAO	DEPARTMENT OF TRANSPORTATION	PLANNG METROPOLITAN PLANNING	500,000.00	100,000.00	-
		TRANSP TRANSP. FOR ELDERLY AND DISABLED	400,000.00	80,000.00	-
		UTREE1 URBAN AND COMMUNITY FORESTRY	300,000.00	300,000.00	-
		Grants with no match or MOE	3,000,000.00	-	-
		Subtotal: DEPARTMENT OF TRANSPORTATION	4,200,000.00	480,000.00	-
KGO	DISTRICT DEPARTMENT OF THE ENVIRONMENT	10EVAE AQUATIC RESOURCE EDUCATION PROGRAM	129,459.67	51,788.53	-
		10EVAR AQUATIC RESOURCE CENTER MAINTENANCE	52,600.00	18,000.00	-
		10EVFM FISHERIES MANAGEMENT COORDINATION	287,524.61	113,608.44	-
		10EVFS FISHERIES MANAGEMENT STUDIES	319,447.67	135,829.74	-
		10EVHW HAZARDOUS WASTE MANAGEMENT	181,589.44	81,715.81	-
		10EVIR STATE INDOOR RADON	95,179.48	109,344.19	-
		10EVMB MIGRATORY BIRD SURVEY	45,376.74	58,835.74	-
		10EVNI NONPOINT SOURCE IMPLEMENTATION FY 2010	885,003.74	856,915.74	60,000.00
		10EVSP WILDLIFE STRATEGIC PLAN	42,748.99	16,757.33	-
		10EVWP WATER POLLUTION CONTROL PROGRAM	1,099,319.30	839,732.80	-
		10EVWS WILDLIFE SURVEY	170,935.13	223,057.77	-
		42EHCP CORE PROGRAM COOPERATIVE	256,743.46	54,914.49	-
		61EHCB CHESAPEAKE BAY PROGRAM	811,733.64	706,524.53	-
		71EHWE WILD LIFE EDUCATION PROGRAM	60,915.68	22,988.20	-
		91EVAP AIR POLLUTION CONTROL	1,330,184.64	1,155,578.00	1,170,000.00
		91EVFS FISHERIES MANAGEMENT STUDIES	91,383.66	56,800.56	-
		91EVLP STATE LEAD GRANT /404G - (ENF)	1,296,399.73	367,446.30	-
		91EVLU LEAKING UNDERGROUND STORAGE TANK	426,614.17	47,563.92	-
		91EVPP PERFORMANCE PARTNERSHIP (PESTICIDE)	182,310.02	74,398.95	-
		91EVST UNDERGROUND STORAGE TANK	177,131.89	98,091.70	-
		WAP010 WEATHERIZATION ASSISTANCE	1,469,124.40	-	75,000.00
		Grants with no match or MOE	42,350,441.37	-	-
		Subtotal: DISTRICT DEPARTMENT OF THE ENVIRONMENT	51,762,167.43	5,089,892.74	1,305,000.00
	Appropriation Group Title Subtotal: Public Works		55,962,167.43	5,569,892.74	1,305,000.00

G. Financing and Other

There are no agencies under this appropriation title with federal grants budgeted for FY 2010.

H. Enterprise and Other Funds

The University of the District of Columbia is the only agency under this appropriation title that has federal grants budgeted for FY 2010. The University has budgeted \$19,838,845 in federal grants. The largest grant is funded by the Office of Postsecondary Education, Department of Education, to provide funds to undergraduate Historically Black Colleges and Universities and graduate Historically Black Graduate Institutions to strengthen their management and fiscal operations and to assist such institutions to plan, develop, or implement activities including endowment building that promise to strengthen the academic quality of their institution. The agency reports that these awards require \$1,691,083 in grant matches, with no maintenance of effort.

Enterprise Funds

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
GFO	UNIVERSITY OF THE DISTRICT OF COLUMBIA	6F0100 DC COOPERATIVE EXT. SERV.	1,089,519.96	812,346.31	
		6F2100 AES GENERAL ADMN.	678,726.34	878,737.13	
		Grants with no match or MOE	18,070,598.45		
		Subtotal: UNIVERSITY OF THE DISTRICT OF COLUMBIA	19,838,844.75	1,691,083.44	-
Appropriation Group Title Subtotal: Enterprise Fund			19,838,844.75	1,691,083.44	-

Federal Medicaid Payments

The District government participates in the federal government Medicaid program to provide certain health care services to qualified low-income residents. Under the program, the federal government generally reimburses the District 70 percent of allowable costs, and the District government is responsible for the remaining 30 percent of the costs.

The Medicaid program, currently budgeted at approximately \$1.6 billion, is one of the largest program expenditures in the District's annual budget.

Within the District's annual budget, Medicaid expenses are budgeted either in the Federal Medicaid Payment Fund or the Intra-District Medicaid Fund depending on whether the agency receives Federal Medicaid Payment funds directly or through the Intra-District budget process with another District agency.

Direct Federal Medicaid Payments

Four District agencies -- the Department of Health Care Finance (HT0), the Department of Human Services (JA0), the Department on Disability Services (JM0), and the Department of Mental Health (RM0) -- receive direct Federal Medicaid Payments. The budget expenditures appear in Fund 0250, Federal Medicaid Payments in the agency budgets.

For FY 2010, the 4 agencies have budgeted \$1,551,962,786 in Federal Medicaid Payments. The agencies report that \$557,601,574 is required in grant matches, with no maintenance of effort.

Direct Medicaid

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
HT0	DEPARTMENT OF HEALTH CARE FINANCE	01MCHP MEDICAID SCHIP	12,086,472.06	3,263,347.46	-
		01MMMD MEDICAID MEDICAL ASSISTANT PAYMENT	1,521,073,148.68	547,586,333.52	-
		91MMMD MEDICAID MEDICAL ASSISTANCE PAYMENT	47,907.53	-	-
		Subtotal: DEPARTMENT OF HEALTH CARE FINANCE	1,533,207,528.27	550,849,680.98	-
JAO	DEPARTMENT OF HUMAN SERVICES	01JAMA MEDICAID ADMINISTRATION	10,777,401.96	3,879,864.71	-
		Subtotal: DEPARTMENT OF HUMAN SERVICES	10,777,401.96	3,879,864.71	-
JMO	DEPARTMENT ON DISABILITY SERVICES	01JAMA MEDICAID ENTITLEMENT	2,765,142.00	995,451.12	-
		Subtotal: DEPARTMENT ON DISABILITY SERVICES	2,765,142.00	995,451.12	-
RMO	DEPARTMENT OF MENTAL HEALTH	01MDCD FEDERAL MEDICAID ADMIN CLAIMING	5,212,713.90	1,876,577.00	-
		Subtotal: DEPARTMENT OF MENTAL HEALTH	5,212,713.90	1,876,577.00	-
	Appropriation Group Title Subtotal: Human Support Services		1,551,962,786.13	557,601,573.81	-

Intra-District Medicaid Payments (Public Provider Agencies)

Three District agencies, the District of Columbia Public Schools (GA0), the Child and Family Services Agency (RLO), and the Department of Mental Health (RMO), are Public Provider Agencies that receive Intra-District Medicaid funds transferred from the Department of Health Care Finance (HT0). The budget expenditures appear in Fund 0700 Intra-District in the agency budgets.

For FY 2010, the 3 agencies have budgeted \$23,758,017 in Intra-District Medicaid Payments. The agencies report that Medicaid requires \$10,208,506 in grant match, with no maintenance of effort.

Note: Due to a change in Federal law, the District of Columbia Public Schools (DCPS) can no longer bill Medicaid for the cost of student transportation in the Special Education program. Accordingly, the Medicaid budget for DCPS is reduced from prior years to reflect this change.

Intra-District Medicaid Payments

	Agency	Grant Number - Grant Name	Total FY 2010 Budget	Grant Match	Grant MOE
GAO	DISTRICT OF COLUMBIA PUBLIC SCHOOLS	Intra-District	18,548,839.00	7,976,001.00	-
		Subtotal: DISTRICT OF COLUMBIA PUBLIC SCHOOLS	18,548,839.00	7,976,001.00	-
RLO	CHILD AND FAMILY SERVICES AGENCY	Intra-District	1,000,054.00	428,594.00	-
		Subtotal: CHILD AND FAMILY SERVICES AGENCY	1,000,054.00	428,594.00	-
RMO	DEPARTMENT OF MENTAL HEALTH	Intra-District	4,209,124.73	1,803,911.00	-
		Subtotal: DEPARTMENT OF MENTAL HEALTH	4,209,124.73	1,803,911.00	-
	Appropriation Group Title Subtotal: Intra-District Medicaid Payments		23,758,017.31	10,208,506.00	-

Note: The amounts budgeted here as Intra-District expenditures are also captured within the Department of Health Care Finance (HT0) Direct Provider Medicaid and should not be double-counted when considering the District's overall Medicaid budget.

More information on Federal grants budgeted by District agencies can be found within the Agency Chapters and on Schedule 80 within the Operating Appendices.

Basis of Budgeting and Accounting

Basis of Budgeting and Accounting

The Government of the District of Columbia provides the following information regarding key tenets of its Basis of Budgeting and Accounting:

Background

Three of the basic categories of differences between the basis of accounting and the basis of budgeting for state and local governments are:

- (1) **Basis Differences** - basis of accounting differences arise when the basis of accounting used to develop and approve the budget differs from the basis of accounting required by Generally Accepted Accounting Principles (GAAP) for financial reporting. Two such differences are the use of the cash basis of accounting for the budget and the treatment of encumbrances as expenditures for the budget;
- (2) **Perspective Differences** - these differences refer to the structure of the financial information for budgetary purposes, which may include the fund structure and individual fund differences. For example, some governments may budget by program and not by fund type; and
- (3) **Entity Differences** - entity differences arise when the appropriated budget either includes or excludes organizations and programs. For example, the general fund of a blended component unit reported as a major special revenue fund may

not be included in the budget of the primary government and may not have a budget of its own.

When any of these differences exist, GAAP require governments to present a reconciliation of budgetary comparison information to GAAP information in the notes to the Financial Statements/Required Supplementary Information, on the face of the budgetary statement, or as an attached schedule to the Budgetary Statement.

Accounting System

The District's accounting system is organized and operated on a fund basis. A fund is a group of functions combined into a separate accounting entity (corresponding to a corporation in the private sector) having its own assets, liabilities, equity, revenue and expenditures/expenses. The types of funds used are determined by GAAP. The number of funds established within each type is determined by sound financial administration. Specialized accounting and reporting principles and practices apply to governmental funds. Proprietary and trust funds are accounted for in the same manner as similar business enterprises or nonbusiness organizations.

Internal Control

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for

the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- (1) The cost of a control should not exceed the benefits likely to be derived; and
- (2) The valuation of costs and benefits requires estimates and judgments by management.

Basis of Budgeting

The basis of budgeting refers to the conversions for recognition of costs and revenue in budget development and in establishing and reporting appropriations, which are the legal authority to spend or collect revenues. The District uses a modified accrual basis for budgeting governmental funds. Proprietary funds are budgeted using accrual concepts. All operating and capital expenditures and revenue are identified in the budgeting process because of the need for appropriation authority.

The budget is fully reconciled to the accounting system at the beginning of the fiscal year and in preparing the Comprehensive Annual Financial Report (CAFR) at the end of the fiscal year. A number of GAAP adjustments are made to reflect balance sheet requirements and their effect on the budget.

Budgetary Control

The District maintains budgetary controls designed to monitor compliance with expenditure limitations contained in the annual appropriated budget approved by the United States Congress. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function within the General Fund. The District also maintains an encumbrance recording system as one technique of accomplishing budgetary control. A project-length financial plan is adopted for the Capital projects. Generally, encumbered amounts lapse at year-end in the General Fund but not in the Capital Projects Fund, Special Revenue Fund or Federal Payments.

Glossary of Budget Terms



Glossary of Budget Terms

Accrual basis of accounting - An accounting method that attempts to recognize revenues when they are earned and expenses when they are incurred, not when cash changes hands. The Governmental Accounting Standards Board (GASB) requires this accounting method for governments for periods beginning after June 15, 2001. Contrast this term to "modified accrual basis of accounting."

Activity - A component part of the District's program structure. Comprised of a set of services grouped around a common purpose or result.

Agency Financial Operations Program (AFO) - A program within an agency's strategic business plan structure under Performance-Based Budgeting. AFO is used to track the funding and FTE count for all OCFO FTEs assigned to the agencies. Though many of these employees work on-site at agency locations, all financial positions within District agencies report to the Chief Financial Officer. Under AFO, these costs fall within one of three activities: (1) Budget Operations, (2) Accounting Operations, (3) ACFO. Six Associate Chief Financial Officers (ACFOs), each representing one of the major appropriation titles in the District's budget, manage agency financial operations. Agency fiscal officers report to their respective ACFO, who serves as the key contact between the Office of Chief Financial Officer and the Office of the City Administrator in managing the agency finances. For budgetary purposes, funding for these positions assigned to the agencies is included in the various agency budgets. This funding is not duplicated in the budget for the OCFO.

Agency Management Program (AMP) - A program within an agency's strategic business plan structure under Performance-Based Budgeting. AMP is used to track costs associated with common administrative expenses across the District. Under AMP, these costs fall within 15 activities: (1) Personnel, (2) Training and Employee Development, (3) Labor-Management Partnerships, (4) Contracting and Procurement, (5) Property Management, (6) Information Technology, (7) Financial Management, (8) Risk Management, (9) Legal Services, (10) Fleet Management, (11) Communications, (12) Customer Service, (13) Performance Management, (14) Language Access, and (15) Court-Ordered Supervision.

Allocable Revenue - Revenue earned, collected, and used by the agency responsible for generating the revenue.

Amendment - A proposed change to a budget that is not yet finally approved, but has been formally submitted by the executive to the legislative branch.

Annualization - A budget increase to provide full-year budget authority for a budgetary item that was only partially funded in the prior-year budget.

Appropriated Revenue - Revenue collected by an agency on behalf of the District Treasury; such revenue is used to support the operations of all agencies.

Appropriation - Authority to spend funds appropriated by Congress and financed by general District revenues.

Appropriation Group - The eight broad areas that the District categorizes services to the citizens of Washington D.C. They include Governmental Direction and Support, Economic Development and Regulation, Public Safety and Justice, Public Education System, Human Support Services, Public Works, Financing and Other, and Enterprise Other Funds.

Arbitrage - The simultaneous buying and selling of the same negotiable financial instruments or commodities in different markets in order to make an immediate profit without risk.

ASMP - Administrative Services Modernization Program. A District-wide business transformation project focused on improving administrative processes, systems, and policies across the operating agencies, administrative agencies, and financial agencies.

Attrition - Voluntary employment losses, such as retirements and resignations.

Bonds - Officially called debt securities, bonds provide ways for governments to raise large sums of money by borrowing. Bonds usually have a principal amount and a contract interest rate. The principal can be paid at maturity while the interest is generally paid semi-annually as a percent of the principal. For example, a government could issue \$10,000,000 in bonds with a 5 percent interest rate. If the bonds matured in five years, then the \$10,000,000 would have to be paid to the bondholder. During that period, \$500,000 would have to be paid in interest each year or \$250,000 semi-annually. These bonds would be called term bonds, since they are due at a fixed point in time. Serial bonds come due at different points in time.

Bond Rating - A bond rating is an independent assessment of the creditworthiness of a bond (note or any security of indebted-

ness) by a credit rating agency. The three primary rating agencies are Standard & Poor's (S & P), Moody's Investor Services (Moody's), and Fitch IBCA, Inc. (Fitch IBCA). Bond ratings measure the probability of the timely repayment of principal and interest of a bond. Generally, a higher credit rating would lead to a more favorable effect on the marketability of a bond. The credit rating symbols (long-term) are generally assigned with the highest and the lowest in investment grade. The table below denotes the bond rating codes of the various rating agencies.

Bond Ratings			
Rating	S & P	Moody's	Fitch IBCA
Best Quality; extremely strong capacity to pay principal and interest	AAA	Aaa	AAA
High Quality; very strong capacity to pay principal and interest	AA	Aa	AA
Upper Medium Quality; strong capacity to pay principal and interest	A	A	A
Medium Grade; adequate capacity to pay principal and interest	BBB	Baa	BBB
Somewhat Speculative;	BB	Ba	BB
Low Grade, Speculative	B	B	B
Low Grade, Partial Recovery Possible	CCC	Caa	CCC
Low Grade, Default Recovery Possible	CC	Ca	CC
Recovery Unlikely	C	C	C

Budget - A plan of financial and operational intent embodying an estimate of proposed expenditures for a given period and proposed means of financing.

Budget Authority - Authority provided by law to enter into obligations that will result in expenditures. It may be classified by the period of availability (one-year, multiple-year, no-year), by the timing of congressional action (current or permanent), or by the manner of determining the amount available (definite or indefinite).

Budget Establishment - The period immediately preceding the beginning of the budget fiscal year during which final revenue budgets, intra-District budgets, and expenditure budgets are prepared and entered into the formal accounting records of the District.

Budget Modification - A change in any portion of the budget during the fiscal year.

Budget Preparation - The budget planning and development process from the initial budget call, up to and including final approval by Congress.

Budget Reserve - Funds that are earmarked for special purposes to protect the District against shortfalls in revenue and unforeseen expenditures.

Capital Improvements Program (CIP) - A plan for initiating the development, modernization, or replacement of District-owned facilities during a six-year period. As annually revised, this plan provides the basis for future-year capital budget requests.

CAFR - State and local governments issue an annual financial report called the Comprehensive Annual Financial Report or CAFR. The CAFR has three parts: (1) an introductory section, (2) a financial section, and (3) a statistical section. Some but not all of what goes into the CAFR is shaped by the Governmental Accounting Standards Board (GASB), which is the current authoritative source for governmental Generally Accepted Accounting Principles (GAAP). The groups that use the CAFR most extensively and rely on it heavily consist of the agencies that rate state and local governments for purposes of sale of bonds. Institutions that buy and sell these bonds would also be among the users of the CAFR. Moody's, Fitch IBCA, and Standard and Poor's are among the best known rating agencies. The people who rate or buy and sell these bonds are among the most capable of reading, analyzing, and interpreting the CAFR.

Certificates of Participation (COP) - In a typical lease-purchase arrangement, the District as lessee purchases property under contract from lessor, usually a private corporation, another public entity, or a special purpose nonprofit corporation. The lessor receives a portion of each lease payment as tax – exempt interest. One common way of financing this is the Certificate of Participation (COP), where the lessor assigns the lease and lease payments to a trustee. The lease underlying the COP will usually state the obligation (GO) bond of the District.

Charter School - A private non-profit entity that accepts and educates public school students under the terms of a charter granted by one of the District's two chartering authorities. Charter Schools receive the same public funding as DCPS pursuant to the District's uniform per student funding formula; additionally, a facilities allowance is also provided.

Chart of Accounts - A chart of expenditure and revenue accounts used to record each type of financial transaction incurred by District agencies

Collateral - Security left with a creditor to assure the performance of the obligor. When the obligor has performed, the creditor must return the collateral.

Community Development Block Grant (CDBG) - A federal grant that supports housing, economic development, health and human services, and planning and administration.

Component Unit - Legally separate organizations for which elected officials of the District are financially accountable. Accountability exists because some or all of the governing bodies of all the component units are appointed by the Mayor with the consent of the Council. All component units use proprietary fund type accounting.

Consolidated Plan - The U.S. Department of Housing and Urban Development requires a single or consolidated plan and submission for the following federal grant programs: Community Development Block Grant, HOME Investments Partnerships Program, Emergency Shelter Grants (ESG), and the Housing Opportunities for Persons with AIDS (HOPWA) grant.

Contractual Services - A budgetary classification of nonpersonal services that includes funds for contractual services.

Control Center - A unit of budgetary and financial control in the District's financial management system. Each District agency is composed of one or more control centers.

Controllable Property - Non-capitalized tangible property that is considered valuable and/or sensitive with a high risk of theft with a value of less than \$5,000 and/or with an expected life of less than three years.

Current Services Budget - An estimate of the funds needed to continue existing levels of service in the next fiscal year.

Debt Ratio - Total debt divided by total assets.

Debt Service - Scheduled payment of the interest and principal to bond holders that is necessary to retire bond indebtedness.

Dedicated Taxes - Tax revenues that are dedicated by law to a particular agency for a particular purpose.

Emergency Shelter (ESG) - Federal grants to provide capital and operating support for emergency shelters and transitional housing for the homeless.

Encumbrance - An amount of funds committed for the payment of goods and services ordered but not yet received.

Energy, Rent, and Communications - The name of the object class used to allocate funds for those needs.

Enterprise Funds - Budget and accounting units created for particular purposes, such as water and sewer or other self-sustaining operations, to separate the revenue and financial control of such operations from the District's General Fund.

Entitlement - A service or grant that, under District or Federal law, must be provided to all applicants.

Equipment and Equipment Rental - The name of the object class used to allocate funds for such needs.

Escrow - A written agreement or instrument setting up for the allocation funds or securities deposited by the giver or grantor to a third party (the escrow agent), for the eventual benefit of the second party (the grantee). The escrow agent holds the deposit until certain conditions have been met.

Expenditure - A payment for goods or services received.

Federal Funds

1. Federal Grants: Funding provided by the Federal government via a Federal agency for a specific purpose with the conditions for the administration of the funding dictated by each grantor organization.
2. Federal Payments: Funding specifically detailed in the Federal Funds portion of the District of Columbia Appropriations Act with the conditions for the administration of the funding found within the statute and Federal Appropriations law.
3. Federal Medicaid Payments: Funding provided to pay for a portion of the health care costs of eligible individuals, with oversight done by District and Federal authorities.

Fixed assets - Long-lived tangible items that provide a benefit for a number of future periods.

Fixed Costs - Expenses that do not change in proportion to the activity of a business, and are related to the everyday functioning of a business. In the District, fixed costs are categorized as electricity, heating fuel, janitorial services, natural gas, occupancy, telecom, postage, rent, security services, steam, water and sewer, and fleet fuel and services. While the expense item is fixed, the costs do have variability. Rate fluctuations and consumption levels play a large part in determining the amount of fixed costs.

Fringe Benefits - Part of overall employee compensation, including life and health insurance and retirement and social security contributions.

Full-Time Equivalent (FTE) - An employment indicator that translates the total number of hours worked in a year by all employees, including part-time workers, to an equivalent number

of work years. For example, one FTE equals 2,080 hours and .75 FTE equals 1,560 hours.

Fund - A budgeting and accounting device used to establish accounts for separating revenues and their related obligations, and expenditures for one purpose from those revenues, obligations, and expenditures for other purposes.

Fund Accounting - Accounting method of providing information on the District of Columbia receipts and disbursements in separate categories or "funds". Governments use fund accounting to segregate sources of revenue and the purpose for which they are to be used.

Fund Balance - The difference between fund assets and fund liabilities. The fund balance is cumulative over the life of the fund.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standard of guidelines for financial accounting and reporting that the District follows. They govern the form and content of an entity's (public, private, non-profit) basic financial statements. GAAP encompasses the conventions, rules and procedures necessary to define accounting practices at a particular time.

GASB - The Governmental Accounting Standards Board (GASB) is a private non-profit body responsible for establishing and improving accounting and financial reporting standards for more than 84,000 governmental units in the United States. Although they do not have the force of law, governments are required to follow GASB standards in order to obtain clean opinions from their auditors and failure to comply with GASB standards can adversely affect a state or local government's attempts to issue bonds.

GFOA - The Government Finance Officers Association of the United States and Canada is the premier association of public-sector finance professionals and is dedicated to providing high-quality support to state and local governments. The GFOA's two established criteria for financial excellence include: (1) the "Distinguished Budget Presentation Award" (Budget Program) conferred on governments whose budgets are deemed exemplary as a policy document, financial guide, operations guide, and communication device; (2) "Certificate of Achievement for Excellence in Financial Reporting" (CAFR Program) for governments whose CAFRs achieve the highest standards in financial reporting.

GPRA - Government Performance and Results Act. Legislation that requires the establishment of a direct relationship between the use of federal funds and the delivery of services by federal agencies. Many federal grants require GPRA performance measures as part of the reporting process.

General Fund - The General Fund, which is the principal operating fund of the District, is used to account for all financial resources except those required to be accounted for in another fund.

General Obligation Bonds - Bonds sold by a municipal government to private investors to provide long-term financing for capital project needs. Repayment of the principal and interest is made from General Fund revenue.

Gift funds - Financial donations to the District government, which may only be accepted on behalf of the District by the Mayor, that may be earmarked for a specific purpose.

Grant - Contributions of assets (usually cash) by one government unit to another government unit or organization. Typically, these contributions are made to Local governments from State and Federal governments for specified purposes.

Gross Budget - A total budget amount that includes resources from all funding sources.

HOME - Home Investment Partnerships Program. A federal grant program that provides housing for low-income persons.

Imprest Fund - A fund of a designated amount out of which payments for expenses of small amounts are made (sometimes referred to as petty cash).

Indirect Costs - Administrative overhead costs incurred by the District in managing grant programs.

Industrial Revenue Bond - A bond that enables the District to borrow money to finance or refinance undertakings in the areas of housing, health facilities, transit, college and university programs which provide loans for the payment of educational expenses for or on behalf of students, pollution control facilities, and industrial and commercial development.

Inflation - An increase in general price of goods or services resulting in a decline in the purchasing power of currently available money.

Infrastructure - Long-lived assets such as highways, bridges, buildings and public utilities.

Interest Accrual - The amount of interest owed on borrowings but not to be paid until a later date.

Intra-District - An accounting mechanism to track payments for services provided by one District agency to another District agency, similar to an Internal Service Fund.

Key Result Measures - A set of result performance measures that are contained within each program. They are comprised of one result measure from each of the activities within that program.

Local Education Agency (LEA) - An education agency at the local level which exists primarily to operate schools or to contract for educational services. This term is used synonymously with the terms "school district," "school system," and "local basic administrative unit."

Local revenue - Includes tax and non-tax revenue that is not earmarked for a particular purpose and is allocated to fund District programs during the annual budget process part of General Fund revenue.

Match - A locally provided cash or in-kind services contribution required to supplement or equal a grant or gift as a condition for receiving the funds.

Mandate - Any responsibility, action or procedure that is imposed by one government on another through constitutional, legislative, administrative, executive, or judicial action as a direct order, or that is required as a condition of aid.

Mission - The mission is a clear, concise statement of the purpose of the agency. The mission focuses on the broad, yet distinct, results the agency will achieve for its customers. Also, the reason for the existence of an agency.

Modified accrual basis of accounting - A basis of accounting that recognizes revenues when earned, only so long as they are collectible within the period or soon enough afterwards to be used to pay liabilities of the current period. That is, revenues are only recognized under modified accrual accounting to the degree that they are available to finance expenditures of the fiscal period.

Municipal Bond - A bond issued by a state or a political subdivision. Also a bond issued by a state, agency or authority. In general, interest paid on municipal bonds is exempt from federal income taxes and state and local taxes in the state of issue.

NAICS - Beginning in 1997, The North American Industry Classification System (NAICS, pronounced nakes) has replaced the Standard Industrial Classification (SIC). NAICS is a uniform industry-wide classification system designed as the index for statistical reporting of all economic activities of the U.S; Canada, and Mexico. This new six digit code is a major revision that provides for newer industries and reorganizes the categories on a production/process-oriented basis compared to the SIC that used a mixture of production-based and market-based categories.

Nonpersonal Services (NPS) - A budget category that includes budget objects for reporting other than personnel-related expenditures. Nonpersonal services includes supplies, utilities, communications and rent, other services and charges, subsidies and transfers, equipment and equipment rental, and debt service.

Nonrecurring Expenditures - One-time expenditures for special items, such as a new fire truck or a computer system, that do not need to be budgeted for again in the year following their purchase.

Notice of Funding Availability (NOFA) - A public notice that an agency will issue a Request for Applications (RFA), informing interested parties when and where an RFA may be obtained.

Object Category - the category of object classes for which the District budgets in the operating budget. There are two object categories: Personal Services (salaries, fringe benefits, additional pay, and overtime) and Nonpersonal Services (all object classes that are not personal services).

Object Class - A budgetary classification that breaks down the object categories of personal services and nonpersonal services into more specific types of expenditure, such as Fringe Benefits (Object Class 14) or Supplies (Object Class 20).

Objectives - Measurable activities of a program that are sought to achieve the overall mission.

Obligations - The amount of expenditure already made as well as the cost of commitments requiring future payments.

Occupational Classification Codes (OCCs) - Classification system used to identify employees by function. The eight major OCCs are based on the following job descriptions:

Officials and Administrators - Employees make broad policies; exercise responsibility for the implementation of these policies; or, direct individual departments or special phases of an agency's operations; or, provide consultation on a regional, district or area wide basis;

Professionals - Employees must have specialized and theoretical knowledge usually acquired through college training, job experience, or other comparative training;

Technicians - Employees must have a combination of basic scientific or technical knowledge and manual skills obtained through specialized post-secondary school education or equivalent on-the-job training;

Protective Service Workers - Employees perform public safety, security, and "protection from destructive forces" duties;

Paraprofessionals - Employees perform some professional or technician duties but only in a supportive role. Assignments usually require less formal training and/or experience than required of professional or technical employees;

Office and Clerical - Employees must communicate within and outside their office setting, in addition to recording and retrieving information;

Skilled Craft Workers - Employees perform work which requires special manual skills gained from on-the-job training, apprenticeship, or formal training programs; and

Service and Maintenance - Employees perform duties related to the comfort, convenience, hygiene or safety of the public; or, maintain buildings, facilities or grounds of public property. Workers in this group may operate machines.

Operating Budget - The budget that encompasses the day-to-day District activities. The operating budget includes employee salaries, supplies, and other non-personnel items related to current activities. The operating budget also includes debt service and overhead costs related to daily operations.

Other Services and Charges - A budgetary classification of nonpersonal services that includes funds for printing, postage, tuition, travel, conference, and membership dues.

Personal Services (PS) - A budget category that includes budget objects for reporting personnel-related expenditures. Personal Services includes Regular Pay, Other Pay, Additional Gross Pay, and Fringe Benefits.

Performance-Based Budgeting (PBB) - Refers to a budget system in which budget decisions are based on or informed by performance information that describes the cost or efficiency of producing and activity and the results achieved for customers. This is accomplished by structuring the accounting and budgeting systems according to the structure of the agency's Strategic Business Plan.

Performance Measures - Measures that describe the information managers and other decision-makers need in order to make good business decisions. There are four types of measures: (1) results, (2) outputs, (3) demand, and (4) efficiency.

Private Revenue - Funding from private grants that is retained by the agency to fund the intended purpose of the grant.

Program - A component part of the District's program structure. Comprised of a set of activities that have a common purpose or result, organized as a sub-unit of an agency for accounting, budgeting, planning and performance measurement purposes.

Program structure - The delineation of programs, activities, and services that constitute the work of an agency.

Proprietary Fund - Fund category that often emulates the private sector and focuses on the measurement of net income. Expenditures are funded by user charges and fees represented as enterprise funds in the CAFR.

Qualified Zone Academy Bond - A federal program that provides tax credits on bonds issued to finance projects for

schools construction in eligible low income schools. Through a tax credit to the lending institution, the federal government covers all of the interest on these bonds, resulting in saving up to 50 percent of the cost these renovation and improvement projects.

Real (Constant) Dollars - The value of current-year dollars adjusted to account for inflation.

Redirections - The permanent shift of funds or positions within an agency.

Regular Pay - Salary and wages for all continuing full-time employees.

Reorganization - Refers to changes in the budget and reporting structures within agencies.

Reprogramming - Any budget modification for purposes other than those originally planned, which results in an offsetting reallocation of funds from one budget category to another, .

Request for Applications (RFA) - The document that describes the requirements for subgrant applications.

Request for Proposal (RFP) - The official document requesting from prospective contractors a detailed description of the manner in which they plan to achieve the goals specified by the RFP were they awarded a contract to do so. The plan usually includes the proposer's estimate of total cost and required schedule.

Rescission - A legislative cancellation of budget authority previously approved by the Council and the Congress.

Responsibility Center - A component of a control center.

Revenue Bonds - Bonds whose principal and interest are payable exclusively from the earnings of an enterprise fund.

Revenue Category - General types of revenue, such as taxes.

Revenues - The annual income or receipts of the District from taxes, charges, grants, and investments.

Revenue Class - Specific revenues, such as real property taxes.

Review panel - A team of qualified individuals responsible for reviewing, scoring, and recommending applicants for subgrant awards.

Revolving fund - A fund account containing money that is renewed as it is used, either by additional appropriations or by income from the programs it finances; thus, the fund retains a balance at all times.

Service-Level Budgeting - The development of budgets at organization level four in SOAR. This is one level below the cur-

rent level of budgeting for most agencies, which is at the activity level.

Special Purpose Revenue - Funds used to account for proceeds for specific revenue sources (other than expendable trusts, special assessments, or major capital projects) that are legally restricted to expenditures for specified purposes. Formerly called O-type or other revenue.

Strategic Goal - In strategic business planning, refers to goal statements that describe in measurable terms the significant results that an agency must accomplish over the next 2 to 5 years to respond to the critical trends, issues, and challenges.

Strategic Business Plan - A strategic business plan establishes and articulates the purpose, strategic goals, operational organization and performance expectations for an agency.

Standard Industrial Classification (SIC) code - Original set of categories for public, non-profit, and public sector organizations used by government manufacturing and the financial industry as a basis of classifying organizations. SIC codes are being replaced by NAICS because of the North American Free Trade Agreement (NAFTA) between the US, Canada, and Mexico.

Structural Balance - The degree to which revenues match expenditures over time.

Subgrant - The commitment of funds from a grant by a District government agency to a governmental or private organization to support specific services and operations. see DCMA Chapter 50.

Subsidies and Transfers - The name of the object class used to allocate funds for a variety of public welfare and support costs and to transfer funds to other organizations, such as the Washington Metropolitan Area Transit Authority, providing services to District residents.

Supplies and Materials - The names of the budgetary object class used to allocate funds for consumable materials.

System of Accounting and Reporting (SOAR) - Acronym for the financial management system used by the District.

Tax abatement - A decrease or rebate of a tax or burden improperly made. At times a tax abatement may reflect only an acknowledgment of a changed situation.

Tax Increment Financing - Tax increment financing is a method to pay for the costs of qualifying improvements necessary to create new development or redevelopment. The financing of the qualifying improvements is paid from increased prop-

erty and/or sales taxes generated from the new development or redevelopment that would not occur "but for" such assistance.

Tobacco securitization - Securitization is a financing method whereby a party sells bonds to investors backed by a future stream of payments. With tobacco securitization, the future stream of payments is the periodic payments tobacco companies will make as part of a settlement reached by the companies and various states in 1998. The District received funds up front from the proceeds of the bond sale. The investors receive principal and interest payments on their bonds from the tobacco companies' payments. Securitization shifts the risk that the tobacco companies will stop making settlement payments from the government to private investors or insurers.

Trust and Agency Funds - Funds used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Transfers - Reallocation of resources (funds or positions) among agencies or funds.

Unfunded Liabilities - Potential or actual debts for which no current funding is available.

Uniform Per Student Funding Formula (UPSFF) - Funding formula used by the District that determines the annual appropriation of Local funds for the operation of the D.C. Public School System (and charter schools) based on the number of students, the grade level, and the special programs in which they are enrolled. The UPSFF is used to fund the entire school system with the exception of state level costs which are locally funded through a separate mechanism.

WAE - The abbreviation for "when actually employed", referring to part-time staff paid on an hourly basis.

Weighted Student Formula (WSF) - Funding formula used by the school system to annually fund each school. The formula is based on enrollment, grade level, special education needs, free and reduced price lunch eligibility, and English as a Second Language characteristics.

Within-Grade (Step) Increase - A salary increase awarded to an employee based on longevity of service and acceptable performance.

Appendix E, F, G and H

*Summary Tables:
FY 2010 Proposed Budget
and Financial Plan*

**Government of the District of Columbia
FY 2010 Proposed Budget
General Fund**

Appropriation Title (Thousands of Dollars)		FY 2008 Actuals - General Fund	FY 2009 Approved - General Fund	FY 2010 Proposed Local Funds	FY 2010 Proposed Dedicated Taxes	FY 2010 Proposed Other Funds	Total - FY 2010 Proposed General Fund	Change From FY 2009 Approved General Fund
Agy Cde	Agency Name							
Governmental Direction and Support								
AB0	COUNCIL OF THE DISTRICT OF COLUMBIA	18,824	20,396	19,833	0	0	19,833	(563)
AC0	OFFICE OF THE D.C. AUDITOR	2,419	4,036	4,119	0	0	4,119	83
DX0	ADVISORY NEIGHBORHOOD COMMISSIONS	945	1,092	1,001	0	0	1,001	(91)
AA0	OFFICE OF THE MAYOR	6,847 *	6,086	5,349	0	0	5,349	(736)
RPO	OFFICE OF COMMUNITY AFFAIRS	2,702	3,093	3,022	0	0	3,022	(72)
RS0	SERVE DC	328	410	434	0	0	434	23
BA0	OFFICE OF THE SECRETARY	3,275	4,304	2,751	0	540	3,291	(1,013)
AEO	OFFICE OF THE CITY ADMINISTRATOR	6,507	5,964	5,442	0	0	5,442	(522)
RK0	D.C. OFFICE OF RISK MANAGEMENT	1,800	1,480	1,039	0	0	1,039	(441)
BE0	D.C. DEPARTMENT OF HUMAN RESOURCES	8,883	9,675	5,408	0	277	5,686	(3,989)
JRO	OFFICE OF DISABILITY RIGHTS	566	1,470	1,135	0	0	1,135	(335)
RJO	MEDICAL LIABILITY CAPTIVE INS AGENCY	0	0	0	0	1,000	1,000	1,000
AS0	OFFICE OF FINANCE AND RESOURCE MANAGEMENT	4,971	4,471	4,323	0	0	4,323	(148)
BU0	OFFICE OF PARTNERSHIPS AND GRANT SERVICES	0	897	642	0	0	642	(255)
PO0	OFFICE OF CONTRACTING AND PROCUREMENT	6,057	6,528	3,021	0	876	3,897	(2,630)
TO0	OFFICE OF THE CHIEF TECHNOLOGY OFFICER	64,060	56,448	41,027	0	2,025	43,052	(13,396)
AM0	OFFICE OF PROPERTY MANAGEMENT	21,469	26,951	21,801	0	13,407	35,208	8,257
AF0	CONTRACT APPEALS BOARD	940	972	1,100	0	0	1,100	127
DLO	BOARD OF ELECTIONS & ETHICS	5,245	5,334	5,193	0	0	5,193	(142)
CJO	OFFICE OF CAMPAIGN FINANCE	1,589	1,721	1,690	0	0	1,690	(31)
CG0	PUBLIC EMPLOYEE RELATIONS BOARD	922	980	1,004	0	0	1,004	24
CHO	OFFICE OF EMPLOYEE APPEALS	1,775	1,778	1,798	0	0	1,798	20
EA0	METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS	381	396	396	0	0	396	(0)
CBO	OFFICE OF THE ATTORNEY GENERAL FOR THE DISTRICT OF COLUMBIA	65,810	68,492	58,303	0	6,834	65,138	(3,355)
ADO	OFFICE OF THE INSPECTOR GENERAL	14,886	14,858	15,457	0	0	15,457	599
ATO	OFFICE OF THE CHIEF FINANCIAL OFFICER	130,868	153,843	105,866	0	37,483	143,349	(10,495)
GSO	SECTION 103 JUDGEMENTS-GOV DIR AND SUPPORT	10,000	0	0	0	0	0	0
Total, Governmental Direction and Support		382,071	401,676	311,154	0	62,443	373,596	(28,080)

*\$2.3M of EOM \$9.1M FY08 expenditure total, representing Community Health Care Financing Fund activity, is shown under the Enterprise and Other Funds section of this report.

**Government of the District of Columbia
FY 2010 Proposed Budget
General Fund**

Appropriation Title (Thousands of Dollars)		FY 2008 Actuals - General Fund	FY 2009 Approved - General Fund	FY 2010 Proposed Local Funds	FY 2010 Proposed Dedicated Taxes	FY 2010 Proposed Other Funds	Total - FY 2010 Proposed General Fund	Change From FY 2009 Approved General Fund
Agy Cde	Agency Name							
Economic Development and Regulation								
EB0	OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT	99,480 *	79,664	4,020	21,164	8,226	33,410	(46,254)
BD0	OFFICE OF PLANNING	8,042	9,423	7,618	0	60	7,678	(1,745)
EN0	DEPARTMENT OF SMALL AND LOCAL BUSINESS DEVELOPMENT	4,493	3,225	2,385	0	0	2,385	(840)
TK0	OFFICE OF MOTION PICTURE AND TELEVISION DEVELOPMENT	841	652	584	0	52	636	(16)
BJ0	OFFICE OF ZONING	3,094	3,137	3,136	0	0	3,136	(1)
DB0	DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT	19,439	15,851	10,020	0	10,603	20,623	4,772
CF0	DEPARTMENT OF EMPLOYMENT SERVICES	111,991	93,251	57,215	0	40,771	97,986	4,735
DA0	BOARD OF REAL PROPERTY ASSESSMENTS AND APPEALS	693	708	698	0	0	698	(10)
CR0	DEPT. OF CONSUMER & REGULATORY AFFAIRS	37,395	36,938	13,258	0	21,875	35,133	(1,805)
CQ0	OFFICE OF THE TENANT ADVOCATE	1,523	2,530	560	0	3,007	3,567	1,036
BX0	COMMISSION ON ARTS & HUMANITIES	9,902	13,627	5,434	0	400	5,834	(7,793)
LQ0	ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION	5,276	6,441	400	0	5,486	5,886	(555)
DH0	PUBLIC SERVICE COMMISSION	8,568	9,790	0	0	9,958	9,958	167
DJ0	OFFICE OF THE PEOPLE'S COUNSEL	4,865	5,025	0	0	5,136	5,136	111
SR0	DEPT. OF INSURANCE, SECURITIES AND BANKING	14,651	16,319	0	0	16,327	16,327	8
CT0	OFFICE OF CABLE TELEVISION AND TELECOMMUNICATIONS	6,942	7,089	0	0	8,477	8,477	1,387
HY0	HOUSING AUTHORITY SUBSIDY	30,983	30,983	25,103	0	0	25,103	(5,880)
HP0	HOUSING PRODUCTION TRUST FUND SUBSIDY	70,589	32,775	0	13,039	0	13,039	(19,736)
SY0	D.C. SPORTS AND ENTERTAINMENT COMMISSION SUBSIDY	0	2,500	0	0	0	0	(2,500)
ID0	BUSINESS IMPROVEMENT DISTRICTS TRANSFER	0	0	0	0	23,000	23,000	23,000
Total, Economic Development and Regulation		438,766	369,928	130,431	34,202	153,378	318,011	(51,917)
*\$6.3M of the DMPED \$105.8M FY08 expenditure total, representing Payment in Lieu of Taxes (PILOT) for debt service on AWC projects, is shown under the Enterprise and Other Funds section of this report.								
Public Safety and Justice								
FA0	METROPOLITAN POLICE DEPARTMENT	483,579	474,920	446,423	0	32,181	478,604	3,685
FB0	FIRE AND EMERGENCY SERVICES DEPARTMENT	188,601	184,289	187,935	0	1,520	189,455	5,167
FD0	POLICE OFFICERS' & FIRE FIGHTERS' RETIREMENT SYSTEM	137,000	110,900	132,975	0	0	132,975	22,075
FL0	DEPARTMENT OF CORRECTIONS	152,744	149,276	103,887	0	34,824	138,710	(10,566)
FK0	D.C. NATIONAL GUARD	2,828	3,371	3,365	0	0	3,365	(6)
BN0	HOMELAND SECURITY AND EMERGENCY MANAGEMENT AGENCY	4,639	4,462	3,277	0	0	3,277	(1,185)

**Government of the District of Columbia
FY 2010 Proposed Budget
General Fund**

Appropriation Title (Thousands of Dollars)		FY 2008 Actuals - General Fund	FY 2009 Approved - General Fund	FY 2010 Proposed Local Funds	FY 2010 Proposed Dedicated Taxes	FY 2010 Proposed Other Funds	Total - FY 2010 Proposed General Fund	Change From FY 2009 Approved General Fund
Agy Cde	Agency Name							
DQ0	COMMISSION ON JUDICIAL DISABILITIES & TENURE	249	271	0	0	0	0	(271)
DV0	JUDICIAL NOMINATION COMMISSION	103	152	0	0	0	0	(152)
FH0	OFFICE OF POLICE COMPLAINTS	2,282	2,618	2,618	0	0	2,618	(0)
FZ0	D.C. SENTENCING AND CRIMINAL CODE REVISION COMMISSION	583	779	816	0	0	816	37
FX0	OFFICE OF THE CHIEF MEDICAL EXAMINER	9,166	10,020	8,364	0	274	8,638	(1,382)
FS0	OFFICE OF ADMINISTRATIVE HEARINGS	7,076	7,751	7,005	0	8	7,013	(738)
FI0	CORRECTIONS INFORMATION COUNCIL	0	25	25	0	0	25	0
FJ0	CRIMINAL JUSTICE COORDINATING COUNCIL	398	404	298	0	0	298	(106)
FV0	FORENSIC LABORATORY TECHNICIAN TRAINING PROGRAM	1,475	1,323	1,249	0	0	1,249	(74)
UC0	OFFICE OF UNIFIED COMMUNICATIONS	40,578	47,124	29,873	0	11,038	40,912	(6,213)
FE0	OFFICE OF VICTIM SERVICES	9,165	13,887	3,065	0	8,025	11,090	(2,797)
FO0	OFFICE OF JUSTICE GRANTS ADMINISTRATION	222	905	395	0	0	395	(510)
FW0	MOTOR VEHICLE THEFT PREVENTION COMMISSION	0	750	225	0	525	750	0
PJ0	SECTION 103 JUDGMENTS - PUBLIC SAFETY AND JUSTICE	3,773	0	0	0	0	0	0
<i>Total, Public Safety and Justice</i>		1,044,462	1,013,227	931,795	0	88,396	1,020,191	6,965
Public Education System								
GA0	D.C. PUBLIC SCHOOLS	874,214	565,780	510,881	0	4,005	514,886	(50,895)
GX0	TEACHERS' RETIREMENT FUND	5,964	0	3,000	0	0	3,000	3,000
GD0	OFFICE OF THE STATE SUPERINTENDENT OF EDUCATION	103,135	128,111	111,990	0	10,728	122,718	(5,393)
GC0	D.C. PUBLIC CHARTER SCHOOLS	316,675	366,053	373,969	0	0	373,969	7,916
GG0	UNIVERSITY OF THE DISTRICT OF COLUMBIA SUBSIDY	62,770	62,070	62,070	0	0	62,070	0
CE0	D.C. PUBLIC LIBRARY	44,983	45,168	39,904	0	840	40,743	(4,425)
GB0	DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD	1,719	3,460	1,660	0	1,976	3,637	176
GW0	DEPUTY MAYOR FOR EDUCATION	2,467	4,892	778	0	0	778	(4,114)
GM0	OFFICE OF PUBLIC EDUCATION FACILITIES MODERNIZATION	34,981	38,306	28,914	0	3,286	32,199	(6,107)
GN0	NON-PUBLIC TUITION	0	141,700	149,100	0	0	149,100	7,400
GO0	SPECIAL EDUCATION TRANSPORTATION	171	75,558	77,431	0	0	77,431	1,872
PE0	SECTION 103 JUDGMENTS - PUBLIC EDUCATION SYSTEM	384	0	0	0	0	0	0
<i>Total, Public Education System</i>		1,447,460	1,431,100	1,359,696	0	20,835	1,380,531	(50,569)

**Government of the District of Columbia
FY 2010 Proposed Budget
General Fund**

Appropriation Title (Thousands of Dollars)		FY 2008 Actuals - General Fund	FY 2009 Approved - General Fund	FY 2010 Proposed Local Funds	FY 2010 Proposed Dedicated Taxes	FY 2010 Proposed Other Funds	Total - FY 2010 Proposed General Fund	Change From FY 2009 Approved General Fund
Agy Cde	Agency Name							
Human Support Services								
JA0	DEPARTMENT OF HUMAN SERVICES	140,649	171,682	144,388	0	2,725	147,113	(24,569)
RLO	CHILD AND FAMILY SERVICES AGENCY	275,453	197,575	194,161	0	750	194,911	(2,664)
RMO	DEPARTMENT OF MENTAL HEALTH	210,216	213,640	191,390	0	4,424	195,815	(17,825)
HCO	DEPARTMENT OF HEALTH	676,559 *	109,709	78,190	0	14,272	92,461	(17,248)
HA0	DEPT OF PARKS AND RECREATION	53,024	47,312	39,625	0	2,014	41,639	(5,673)
BY0	OFFICE ON AGING	17,198	17,525	16,218	0	0	16,218	(1,307)
BH0	UNEMPLOYMENT COMPENSATION FUND	6,459	5,500	11,136	0	0	11,136	5,636
BG0	DISABILITY COMPENSATION FUND	28,220	15,030	25,163	0	0	25,163	10,133
HMO	OFFICE OF HUMAN RIGHTS	2,605	2,757	2,617	0	0	2,617	(140)
BZ0	OFFICE ON LATINO AFFAIRS	4,120	4,587	3,821	0	0	3,821	(766)
JY0	CHILDREN AND YOUTH INVESTMENT COLLABORATIVE	20,811	18,460	10,602	0	0	10,602	(7,858)
AP0	OFFICE ON ASIAN AND PACIFIC ISLANDER AFFAIRS	930	965	965	0	0	965	(0)
VA0	OFFICE OF VETERANS' AFFAIRS	295	462	463	0	0	463	0
JZ0	DEPARTMENT OF YOUTH REHABILITATION SERVICES	84,463	81,143	85,016	0	0	85,016	3,873
JM0	DEPARTMENT ON DISABILITY SERVICES	86,010	94,871	62,007	0	6,200	68,207	(26,664)
HT0	DEPARTMENT OF HEALTH CARE FINANCE	0	606,734	486,691	25,764	1,823	514,278	(92,456)
JF0	D.C. ENERGY OFFICE	(34)	0	0	0	0	0	0
Total, Human Support Services		1,606,979	1,587,952	1,352,452	25,764	32,208	1,410,424	(177,528)
*\$6.5M of the DOH \$683M FY08 expenditure total, representing Community Health Care Financing Fund expenditures, is shown under the Enterprise and Other Funds section of this report.								
Public Works								
KT0	DEPARTMENT OF PUBLIC WORKS	129,293	137,128	116,021	0	9,101	125,121	(12,007)
KA0	DEPARTMENT OF TRANSPORTATION	136,292	124,067	43	13,000	89,889	102,932	(21,135)
KV0	DEPARTMENT OF MOTOR VEHICLES	38,668	42,952	26,524	0	13,762	40,286	(2,666)
KG0	DISTRICT DEPARTMENT OF THE ENVIRONMENT	37,466	57,732	17,343	0	40,205	57,548	(184)
TC0	D.C. TAXICAB COMMISSION	1,620	1,927	1,213	0	656	1,869	(58)
KC0	WASHINGTON METRO AREA TRANSIT COMMISSION	113	113	123	0	0	123	10
KE0	WASHINGTON METRO AREA TRANSIT AUTHORITY	214,905	230,499	231,668	0	12,000	243,668	13,169
KD0	SCHOOL TRANSIT SUBSIDY	5,420	7,866	7,668	0	0	7,668	(198)

**Government of the District of Columbia
FY 2010 Proposed Budget
General Fund**

Appropriation Title (Thousands of Dollars)		FY 2008 Actuals - General Fund	FY 2009 Approved - General Fund	FY 2010 Proposed Local Funds	FY 2010 Proposed Dedicated Taxes	FY 2010 Proposed Other Funds	Total - FY 2010 Proposed General Fund	Change From FY 2009 Approved General Fund
Agy Cde	Agency Name							
Total, Public Works		563,776	602,284	400,602	13,000	165,613	579,215	(23,069)
Financing and Other								
DS0	REPAYMENT OF LOANS AND INTEREST	420,827	459,727	463,796	4,800	3,465	472,061	12,335
ZA0	REPAYMENT OF INTEREST ON SHORT-TERM BORROWING	7,849	9,000	9,000	0	0	9,000	0
CP0	CERTIFICATES OF PARTICIPATION	30,664	32,791	32,285	0	0	32,285	(506)
ZB0	DEBT SERVICE - ISSUANCE COSTS	16,216	15,000	15,000	0	0	15,000	0
SM0	SCHOOLS MODERNIZATION FUND	4,716	8,613	8,612	0	0	8,612	(1)
DT0	REPAYMENT OF REVENUE BONDS	2,512	6,000	0	4,861	0	4,861	(1,139)
ZH0	SETTLEMENTS AND JUDGMENTS	21,015	21,477	21,477	0	0	21,477	0
ZZ0	JOHN A. WILSON BUILDING FUND	4,147	4,058	3,625	0	0	3,625	(433)
UP0	WORKFORCE INVESTMENTS	0	26,691	0	0	0	0	(26,691)
DO0	NON-DEPARTMENTAL	0	39,279	3,603	0	0	3,603	(35,676)
CS0	CASH RESERVE	0	46,000	0	0	0	0	(46,000)
ELO	MASTER EQUIPMENT LEASE / PURCHASE PROGRAM	29,896	43,033	46,157	0	0	46,157	3,124
PA0	PAY-AS-YOU-GO CAPITAL FUND	140,737	125,014	0	0	2,984	2,984	(122,030)
RH0	DISTRICT RETIREE HEALTH CONTRIBUTION	110,907	81,100	90,700	0	0	90,700	9,600
BO0	BASEBALL TRANSFER - DEDICATED TAXES	46,397	50,044	0	32,081	0	32,081	(17,963)
EZ0	CONVENTION CENTER TRANSFER - DEDICATED TAXES	0	0	0	93,054	0	93,054	93,054
KZ0	HIGHWAY TRUST FUND TRANSFER - DEDICATED TAXES	0	0	0	29,762	0	29,762	29,762
TZ0	TIF AND PILOT TRANSFER - DEDICATED TAXES	0	0	0	45,992	0	45,992	45,992
Total, Financing and Other		835,884	967,826	694,255	210,550	6,449	911,255	(56,572)
Total General Operating Funds		6,319,399	6,373,993	5,180,385	283,517	529,322	5,993,224	(380,769)
Enterprise and Other Funds								
LA0	WATER AND SEWER AUTHORITY	833	363,234	0	0	393,653	393,653	30,419
LB0	WASHINGTON AQUEDUCT	0	56,491	0	0	54,356	54,356	(2,135)
DC0	D.C. LOTTERY & CHARITABLE GAMES CONTROL BOARD	252,748	265,000	0	0	250,000	250,000	(15,000)
SC0	D.C. SPORTS AND ENTERTAINMENT COMMISSION	3,075	7,603	0	0	0	0	(7,603)
DY0	D.C. RETIREMENT BOARD	20,943	32,624	0	0	30,622	30,622	(2,002)
ES0	WASHINGTON CONVENTION CENTER AUTHORITY	0	96,696	0	0	91,974	91,974	(4,722)

**Government of the District of Columbia
FY 2010 Proposed Budget
General Fund**

Appropriation Title (Thousands of Dollars)		FY 2008 Actuals - General Fund	FY 2009 Approved - General Fund	FY 2010 Proposed Local Funds	FY 2010 Proposed Dedicated Taxes	FY 2010 Proposed Other Funds	Total - FY 2010 Proposed General Fund	Change From FY 2009 Approved General Fund
Agy Cde	Agency Name							
GF0	UNIVERSITY OF THE DISTRICT OF COLUMBIA	83,255	98,889	62,070	0	47,419	109,489	10,600
UV0	D.C. DEPT. OF HUMAN RESOURCES AGENCY TRUST	3	2,400	0	0	0	0	(2,400)
UW0	D.C. PUBLIC LIBRARY TRUST FUND	0	17	0	0	17	17	0
UI0	UNEMPLOYMENT COMPENSATION TRUST FUND	150,237	180,000	0	0	251,000	251,000	71,000
UZ0	HOUSING PRODUCTION TRUST FUND	114,979	108,680	0	51,329	0	51,329	(57,351)
TX0	TAX INCREMENT FINANCING (TIF) PROGRAM	17,551	24,330	0	0	32,106	32,106	7,776
BK0	BALLPARK REVENUE FUND	110,775	76,755	0	59,572	8,000	67,572	(9,183)
TF0	D.C. TOBACCO SETTLEMENT FINANCING CORP.	44,368	0	0	0	0	0	0
TY0	REPAYMENT OF PILOT FINANCING	0	9,770	0	0	13,886	13,886	4,116
AA0	OFFICE OF THE MAYOR (Community Health Care Financing Fund)	2,250	0	0	0	0	0	0
EB0	OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT (Payment in lieu of taxes)	6,341	0	0	0	0	0	0
HC0	DEPARTMENT OF HEALTH (Community Health Care Financing Fund)	6,478	0	0	0	0	0	0
<i>Total, Enterprise and Other Funds</i>		813,835	1,322,489	62,070	110,901	1,173,034	1,346,004	23,515
Grand Total, DISTRICT GOVERNMENT		7,133,234	7,696,482	5,242,455	394,417	1,702,355	7,339,228	(357,255)

** Note: Agency budgets in this table are entered at the whole dollar but rounded to nearest thousands of dollars by funding type. This may cause rounding differences at the General Fund level.

**Government of the District of Columbia
FY 2010 Proposed Budget
Gross Funds**

				<i>FY 2010 Proposed Budget by Type of Funding</i>								
Appropriation Title (Thousands of Dollars)		FY 2008 Actuals - Gross Funds	FY 2009 Approved Budget - Gross Funds							SUBTOTAL, Gross Funds - less Intra-District Funds	Intra-District Funds	TOTAL FY 2010 Proposed Budget, Gross Funds
Agy Cde	Agency Name			Local Funds	Dedicated Taxes	Other Funds	SUBTOTAL, General Fund	Federal Funds	Private Funds			
<i>Governmental Direction and Support</i>												
AB0	COUNCIL OF THE DISTRICT OF COLUMBIA	18,824	20,396	19,833	0	0	19,833	0	0	19,833	0	19,833
AC0	OFFICE OF THE D.C. AUDITOR	2,419	4,036	4,119	0	0	4,119	0	0	4,119	325	4,444
DX0	ADVISORY NEIGHBORHOOD COMMISSIONS	945	1,092	1,001	0	0	1,001	0	0	1,001	0	1,001
AA0	OFFICE OF THE MAYOR	7,923 *	6,086	5,349	0	0	5,349	0	0	5,349	0	5,349
RP0	OFFICE OF COMMUNITY AFFAIRS	2,702	3,093	3,022	0	0	3,022	0	0	3,022	0	3,022
RS0	SERVE DC	3,614	4,182	434	0	0	434	3,323	0	3,757	448	4,205
BA0	OFFICE OF THE SECRETARY	3,287	4,304	2,751	0	540	3,291	0	8	3,299	0	3,299
CW0	CUSTOMER SERVICE OPERATIONS	23	0	0	0	0	0	0	0	0	0	0
AE0	OFFICE OF THE CITY ADMINISTRATOR	5,790	6,607	5,442	0	0	5,442	0	0	5,442	0	5,442
RK0	D.C. OFFICE OF RISK MANAGEMENT	2,499	2,384	1,039	0	0	1,039	0	0	1,039	828	1,867
BE0	D.C. DEPARTMENT OF HUMAN RESOURCES	17,677	17,160	5,408	0	277	5,686	0	0	5,686	7,232	12,917
JR0	OFFICE OF DISABILITY RIGHTS	566	1,470	1,135	0	0	1,135	0	0	1,135	0	1,135
RJ0	MEDICAL LIABILITY CAPTIVE INS AGENCY	0	0	0	0	1,000	1,000	0	0	1,000	0	1,000
AS0	OFFICE OF FINANCE AND RESOURCE MANAGEMENT	251,654	246,585	4,323	0	0	4,323	0	0	4,323	231,536	235,859
BU0	OFFICE OF PARTNERSHIPS AND GRANT SERVICES	0	897	642	0	0	642	0	0	642	0	642
PO0	OFFICE OF CONTRACTING AND PROCUREMENT	12,698	15,200	3,021	0	876	3,897	0	0	3,897	8,672	12,569
TO0	OFFICE OF THE CHIEF TECHNOLOGY OFFICER	88,299	66,723	41,027	0	2,025	43,052	0	0	43,052	16,043	59,095
AM0	OFFICE OF PROPERTY MANAGEMENT	89,301	82,514	21,801	0	13,407	35,208	0	0	35,208	46,307	81,515
AF0	CONTRACT APPEALS BOARD	940	972	1,100	0	0	1,100	0	0	1,100	0	1,100
DL0	BOARD OF ELECTIONS & ETHICS	7,491	5,334	5,193	0	0	5,193	189	0	5,382	0	5,382
CJ0	OFFICE OF CAMPAIGN FINANCE	1,589	1,721	1,690	0	0	1,690	0	0	1,690	0	1,690
CG0	PUBLIC EMPLOYEE RELATIONS BOARD	932	980	1,004	0	0	1,004	0	0	1,004	0	1,004
CH0	OFFICE OF EMPLOYEE APPEALS	1,775	1,778	1,798	0	0	1,798	0	0	1,798	0	1,798
EA0	METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS	381	396	396	0	0	396	0	0	396	0	396
CB0	OFFICE OF THE ATTORNEY GENERAL FOR THE DISTRICT OF COLUMBIA	94,270	99,493	58,303	0	6,834	65,138	22,676	0	87,813	15,225	103,038
AD0	OFFICE OF THE INSPECTOR GENERAL	16,569	16,853	15,457	0	0	15,457	2,084	0	17,541	0	17,541
AT0	OFFICE OF THE CHIEF FINANCIAL OFFICER	141,055	160,873	105,866	0	37,483	143,349	0	0	143,349	6,933	150,282
GS0	SECTION 103 JUDGEMENTS-GOV DIR AND SUPPORT	10,000	0	0	0	0	0	0	0	0	0	0
Total, Governmental Direction and Support		783,225	771,128	311,154	0	62,443	373,596	28,272	8	401,877	333,549	735,426

**\$2.3M of EOM \$10.2M FY08 Gross Funds expenditure total, representing Community Health Care Financing Fund activity, is shown under the Enterprise and Other Funds section of this report.*

**Government of the District of Columbia
FY 2010 Proposed Budget
Gross Funds**

				<i>FY 2010 Proposed Budget by Type of Funding</i>								
Appropriation Title (Thousands of Dollars)		FY 2008 Actuals - Gross Funds	FY 2009 Approved Budget - Gross Funds							SUBTOTAL, Gross Funds - less Intra-District Funds	Intra-District Funds	TOTAL FY 2010 Proposed Budget, Gross Funds
Agy Cde	Agency Name			Local Funds	Dedicated Taxes	Other Funds	SUBTOTAL, General Fund	Federal Funds	Private Funds			
<i>Economic Development and Regulation</i>												
<i>EB0</i>	OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT	100,424 *	80,314	4,020	21,164	8,226	33,410	8,000	0	41,410	650	42,060
<i>BD0</i>	OFFICE OF PLANNING	9,188	9,934	7,618	0	60	7,678	450	0	8,128	63	8,191
<i>EN0</i>	DEPARTMENT OF SMALL AND LOCAL BUSINESS DEVELOPMENT	6,808	3,225	2,385	0	0	2,385	0	0	2,385	300	2,685
<i>TK0</i>	OFFICE OF MOTION PICTURE AND TELEVISION DEVELOPMENT	891	652	584	0	52	636	0	0	636	0	636
<i>BJ0</i>	OFFICE OF ZONING	3,102	3,198	3,136	0	0	3,136	0	0	3,136	61	3,197
<i>DB0</i>	DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT	89,612	79,727	10,020	0	10,603	20,623	63,962	0	84,585	7,007	91,591
<i>CF0</i>	DEPARTMENT OF EMPLOYMENT SERVICES	145,172	129,029	57,215	0	40,771	97,986	42,081	80	140,148	1,292	141,439
<i>DA0</i>	BOARD OF REAL PROPERTY ASSESSMENTS AND APPEALS	693	708	698	0	0	698	0	0	698	0	698
<i>CR0</i>	DEPT. OF CONSUMER & REGULATORY AFFAIRS	39,158	36,938	13,258	0	21,875	35,133	0	0	35,133	0	35,133
<i>CQ0</i>	OFFICE OF THE TENANT ADVOCATE	1,523	2,530	560	0	3,007	3,567	0	0	3,567	0	3,567
<i>BX0</i>	COMMISSION ON ARTS & HUMANITIES	10,591	14,242	5,434	0	400	5,834	729	0	6,563	15	6,578
<i>LQ0</i>	ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION	5,347	6,441	400	0	5,486	5,886	0	0	5,886	0	5,886
<i>DH0</i>	PUBLIC SERVICE COMMISSION	8,695	9,972	0	0	9,958	9,958	154	0	10,111	0	10,111
<i>DJ0</i>	OFFICE OF THE PEOPLE'S COUNSEL	4,865	5,025	0	0	5,136	5,136	0	0	5,136	0	5,136
<i>SR0</i>	DEPT. OF INSURANCE, SECURITIES AND BANKING	14,701	16,319	0	0	16,327	16,327	0	0	16,327	0	16,327
<i>CT0</i>	OFFICE OF CABLE TELEVISION AND TELECOMMUNICATIONS	7,113	7,089	0	0	8,477	8,477	0	0	8,477	0	8,477
<i>HY0</i>	HOUSING AUTHORITY SUBSIDY	30,983	30,983	25,103	0	0	25,103	0	0	25,103	0	25,103
<i>HPO</i>	HOUSING PRODUCTION TRUST FUND SUBSIDY	70,589	32,775	0	13,039	0	13,039	0	0	13,039	0	13,039
<i>SY0</i>	D.C. SPORTS AND ENTERTAINMENT COMMISSION SUBSIDY	0	2,500	0	0	0	0	0	0	0	0	0
<i>IDO</i>	BUSINESS IMPROVEMENT DISTRICTS TRANSFER	0	0	0	0	23,000	23,000	0	0	23,000	0	23,000
<i>Total, Economic Development and Regulation</i>		549,454	471,602	130,431	34,202	153,378	318,011	115,376	80	433,467	9,387	442,854
<p><i>*\$6.3M of DMPED \$106.8M FY08 Gross Funds expenditure total, representing Payment in Lieu of Taxes for debt service on AWC projects (PILOT), is shown under the Enterprise and Other Funds section of this report.</i></p>												
<i>Public Safety and Justice</i>												
<i>FA0</i>	METROPOLITAN POLICE DEPARTMENT	516,455	497,050	446,423	0	32,181	478,604	6,491	200	485,296	25,355	510,651
<i>FB0</i>	FIRE AND EMERGENCY SERVICES DEPARTMENT	192,379	185,074	187,935	0	1,520	189,455	0	0	189,455	0	189,455
<i>FD0</i>	POLICE OFFICERS' & FIRE FIGHTERS' RETIREMENT SYSTEM	137,000	110,900	132,975	0	0	132,975	0	0	132,975	0	132,975
<i>FL0</i>	DEPARTMENT OF CORRECTIONS	153,385	149,276	103,887	0	34,824	138,710	0	0	138,710	750	139,460

**Government of the District of Columbia
FY 2010 Proposed Budget
Gross Funds**

			<i>FY 2010 Proposed Budget by Type of Funding</i>								
Appropriation Title (Thousands of Dollars)	FY 2008 Actuals - Gross Funds	FY 2009 Approved Budget - Gross Funds									TOTAL FY 2010 Proposed Budget, Gross Funds
Agy Cde Agency Name			Local Funds	Dedicated Taxes	Other Funds	SUBTOTAL, General Fund	Federal Funds	Private Funds	SUBTOTAL, Gross Funds - less Intra-District Funds	Intra-District Funds	
<i>FK0</i> D.C. NATIONAL GUARD	4,983	8,710	3,365	0	0	3,365	6,116	0	9,481	0	9,481
<i>BNO</i> HOMELAND SECURITY AND EMERGENCY MANAGEMENT AGENCY	47,330	249,389	3,277	0	0	3,277	235,767	0	239,043	0	239,043
<i>DQ0</i> COMMISSION ON JUDICIAL DISABILITIES & TENURE	249	271	0	0	0	0	257	0	257	0	257
<i>DVO</i> JUDICIAL NOMINATION COMMISSION	103	152	0	0	0	0	184	0	184	0	184
<i>FHO</i> OFFICE OF POLICE COMPLAINTS	2,283	2,618	2,618	0	0	2,618	0	0	2,618	0	2,618
<i>FZO</i> D.C. SENTENCING AND CRIMINAL CODE REVISION COMMISSION	583	779	816	0	0	816	0	0	816	0	816
<i>FX0</i> OFFICE OF THE CHIEF MEDICAL EXAMINER	9,166	10,020	8,364	0	274	8,638	0	0	8,638	0	8,638
<i>FS0</i> OFFICE OF ADMINISTRATIVE HEARINGS	7,229	8,455	7,005	0	8	7,013	0	0	7,013	1,099	8,113
<i>FIO</i> CORRECTIONS INFORMATION COUNCIL	0	25	25	0	0	25	0	0	25	0	25
<i>FJO</i> CRIMINAL JUSTICE COORDINATING COUNCIL	2,272	2,178	298	0	0	298	1,774	0	2,072	0	2,072
<i>FVO</i> FORENSIC LABORATORY TECHNICIAN TRAINING PROGRAM	1,644	1,323	1,249	0	0	1,249	0	0	1,249	0	1,249
<i>UC0</i> OFFICE OF UNIFIED COMMUNICATIONS	41,165	47,651	29,873	0	11,038	40,912	0	0	40,912	246	41,158
<i>FT0</i> HOMELAND SECURITY GRANTS	5,567	0	0	0	0	0	0	0	0	0	0
<i>FE0</i> OFFICE OF VICTIM SERVICES	11,301	15,927	3,065	0	8,025	11,090	3,610	0	14,700	0	14,700
<i>FO0</i> OFFICE OF JUSTICE GRANTS ADMINISTRATION	5,442	6,670	395	0	0	395	10,497	0	10,892	0	10,892
<i>FW0</i> MOTOR VEHICLE THEFT PREVENTION COMMISSION	0	750	225	0	525	750	0	0	750	0	750
<i>PJO</i> SECTION 103 JUDGMENTS - PUBLIC SAFETY AND JUSTICE	3,773	0	0	0	0	0	0	0	0	0	0
<i>Total, Public Safety and Justice</i>	1,142,309	1,297,218	931,795	0	88,396	1,020,191	264,697	200	1,285,088	27,451	1,312,539
<i>Public Education System</i>											
<i>GA0</i> D.C. PUBLIC SCHOOLS	1,009,137	764,573	510,881	0	4,005	514,886	52,155	3,784	570,824	208,750	779,574
<i>GX0</i> TEACHERS' RETIREMENT FUND	5,964	0	3,000	0	0	3,000	0	0	3,000	0	3,000
<i>GDO</i> OFFICE OF THE STATE SUPERINTENDENT OF EDUCATION	317,898	388,708	111,990	0	10,728	122,718	301,994	0	424,712	40,432	465,144
<i>GCO</i> D.C. PUBLIC CHARTER SCHOOLS	316,675	366,053	373,969	0	0	373,969	0	0	373,969	31,989	405,958
<i>GG0</i> UNIVERSITY OF THE DISTRICT OF COLUMBIA SUBSIDY	62,770	62,070	62,070	0	0	62,070	0	0	62,070	0	62,070
<i>CEO</i> D.C. PUBLIC LIBRARY	46,559	46,064	39,904	0	840	40,743	794	0	41,538	314	41,851
<i>GB0</i> DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD	1,719	3,460	1,660	0	1,976	3,637	0	0	3,637	0	3,637
<i>GW0</i> DEPUTY MAYOR FOR EDUCATION	2,467	4,892	778	0	0	778	0	0	778	0	778
<i>GMO</i> OFFICE OF PUBLIC EDUCATION FACILITIES MODERNIZATION	36,881	38,306	28,914	0	3,286	32,199	0	0	32,199	0	32,199

**Government of the District of Columbia
FY 2010 Proposed Budget
Gross Funds**

			FY 2010 Proposed Budget by Type of Funding									
Appropriation Title (Thousands of Dollars)	FY 2008 Actuals - Gross Funds	FY 2009 Approved Budget - Gross Funds										TOTAL FY 2010 Proposed Budget, Gross Funds
Agy Cde Agency Name			Local Funds	Dedicated Taxes	Other Funds	SUBTOTAL, General Fund	Federal Funds	Private Funds	SUBTOTAL, Gross Funds - less Intra-District Funds	Intra-District Funds		
<i>GNO</i> NON-PUBLIC TUITION	0	141,700	149,100	0	0	149,100	0	0	149,100	0		149,100
<i>GOO</i> SPECIAL EDUCATION TRANSPORTATION	171	75,558	77,431	0	0	77,431	0	0	77,431	0		77,431
<i>PEO</i> SECTION 103 JUDGMENTS - PUBLIC EDUCATION SYSTEM	1,434	0	0	0	0	0	0	0	0	0		0
<i>Total, Public Education System</i>	1,801,673	1,891,385	1,359,696	0	20,835	1,380,531	354,943	3,784	1,739,257	281,485		2,020,743
Human Support Services												
<i>JA0</i> DEPARTMENT OF HUMAN SERVICES	316,626	339,845	144,388	0	2,725	147,113	176,148	0	323,260	11,265		334,525
<i>RLO</i> CHILD AND FAMILY SERVICES AGENCY	333,396	290,557	194,161	0	750	194,911	58,203	22	253,136	16,825		269,962
<i>RMO</i> DEPARTMENT OF MENTAL HEALTH	224,903	228,486	191,390	0	4,424	195,815	6,435	117	202,367	4,209		206,576
<i>HCO</i> DEPARTMENT OF HEALTH	1,872,434 *	268,073	78,190	0	14,272	92,461	135,859	319	228,640	21,206		249,846
<i>HA0</i> DEPT OF PARKS AND RECREATION	63,034	57,638	39,625	0	2,014	41,639	0	0	41,639	6,457		48,095
<i>BY0</i> OFFICE ON AGING	24,828	24,401	16,218	0	0	16,218	6,786	0	23,004	0		23,004
<i>BHO</i> UNEMPLOYMENT COMPENSATION FUND	6,459	5,500	11,136	0	0	11,136	0	0	11,136	0		11,136
<i>BGO</i> DISABILITY COMPENSATION FUND	28,220	15,030	25,163	0	0	25,163	0	0	25,163	0		25,163
<i>HMO</i> OFFICE OF HUMAN RIGHTS	3,247	3,211	2,617	0	0	2,617	318	0	2,935	0		2,935
<i>BZO</i> OFFICE ON LATINO AFFAIRS	5,702	4,587	3,821	0	0	3,821	0	0	3,821	200		4,021
<i>JYO</i> CHILDREN AND YOUTH INVESTMENT COLLABORATIVE	20,811	18,460	10,602	0	0	10,602	0	0	10,602	0		10,602
<i>AP0</i> OFFICE ON ASIAN AND PACIFIC ISLANDER AFFAIRS	949	965	965	0	0	965	0	0	965	0		965
<i>VA0</i> OFFICE OF VETERANS' AFFAIRS	295	462	463	0	0	463	0	0	463	0		463
<i>JZO</i> DEPARTMENT OF YOUTH REHABILITATION SERVICES	86,399	81,566	85,016	0	0	85,016	5,000	0	90,016	339		90,356
<i>JMO</i> DEPARTMENT ON DISABILITY SERVICES	108,344	120,955	62,007	0	6,200	68,207	26,923	0	95,130	0		95,130
<i>HT0</i> DEPARTMENT OF HEALTH CARE FINANCE	0	1,834,134	486,691	25,764	1,823	514,278	1,534,236	0	2,048,514	26,700		2,075,214
<i>JFO</i> D.C. ENERGY OFFICE	(34)	0	0	0	0	0	0	0	0	0		0
<i>Total, Human Support Services</i>	3,095,612	3,293,870	1,352,452	25,764	32,208	1,410,424	1,949,908	458	3,360,790	87,202		3,447,992
* <i>\$6.5M of DOH \$1.9B FY08 Gross Funds expenditure total, representing Community Health Care Financing Fund expenditures, is shown under the Enterprise and Other Funds section of this report.</i>												
Public Works												
<i>KTO</i> DEPARTMENT OF PUBLIC WORKS	162,641	165,569	116,021	0	9,101	125,121	0	0	125,121	35,676		160,797
<i>KA0</i> DEPARTMENT OF TRANSPORTATION	144,084	127,838	43	13,000	89,889	102,932	4,200	0	107,132	548		107,680
<i>KVO</i> DEPARTMENT OF MOTOR VEHICLES	41,239	45,792	26,524	0	13,762	40,286	0	0	40,286	2,668		42,953
<i>KG0</i> DISTRICT DEPARTMENT OF THE ENVIRONMENT	59,912	78,147	17,343	0	40,205	57,548	51,762	130	109,440	2,364		111,804
<i>TCO</i> D.C. TAXICAB COMMISSION	1,777	1,927	1,213	0	656	1,869	0	0	1,869	284		2,153

**Government of the District of Columbia
FY 2010 Proposed Budget
Gross Funds**

			<i>FY 2010 Proposed Budget by Type of Funding</i>									
Appropriation Title (Thousands of Dollars)	FY 2008 Actuals - Gross Funds	FY 2009 Approved Budget - Gross Funds	Local Funds	Dedicated Taxes	Other Funds	SUBTOTAL, General Fund	Federal Funds	Private Funds	SUBTOTAL, Gross Funds - less Intra-District Funds	Intra-District Funds	TOTAL FY 2010 Proposed Budget, Gross Funds	
Agy Cde Agency Name												
KC0 WASHINGTON METRO AREA TRANSIT COMMISSION	113	113	123	0	0	123	0	0	123	0	123	
KE0 WASHINGTON METRO AREA TRANSIT AUTHORITY	214,905	230,499	231,668	0	12,000	243,668	0	0	243,668	50	243,718	
KD0 SCHOOL TRANSIT SUBSIDY	5,420	7,866	7,668	0	0	7,668	0	0	7,668	0	7,668	
<i>Total, Public Works</i>	630,090	657,751	400,602	13,000	165,613	579,215	55,962	130	635,307	41,589	676,896	
<i>Financing and Other</i>												
DS0 REPAYMENT OF LOANS AND INTEREST	420,827	459,727	463,796	4,800	3,465	472,061	0	0	472,061	0	472,061	
ZA0 REPAYMENT OF INTEREST ON SHORT-TERM BORROWING	7,849	9,000	9,000	0	0	9,000	0	0	9,000	0	9,000	
CP0 CERTIFICATES OF PARTICIPATION	30,664	32,791	32,285	0	0	32,285	0	0	32,285	0	32,285	
ZB0 DEBT SERVICE - ISSUANCE COSTS	16,216	15,000	15,000	0	0	15,000	0	0	15,000	0	15,000	
SMD SCHOOLS MODERNIZATION FUND	4,716	8,613	8,612	0	0	8,612	0	0	8,612	0	8,612	
DT0 REPAYMENT OF REVENUE BONDS	2,512	6,000	0	4,861	0	4,861	0	0	4,861	0	4,861	
ZH0 SETTLEMENTS AND JUDGMENTS	21,015	21,477	21,477	0	0	21,477	0	0	21,477	0	21,477	
ZZ0 JOHN A. WILSON BUILDING FUND	4,147	4,058	3,625	0	0	3,625	0	0	3,625	0	3,625	
UPO WORKFORCE INVESTMENTS	0	26,691	0	0	0	0	0	0	0	0	0	
DO0 NON-DEPARTMENTAL	0	39,279	3,603	0	0	3,603	0	0	3,603	0	3,603	
EPO EMERGENCY PLANNING AND SECURITY FUND	11,215	0	0	0	0	0	0	0	0	0	0	
CS0 CASH RESERVE	0	46,000	0	0	0	0	0	0	0	0	0	
ELO MASTER EQUIPMENT LEASE / PURCHASE PROGRAM	29,896	43,033	46,157	0	0	46,157	0	0	46,157	0	46,157	
PA0 PAY-AS-YOU-GO CAPITAL FUND	140,737	125,014	0	0	2,984	2,984	0	0	2,984	0	2,984	
RH0 DISTRICT RETIREE HEALTH CONTRIBUTION	110,907	81,100	90,700	0	0	90,700	0	0	90,700	0	90,700	
BO0 BASEBALL TRANSFER - DEDICATED TAXES	46,397	50,044	0	32,081	0	32,081	0	0	32,081	0	32,081	
SBO INAUGURAL EXPENSES	0	38,825	0	0	0	0	0	0	0	0	0	
EZO CONVENTION CENTER TRANSFER - DEDICATED TAXES	0	0	0	93,054	0	93,054	0	0	93,054	0	93,054	
KZO HIGHWAY TRUST FUND TRANSFER - DEDICATED TAXES	0	0	0	29,762	0	29,762	0	0	29,762	0	29,762	
TZO TIF AND PILOT TRANSFER - DEDICATED TAXES	0	0	0	45,992	0	45,992	0	0	45,992	0	45,992	
<i>Total, Financing and Other</i>	847,098	1,006,651	694,255	210,550	6,449	911,255	0	0	911,255	0	911,255	
Total General Operating Funds	8,849,462	9,389,606	5,180,385	283,517	529,322	5,993,224	2,769,158	4,660	8,767,041	780,663	9,547,704	
<i>Enterprise and Other Funds</i>												
LA0 WATER AND SEWER AUTHORITY	833	363,234	0	0	393,653	393,653	0	0	393,653	0	393,653	
LB0 WASHINGTON AQUEDUCT	0	56,491	0	0	54,356	54,356	0	0	54,356	0	54,356	
DC0 D.C. LOTTERY & CHARITABLE GAMES CONTROL BOARD	252,748	265,000	0	0	250,000	250,000	0	0	250,000	0	250,000	
SC0 D.C. SPORTS AND ENTERTAINMENT COMMISSION	3,075	7,603	0	0	0	0	0	0	0	0	0	

**Government of the District of Columbia
FY 2010 Proposed Budget
Gross Funds**

			<i>FY 2010 Proposed Budget by Type of Funding</i>									
Appropriation Title (Thousands of Dollars)	FY 2008 Actuals - Gross Funds	FY 2009 Approved Budget - Gross Funds										TOTAL FY 2010 Proposed Budget, Gross Funds
Agy Cde Agency Name			Local Funds	Dedicated Taxes	Other Funds	SubTOTAL, General Fund	Federal Funds	Private Funds	SubTOTAL, Gross Funds - less Intra-District Funds	Intra-District Funds		
DY0 D.C. RETIREMENT BOARD	20,943	32,624	0	0	30,622	30,622	0	0	30,622	0		30,622
ES0 WASHINGTON CONVENTION CENTER AUTHORITY	0	96,696	0	0	91,974	91,974	0	0	91,974	0		91,974
GFO UNIVERSITY OF THE DISTRICT OF COLUMBIA	107,968	128,480	62,070	0	47,419	109,489	19,839	527	129,855	10,433		140,288
UV0 D.C. DEPT. OF HUMAN RESOURCES AGENCY TRUST	3	2,400	0	0	0	0	0	0	0	0		0
UW0 D.C. PUBLIC LIBRARY TRUST FUNDS	0	17	0	0	17	17	0	0	17	0		17
UI0 UNEMPLOYMENT COMPENSATION TRUST FUND	150,237	180,000	0	0	251,000	251,000	0	0	251,000	0		251,000
UZ0 HOUSING PRODUCTION TRUST FUND	114,979	108,680	0	51,329	0	51,329	0	0	51,329	0		51,329
TX0 TAX INCREMENT FINANCING (TIF) PROGRAM	17,551	24,330	0	0	32,106	32,106	0	0	32,106	0		32,106
TF0 D.C. TOBACCO SETTLEMENT FINANCING CORP.	44,368	0	0	0	0	0	0	0	0	0		0
BK0 BALLPARK REVENUE FUND	110,775	76,755	0	59,572	8,000	67,572	0	0	67,572	0		67,572
TY0 REPAYMENT OF PILOT FINANCING	0	9,770	0	0	13,886	13,886	0	0	13,886	0		13,886
AA0 OFFICE OF THE MAYOR (Community Health Care Financing Fund)	2,250	0	0	0	0	0	0	0	0	0		0
EB0 OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT (Payment in lieu of taxes)	6,341	0	0	0	0	0	0	0	0	0		0
HC0 DEPARTMENT OF HEALTH (Community Health Care Financing Fund)	6,478	0	0	0	0	0	0	0	0	0		0
<i>Total, Enterprise and Other Funds</i>	838,549	1,352,080	62,070	110,901	1,173,034	1,346,004	19,839	527	1,366,370	10,433		1,376,804
Grand Total, DISTRICT GOVERNMENT	9,688,011	10,741,685	5,242,455	394,417	1,702,355	7,339,228	2,788,997	5,187	10,133,412	791,096		10,924,508

** Note: Agency budgets in this table are entered at the whole dollar but rounded to nearest thousands of dollars by funding type.
This may cause rounding differences at the Gross Funds level.

Government of the District of Columbia
FY 2010 Proposed Full-Time Equivalent Employment Authority
General Fund

Appropriation Title Agy Cde	Agency Name	FY 2008 Actuals - General Fund FTEs	FY 2009 Approved - General Fund FTEs	FY 2010 Proposed Local Funds FTEs	FY 2010 Proposed Dedicated Taxes FTEs	FY 2010 Proposed Other Funds FTEs	Total - FY 2010 Proposed General Fund FTEs	Change From FY 2009 Approved General Fund FTEs
Governmental Direction and Support								
AB0	COUNCIL OF THE DISTRICT OF COLUMBIA	169.9	198.0	198.0	0.0	0.0	198.0	0.0
AC0	OFFICE OF THE D.C. AUDITOR	16.0	30.0	34.0	0.0	0.0	34.0	4.0
DX0	ADVISORY NEIGHBORHOOD COMMISSIONS	1.0	2.5	2.5	0.0	0.0	2.5	0.0
AA0	OFFICE OF THE MAYOR	57.5	55.0	52.0	0.0	0.0	52.0	-3.0
RP0	OFFICE OF COMMUNITY AFFAIRS	28.1	36.0	27.0	0.0	0.0	27.0	-9.0
RS0	SERVE DC	8.0	2.1	2.1	0.0	0.0	2.1	0.0
BA0	OFFICE OF THE SECRETARY	27.0	29.0	22.0	0.0	4.0	26.0	-3.0
AE0	OFFICE OF THE CITY ADMINISTRATOR	60.0	49.0	46.0	0.0	0.0	46.0	-3.0
RK0	OFFICE OF RISK MANAGEMENT	26.0	14.5	10.5	0.0	0.0	10.5	-4.0
BE0	D.C. DEPARTMENT OF HUMAN RESOURCES	89.8	112.3	60.6	0.0	3.3	63.9	-48.3
JR0	OFFICE OF DISABILITY RIGHTS	0.0	11.0	9.0	0.0	0.0	9.0	-2.0
AS0	OFFICE OF FINANCE AND RESOURCE MANAGEMENT	41.6	47.3	47.3	0.0	0.0	47.3	0.0
BU0	OFFICE OF PARTNERSHIPS AND GRANT SERVICES	0.0	10.0	5.0	0.0	0.0	5.0	-5.0
PO0	OFFICE OF CONTRACTING AND PROCUREMENT	111.9	49.0	22.0	0.0	4.0	26.0	-23.0
TO0	OFFICE OF THE CHIEF TECHNOLOGY OFFICER	193.0	298.0	246.0	0.0	0.0	246.0	-52.0
AM0	OFFICE OF PROPERTY MANAGEMENT	50.8	67.0	54.0	0.0	11.0	65.0	-2.0
AF0	CONTRACT APPEALS BOARD	5.0	6.0	6.0	0.0	0.0	6.0	0.0
DL0	BOARD OF ELECTION & ETHICS	31.4	48.0	47.0	0.0	0.0	47.0	-1.0
CJ0	OFFICE OF CAMPAIGN FINANCE	15.0	18.0	18.0	0.0	0.0	18.0	0.0
CG0	PUBLIC EMPLOYEE RELATIONS BOARD	9.0	5.0	6.0	0.0	0.0	6.0	1.0
CH0	OFFICE OF EMPLOYEE APPEALS	12.8	13.2	12.0	0.0	0.0	12.0	-1.2
CB0	OFFICE OF THE ATTORNEY GENERAL	484.6	489.6	443.2	0.0	52.5	495.8	6.1
AD0	OFFICE OF THE INSPECTOR GENERAL	105.7	108.3	108.3	0.0	0.0	108.3	0.0
AT0	OFFICE OF THE CHIEF FINANCIAL OFFICER	901.4	1,027.9	750.5	0.0	135.8	886.3	-141.6
<i>Total, Governmental Direction and Support</i>		2,445.4	2,726.5	2,228.9	0.0	210.7	2,439.6	-286.9
Economic Development and Regulation								
EB0	OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT	56.6	73.5	15.5	4.0	42.0	61.5	-12.0
BD0	OFFICE OF PLANNING	47.4	69.0	61.0	0.0	0.0	61.0	-8.0

Government of the District of Columbia
FY 2010 Proposed Full-Time Equivalent Employment Authority
General Fund

Appropriation Title		FY 2008 Actuals - General Fund	FY 2009 Approved - General Fund	FY 2010 Proposed Local Funds	FY 2010 Proposed Dedicated Taxes	FY 2010 Proposed Other Funds	Total - FY 2010 Proposed General Fund	Change From FY 2009 Approved General Fund
Agy Cde	Agency Name	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs
ENO	DEPARTMENT OF SMALL AND LOCAL BUSINESS DEVELOPMENT	23.5	31.0	23.5	0.0	0.0	23.5	-7.5
TKO	OFFICE OF MOTION PICTURE AND TELEVISION DEVELOPMENT	5.0	5.0	4.0	0.0	0.0	4.0	-1.0
BJO	OFFICE OF ZONING	19.0	19.0	19.0	0.0	0.0	19.0	0.0
DBO	DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT	29.1	46.5	24.0	0.0	18.0	42.0	-4.5
CF0	DEPARTMENT OF EMPLOYMENT SERVICES	197.5	309.4	72.0	0.0	230.8	302.7	-6.7
DA0	BOARD OF REAL PROPERTY ASSESSMENTS AND APPEALS	1.6	4.0	4.0	0.0	0.0	4.0	0.0
CR0	DEPT. OF CONSUMER & REGULATORY AFFAIRS	326.4	350.0	72.0	0.0	230.0	302.0	-48.0
CQ0	OFFICE OF THE TENANT ADVOCATE	1.0	17.0	4.7	0.0	10.8	15.5	-1.5
BX0	COMMISSION ON ARTS AND HUMANITIES	6.1	10.0	5.0	0.0	0.0	5.0	-5.0
LQ0	ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION	61.8	47.0	0.0	0.0	45.0	45.0	-2.0
DH0	PUBLIC SERVICE COMMISSION	43.8	65.9	0.0	0.0	66.1	66.1	0.2
DJO	OFFICE OF THE PEOPLE'S COUNSEL	27.0	33.4	0.0	0.0	33.4	33.4	0.0
SR0	DEPT. OF INSURANCE, SECURITIES AND BANKING	107.5	111.0	0.0	0.0	111.0	111.0	0.0
CT0	OFFICE OF CABLE TELEVISION AND TELECOMMUNICATIONS	38.9	39.0	0.0	0.0	32.5	32.5	-6.5
<i>Total, Economic Development and Regulation</i>		992.1	1,230.7	304.7	4.0	819.6	1,128.3	-102.4
Public Safety and Justice								
FA0	METROPOLITAN POLICE DEPARTMENT	4,281.0	4,920.5	4,812.5	0.0	6.0	4,818.5	-102.0
FB0	FIRE AND EMERGENCY MEDICAL SERVICES DEPARTMENT	2,290.6	2,226.6	2,247.0	0.0	0.0	2,247.0	20.4
FL0	DEPARTMENT OF CORRECTIONS	856.7	921.0	890.0	0.0	31.0	921.0	0.0
FK0	D.C. NATIONAL GUARD	36.4	33.4	27.4	0.0	0.0	27.4	-6.0
BN0	HOMELAND SECURITY AND EMERGENCY MANAGEMENT AGENCY	21.4	27.5	21.5	0.0	0.0	21.5	-6.0
DQ0	COMMISSION ON JUDICIAL DISABILITIES & TENURE	2.0	2.0	0.0	0.0	0.0	0.0	-2.0
DV0	JUDICIAL NOMINATION COMMISSION	1.0	1.0	0.0	0.0	0.0	0.0	-1.0
FH0	OFFICE OF POLICE COMPLAINTS	20.0	22.3	23.3	0.0	0.0	23.3	1.0
FZ0	D.C. SENTENCING AND CRIMINAL CODE REVISION COMMISSION	5.0	7.0	7.0	0.0	0.0	7.0	0.0
FX0	OFFICE OF THE CHIEF MEDICAL EXAMINER	60.0	87.0	77.0	0.0	2.0	79.0	-8.0
FS0	OFFICE OF ADMINISTRATIVE HEARINGS	52.2	56.1	55.9	0.0	0.3	56.1	0.1

Government of the District of Columbia
FY 2010 Proposed Full-Time Equivalent Employment Authority
General Fund

Appropriation Title		FY 2008 Actuals - General Fund	FY 2009 Approved - General Fund	FY 2010 Proposed Local Funds	FY 2010 Proposed Dedicated Taxes	FY 2010 Proposed Other Funds	Total - FY 2010 Proposed General Fund	Change From FY 2009 Approved General Fund
Agy Cde	Agency Name	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs
FJ0	CRIMINAL JUSTICE COORDINATING COUNCIL	2.0	2.0	2.0	0.0	0.0	2.0	0.0
FV0	FORENSIC LABORATORY TECHNICIAN TRAINING PROGRAM	0.0	20.0	15.0	0.0	0.0	15.0	-5.0
UC0	OFFICE OF UNIFIED COMMUNICATIONS	321.8	397.0	363.0	0.0	0.0	363.0	-34.0
FE0	OFFICE OF VICTIM SERVICES	3.0	4.9	2.1	0.0	2.4	4.5	-0.4
FO0	OFFICE OF JUSTICE GRANTS ADMINISTRATION	0.0	0.5	0.5	0.0	0.0	0.5	0.0
<i>Total, Public Safety and Justice</i>		7,953.0	8,728.7	8,544.1	0.0	41.7	8,585.8	-143.0
Public Education System								
GA0	D.C. PUBLIC SCHOOLS	8,402.4	6,028.5	5,075.0	0.0	16.0	5,091.0	-937.5
GD0	OFFICE OF THE STATE SUPERINTENDENT OF EDUCATION	194.6	239.3	223.5	0.0	2.7	226.2	-13.1
CE0	D.C. PUBLIC LIBRARY	388.4	470.6	463.4	0.0	1.0	464.4	-6.2
GB0	DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD	0.0	23.0	23.0	0.0	0.0	23.0	0.0
GW0	DEPUTY MAYOR FOR EDUCATION	1.0	16.0	7.0	0.0	0.0	7.0	-9.0
GM0	OFFICE OF PUBLIC EDUCATION FACILITIES MODERNIZATION	5.0	400.0	264.9	0.0	4.1	269.0	-131.0
GO0	SPECIAL EDUCATION TRANSPORTATION	0.0	1,146.0	1,570.1	0.0	0.0	1,570.1	424.1
<i>Total, Public Education System</i>		8,991.4	8,323.3	7,626.9	0.0	23.8	7,650.7	-672.6
Human Support Services								
JA0	DEPARTMENT OF HUMAN SERVICES	298.3	318.9	261.6	0.0	0.0	261.6	-57.3
RL0	CHILD AND FAMILY SERVICES AGENCY	572.7	646.0	611.0	0.0	0.0	611.0	-35.0
RM0	DEPARTMENT OF MENTAL HEALTH	1,334.7	1,530.0	1,241.0	0.0	37.0	1,278.0	-252.0
HCO	DEPARTMENT OF HEALTH	464.1	339.2	156.9	0.0	121.6	278.5	-60.8
HA0	DEPT OF PARKS AND RECREATION	600.5	668.4	563.3	0.0	8.5	571.8	-96.6
BY0	OFFICE ON AGING	17.7	15.5	17.5	0.0	0.0	17.5	2.0
HMO	OFFICE OF HUMAN RIGHTS	23.8	28.0	26.0	0.0	0.0	26.0	-2.0
BZO	OFFICE ON LATINO AFFAIRS	12.0	12.0	10.0	0.0	0.0	10.0	-2.0
AP0	OFFICE ON ASIAN AND PACIFIC ISLANDER AFFAIRS	6.0	7.0	7.0	0.0	0.0	7.0	0.0
VA0	OFFICE OF VETERANS AFFAIRS	2.3	4.0	4.0	0.0	0.0	4.0	0.0
JZO	DEPARTMENT OF YOUTH REHABILITATION SERVICES	522.7	656.0	602.5	0.0	0.0	602.5	-53.5
JMO	DEPARTMENT ON DISABILITY SERVICES	304.2	257.2	206.2	0.0	0.0	206.2	-51.0
HT0	DEPT. OF HEALTHCARE FINANCE	0.0	77.1	68.6	0.0	4.0	72.6	-4.5
<i>Total, Human Support Services</i>		4,158.9	4,559.2	3,775.5	0.0	171.1	3,946.6	-612.6

Government of the District of Columbia
FY 2010 Proposed Full-Time Equivalent Employment Authority
General Fund

Appropriation Title Agy Cde	Agency Name	FY 2008 Actuals - General Fund FTEs	FY 2009 Approved - General Fund FTEs	FY 2010 Proposed Local Funds FTEs	FY 2010 Proposed Dedicated Taxes FTEs	FY 2010 Proposed Other Funds FTEs	Total - FY 2010 Proposed General Fund FTEs	Change From FY 2009 Approved General Fund FTEs
Public Works								
KT0	DEPARTMENT OF PUBLIC WORKS	2,361.0	1,336.7	1,307.8	0.0	21.0	1,328.8	-8.0
KA0	DEPARTMENT OF TRANSPORTATION	157.0	362.6	0.0	0.0	316.2	316.2	-46.4
KV0	DEPARTMENT OF MOTOR VEHICLES	296.3	294.5	201.0	0.0	51.0	252.0	-42.5
KG0	DISTRICT DEPARTMENT OF THE ENVIRONMENT	114.1	185.1	85.5	0.0	100.9	186.4	1.4
TC0	D.C. TAXI CAB COMMISSION	14.9	19.0	19.0	0.0	4.0	23.0	4.0
<i>Total, Public Works</i>		2,943.2	2,197.9	1,613.2	0.0	493.1	2,106.3	-91.5
Financing and Other								
<i>Total, Financing and Other</i>		0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total General Operating Funds		27,484.0	27,766.3	24,093.3	4.0	1,760.0	25,857.3	-1,909.0
Enterprise and Other Funds								
DC0	D.C. LOTTERY & CHARITABLE GAMES CONTROL BOARD	63.4	77.0	0.0	0.0	77.0	77.0	0.0
SC0	SPORTS AND ENTERTAINMENT COMMISSION	42.9	0.0	0.0	0.0	0.0	0.0	0.0
DY0	D.C. RETIREMENT BOARD	44.3	47.6	0.0	0.0	47.6	47.6	0.0
GF0	UNIVERSITY OF THE DISTRICT OF COLUMBIA	1,307.5	863.0	660.0	0.0	203.0	863.0	0.0
UZ0	HOUSING PRODUCTION TRUST FUND	8.0	18.0	0.0	18.0	0.0	18.0	0.0
<i>Total, Enterprise and Other Funds</i>		1,466.1	1,005.6	660.0	18.0	327.6	1,005.6	0.0
Grand Total, DISTRICT GOVERNMENT		28,950.1	28,771.9	24,753.3	22.0	2,087.6	26,862.9	-1,909.1

**Government of the District of Columbia
FY 2010 Proposed Full-Time Equivalent Employment Authority
Gross Funds**

Appropriation Title Agy Cde Agency Name		FY 2008 Actuals Gross Funds FTEs	FY 2009 Approved Budget - Gross Funds FTEs	FY 2010 Employment Authority by Type of Funding									TOTAL FY 2010 Proposed Budget, Gross Funds FTEs
				Local Funds FTEs	Dedicated Taxes FTEs	Other Funds FTEs	SUBTOTAL, General Fund FTEs	Federal Funds FTEs	Private Funds FTEs	SUBTOTAL, Gross Funds less Intra-District Funds FTEs	Intra-District FTEs		
<i>Governmental Direction and Support</i>													
AB0	COUNCIL OF THE DISTRICT OF COLUMBIA	169.9	198.0	198.0	0.0	0.0	198.0	0.0	0.0	198.0	0.0	198.0	
AC0	OFFICE OF THE D.C. AUDITOR	16.0	30.0	34.0	0.0	0.0	34.0	0.0	0.0	34.0	0.0	34.0	
DX0	ADVISORY NEIGHBORHOOD COMMISSIONS	1.0	2.5	2.5	0.0	0.0	2.5	0.0	0.0	2.5	0.0	2.5	
AA0	OFFICE OF THE MAYOR	63.5	55.0	52.0	0.0	0.0	52.0	0.0	0.0	52.0	0.0	52.0	
RP0	OFFICE OF COMMUNITY AFFAIRS	28.1	36.0	27.0	0.0	0.0	27.0	0.0	0.0	27.0	0.0	27.0	
RS0	SERVE DC	8.0	12.0	2.1	0.0	0.0	2.1	6.0	0.0	8.1	4.0	12.1	
BA0	OFFICE OF THE SECRETARY	27.0	29.0	22.0	0.0	4.0	26.0	0.0	0.0	26.0	0.0	26.0	
AE0	OFFICE OF THE CITY ADMINISTRATOR	61.0	56.0	46.0	0.0	0.0	46.0	0.0	0.0	46.0	0.0	46.0	
RK0	OFFICE OF RISK MANAGEMENT	26.0	26.0	10.5	0.0	0.0	10.5	0.0	0.0	10.5	10.3	20.8	
BE0	D.C. DEPARTMENT OF HUMAN RESOURCES	146.0	180.7	60.6	0.0	3.3	63.9	0.0	0.0	63.9	64.4	128.3	
JR0	OFFICE OF DISABILITY RIGHTS	0.0	11.0	9.0	0.0	0.0	9.0	0.0	0.0	9.0	0.0	9.0	
AS0	OFFICE OF FINANCE AND RESOURCE MANAGEMENT	44.7	53.0	47.3	0.0	0.0	47.3	0.0	0.0	47.3	5.8	53.0	
BU0	OFFICE OF PARTNERSHIPS AND GRANT SERVICES	0.0	10.0	5.0	0.0	0.0	5.0	0.0	0.0	5.0	0.0	5.0	
PO0	OFFICE OF CONTRACTING AND PROCUREMENT	125.9	142.0	22.0	0.0	4.0	26.0	0.0	0.0	26.0	92.0	118.0	
TO0	OFFICE OF THE CHIEF TECHNOLOGY OFFICER	263.8	298.0	246.0	0.0	0.0	246.0	0.0	0.0	246.0	64.0	310.0	
AM0	OFFICE OF PROPERTY MANAGEMENT	255.9	285.0	54.0	0.0	11.0	65.0	0.0	0.0	65.0	224.0	289.0	
AF0	CONTRACT APPEALS BOARD	5.0	6.0	6.0	0.0	0.0	6.0	0.0	0.0	6.0	0.0	6.0	
DL0	BOARD OF ELECTION & ETHICS	43.0	48.0	47.0	0.0	0.0	47.0	0.0	0.0	47.0	0.0	47.0	
CJ0	OFFICE OF CAMPAIGN FINANCE	15.0	18.0	18.0	0.0	0.0	18.0	0.0	0.0	18.0	0.0	18.0	
CG0	PUBLIC EMPLOYEE RELATIONS BOARD	9.0	5.0	6.0	0.0	0.0	6.0	0.0	0.0	6.0	0.0	6.0	
CH0	OFFICE OF EMPLOYEE APPEALS	12.8	13.2	12.0	0.0	0.0	12.0	0.0	0.0	12.0	0.0	12.0	

**Government of the District of Columbia
FY 2010 Proposed Full-Time Equivalent Employment Authority
Gross Funds**

		<i>FY 2010 Employment Authority by Type of Funding</i>										
Appropriation Title Agy Cde	Agency Name	FY 2008 Actuals - Gross Funds	FY 2009 Approved Budget - Gross Funds	Local Funds	Dedicated Taxes	Other Funds	SUBTOTAL, General Fund	Federal Funds	Private Funds	SUBTOTAL, Gross Funds less Intra-District Funds	Intra-District	TOTAL FY 2010 Proposed Budget, Gross Funds
		FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs
<i>CBO</i>	OFFICE OF THE ATTORNEY GENERAL	702.3	730.7	443.2	0.0	52.5	495.8	148.7	0.0	644.5	123.2	767.7
<i>ADO</i>	OFFICE OF THE INSPECTOR GENERAL	120.0	124.0	108.3	0.0	0.0	108.3	15.8	0.0	124.0	0.0	124.0
<i>ATO</i>	OFFICE OF THE CHIEF FINANCIAL OFFICER	943.0	1,077.9	750.5	0.0	135.8	886.3	0.0	0.0	886.3	42.5	928.8
<i>Total, Governmental Direction and Support</i>		3,086.8	3,446.9	2,228.9	0.0	210.7	2,439.6	170.5	0.0	2,610.0	630.1	3,240.1
<i>Economic Development and Regulation</i>												
<i>EBO</i>	OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT	58.6	76.5	15.5	4.0	42.0	61.5	0.0	0.0	61.5	3.0	64.5
<i>BDO</i>	OFFICE OF PLANNING	57.9	73.0	61.0	0.0	0.0	61.0	4.0	0.0	65.0	1.0	66.0
<i>ENO</i>	DEPARTMENT OF SMALL AND LOCAL BUSINESS DEVELOPMENT	23.5	31.0	23.5	0.0	0.0	23.5	0.0	0.0	23.5	0.0	23.5
<i>TKO</i>	OFFICE OF MOTION PICTURE AND TELEVISION DEVELOPMENT	5.0	5.0	4.0	0.0	0.0	4.0	0.0	0.0	4.0	0.0	4.0
<i>BJO</i>	OFFICE OF ZONING	19.0	19.0	19.0	0.0	0.0	19.0	0.0	0.0	19.0	0.0	19.0
<i>DBO</i>	DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT	134.6	160.5	24.0	0.0	18.0	42.0	90.0	0.0	132.0	0.0	132.0
<i>CF0</i>	DEPARTMENT OF EMPLOYMENT SERVICES	445.4	595.6	72.0	0.0	230.8	302.7	288.2	0.0	591.0	1.3	592.2
<i>DA0</i>	BOARD OF REAL PROPERTY ASSESSMENTS AND APPEALS	1.6	4.0	4.0	0.0	0.0	4.0	0.0	0.0	4.0	0.0	4.0
<i>CRO</i>	DEPT. OF CONSUMER & REGULATORY AFFAIRS	326.4	350.0	72.0	0.0	230.0	302.0	0.0	0.0	302.0	0.0	302.0
<i>CQ0</i>	OFFICE OF THE TENANT ADVOCATE	1.0	17.0	4.7	0.0	10.8	15.5	0.0	0.0	15.5	0.0	15.5
<i>BX0</i>	COMMISSION ON ARTS AND HUMANITIES	13.8	17.0	5.0	0.0	0.0	5.0	9.0	0.0	14.0	0.0	14.0
<i>LQ0</i>	ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION	61.8	47.0	0.0	0.0	45.0	45.0	0.0	0.0	45.0	0.0	45.0
<i>DH0</i>	PUBLIC SERVICE COMMISSION	44.2	67.6	0.0	0.0	66.1	66.1	1.5	0.0	67.6	0.0	67.6
<i>DJ0</i>	OFFICE OF THE PEOPLE'S COUNSEL	27.0	33.4	0.0	0.0	33.4	33.4	0.0	0.0	33.4	0.0	33.4
<i>SRO</i>	DEPT. OF INSURANCE, SECURITIES AND BANKING	107.5	111.0	0.0	0.0	111.0	111.0	0.0	0.0	111.0	0.0	111.0
<i>CT0</i>	OFFICE OF CABLE TELEVISION AND TELECOMMUNICATIONS	38.9	39.0	0.0	0.0	32.5	32.5	0.0	0.0	32.5	0.0	32.5
<i>Total, Economic Development and Regulation</i>		1,366.2	1,646.6	304.7	4.0	819.6	1,128.3	392.7	0.0	1,521.0	5.3	1,526.3

**Government of the District of Columbia
FY 2010 Proposed Full-Time Equivalent Employment Authority
Gross Funds**

		<i>FY 2010 Employment Authority by Type of Funding</i>										
Appropriation Title Agy Cde	Agency Name	FY 2008 Actuals - Gross Funds FTEs	FY 2009 Approved Budget - Gross Funds FTEs	Local Funds FTEs	Dedicated Taxes FTEs	Other Funds FTEs	SUBTOTAL, General Fund FTEs	Federal Funds FTEs	Private Funds FTEs	SUBTOTAL, Gross Funds less Intra-District Funds FTEs	Intra-District FTEs	TOTAL FY 2010 Proposed Budget, Gross Funds FTEs
Public Safety and Justice												
FA0	METROPOLITAN POLICE DEPARTMENT	4,281.0	4,925.5	4,812.5	0.0	6.0	4,818.5	52.0	0.0	4,870.5	4.0	4,874.5
FB0	FIRE AND EMERGENCY MEDICAL SERVICES DEPARTMENT	2,310.6	2,250.6	2,247.0	0.0	0.0	2,247.0	0.0	0.0	2,247.0	0.0	2,247.0
FL0	DEPARTMENT OF CORRECTIONS	856.7	921.0	890.0	0.0	31.0	921.0	0.0	0.0	921.0	0.0	921.0
FK0	D.C. NATIONAL GUARD	54.9	106.1	27.4	0.0	0.0	27.4	40.0	0.0	67.4	0.0	67.4
BNO	HOMELAND SECURITY AND EMERGENCY MANAGEMENT AGENCY	37.8	46.0	21.5	0.0	0.0	21.5	32.0	0.0	53.5	0.0	53.5
DQ0	COMMISSION ON JUDICIAL DISABILITIES AND TENURE	2.0	2.0	0.0	0.0	0.0	0.0	2.0	0.0	2.0	0.0	2.0
DV0	JUDICIAL NOMINATION COMMISSION	1.0	1.0	0.0	0.0	0.0	0.0	1.5	0.0	1.5	0.0	1.5
FH0	OFFICE OF POLICE COMPLAINTS	20.0	22.3	23.3	0.0	0.0	23.3	0.0	0.0	23.3	0.0	23.3
FZ0	D.C. SENTENCING AND CRIMINAL CODE REVISION COMMISSION	5.0	7.0	7.0	0.0	0.0	7.0	0.0	0.0	7.0	0.0	7.0
FX0	OFFICE OF THE CHIEF MEDICAL EXAMINER	60.0	87.0	77.0	0.0	2.0	79.0	0.0	0.0	79.0	0.0	79.0
FS0	OFFICE OF ADMINISTRATIVE HEARINGS	61.2	64.1	55.9	0.0	0.3	56.1	0.0	0.0	56.1	8.0	64.1
FJ0	CRIMINAL JUSTICE COORDINATING COUNCIL	7.0	10.0	2.0	0.0	0.0	2.0	10.0	0.0	12.0	0.0	12.0
FV0	FORENSIC LABORATORY TECHNICIAN TRAINING PROGRAM	0.0	20.0	15.0	0.0	0.0	15.0	0.0	0.0	15.0	0.0	15.0
UC0	OFFICE OF UNIFIED COMMUNICATIONS	321.8	400.0	363.0	0.0	0.0	363.0	0.0	0.0	363.0	2.0	365.0
FE0	OFFICE OF VICTIM SERVICES	3.0	6.0	2.1	0.0	2.4	4.5	1.5	0.0	6.0	0.0	6.0
FO0	OFFICE OF JUSTICE GRANTS ADMINISTRATION	3.0	5.0	0.5	0.0	0.0	0.5	4.5	0.0	5.0	0.0	5.0
<i>Total, Public Safety and Justice</i>		8,024.9	8,873.5	8,544.1	0.0	41.7	8,585.8	143.5	0.0	8,729.3	14.0	8,743.3
Public Education System												
GA0	D.C. PUBLIC SCHOOLS	9,410.9	7,375.5	5,075.0	0.0	16.0	5,091.0	291.1	49.0	5,431.1	1,478.4	6,909.4
GD0	OFFICE OF THE STATE SUPERINTENDENT OF EDUCATION	223.5	408.5	223.5	0.0	2.7	226.2	113.1	0.0	339.3	0.0	339.3
CE0	D.C. PUBLIC LIBRARY	398.6	478.6	463.4	0.0	1.0	464.4	7.8	0.0	472.2	0.0	472.2
GB0	DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD	0.0	23.0	23.0	0.0	0.0	23.0	0.0	0.0	23.0	0.0	23.0
GW0	DEPUTY MAYOR FOR EDUCATION OFFICE OF PUBLIC EDUCATION FACILITIES	1.0	16.0	7.0	0.0	0.0	7.0	0.0	0.0	7.0	0.0	7.0
GMO	MODERNIZATION	5.0	400.0	264.9	0.0	4.1	269.0	0.0	0.0	269.0	0.0	269.0
GO0	SPECIAL EDUCATION TRANSPORTATION	0.0	1,146.0	1,570.1	0.0	0.0	1,570.1	0.0	0.0	1,570.1	0.0	1,570.1
<i>Total, Public Education System</i>		10,039.0	9,847.6	7,626.9	0.0	23.8	7,650.7	411.9	49.0	8,111.6	1,478.4	9,590.0

**Government of the District of Columbia
FY 2010 Proposed Full-Time Equivalent Employment Authority
Gross Funds**

		<i>FY 2010 Employment Authority by Type of Funding</i>										
Appropriation Title Agy Cde	Agency Name	FY 2008 Actuals - Gross Funds FTEs	FY 2009 Approved Budget - Gross Funds FTEs	Local Funds FTEs	Dedicated Taxes FTEs	Other Funds FTEs	SUBTOTAL, General Fund FTEs	Federal Funds FTEs	Private Funds FTEs	SUBTOTAL, Gross Funds less Intra-District Funds FTEs	Intra-District FTEs	TOTAL FY 2010 Proposed Budget, Gross Funds FTEs
Human Support Services												
JA0	DEPARTMENT OF HUMAN SERVICES	1,060.4	935.1	261.6	0.0	0.0	261.6	603.2	0.0	864.8	20.0	884.8
RL0	CHILD AND FAMILY SERVICES AGENCY	821.4	940.0	611.0	0.0	0.0	611.0	281.0	0.0	892.0	0.0	892.0
RMO	DEPARTMENT OF MENTAL HEALTH	1,421.2	1,627.3	1,241.0	0.0	37.0	1,278.0	13.4	0.0	1,291.4	33.0	1,324.4
HCO	DEPARTMENT OF HEALTH	1,067.1	911.3	156.9	0.0	121.6	278.5	554.0	0.0	832.4	3.5	836.0
HA0	DEPT OF PARKS AND RECREATION	754.7	811.4	563.3	0.0	8.5	571.8	0.0	0.0	571.8	3.0	574.8
BY0	D.C. OFFICE ON AGING	29.0	28.5	17.5	0.0	0.0	17.5	10.0	0.0	27.5	0.0	27.5
HMO	OFFICE OF HUMAN RIGHTS	23.8	30.0	26.0	0.0	0.0	26.0	2.0	0.0	28.0	0.0	28.0
BZ0	OFFICE ON LATINO AFFAIRS	12.0	12.0	10.0	0.0	0.0	10.0	0.0	0.0	10.0	0.0	10.0
AP0	OFFICE ON ASIAN AND PACIFIC ISLANDER AFFAIRS	6.0	7.0	7.0	0.0	0.0	7.0	0.0	0.0	7.0	0.0	7.0
VA0	OFFICE OF VETERANS' AFFAIRS	2.3	4.0	4.0	0.0	0.0	4.0	0.0	0.0	4.0	0.0	4.0
JZ0	DEPARTMENT OF YOUTH REHABILITATION SERVICES	522.7	656.0	602.5	0.0	0.0	602.5	0.0	0.0	602.5	0.0	602.5
JMO	DEPARTMENT ON DISABILITY SERVICES	451.8	466.6	206.2	0.0	0.0	206.2	203.6	0.0	409.8	0.0	409.8
HT0	DEPT. OF HEALTHCARE FINANCE	0.0	166.3	68.6	0.0	4.0	72.6	82.8	0.0	155.3	0.0	155.3
Total, Human Support Services		6,172.5	6,595.5	3,775.5	0.0	171.1	3,946.6	1,749.8	0.0	5,696.5	59.5	5,756.0
Public Works												
KTO	DEPARTMENT OF PUBLIC WORKS	2,558.1	1,498.7	1,307.8	0.0	21.0	1,328.8	0.0	0.0	1,328.8	162.0	1,490.8
KA0	DEPARTMENT OF TRANSPORTATION	160.8	365.6	0.0	0.0	316.2	316.2	0.0	0.0	316.2	3.0	319.2
KV0	DEPARTMENT OF MOTOR VEHICLES	296.3	294.5	201.0	0.0	51.0	252.0	0.0	0.0	252.0	0.0	252.0
KGO	DISTRICT DEPARTMENT OF THE ENVIRONMENT	209.3	301.0	85.5	0.0	100.9	186.4	126.1	0.0	312.5	3.0	315.5
TC0	D.C. TAXICAB COMMISSION	14.9	19.0	19.0	0.0	4.0	23.0	0.0	0.0	23.0	1.0	24.0
Total, Public Works		3,239.3	2,478.8	1,613.2	0.0	493.1	2,106.3	126.1	0.0	2,232.4	169.0	2,401.4
Financing and Other												
Total, Financing and Other		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total General Operating Funds		31,928.7	32,888.9	24,093.3	4.0	1,760.0	25,857.3	2,994.5	49.0	28,900.8	2,356.2	31,257.0

**Government of the District of Columbia
FY 2010 Proposed Full-Time Equivalent Employment Authority
Gross Funds**

		<i>FY 2010 Employment Authority by Type of Funding</i>										
Appropriation Title	Agency Name	FY 2008 Actuals - Gross Funds	FY 2009 Approved Budget - Gross Funds	Local Funds	Dedicated Taxes	Other Funds	SUBTOTAL, General Fund	Federal Funds	Private Funds	SUBTOTAL, Gross Funds less Intra-District Funds	Intra-District	TOTAL FY 2010 Proposed Budget, Gross Funds
Agy Cde		FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs	FTEs
<i>Enterprise and Other Funds</i>												
DC0	D.C. LOTTERY AND CHARITABLE GAMES CONTROL BOARD	63.4	77.0	0.0	0.0	77.0	77.0	0.0	0.0	77.0	0.0	77.0
SC0	SPORTS AND ENTERTAINMENT COMMISSION	42.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DY0	D.C. RETIREMENT BOARD	44.3	47.6	0.0	0.0	47.6	47.6	0.0	0.0	47.6	0.0	47.6
GFO	UNIVERSITY OF THE DISTRICT OF COLUMBIA	1,655.5	1,086.6	660.0	0.0	203.0	863.0	167.4	9.8	1,040.2	63.7	1,103.9
UZ0	HOUSING PRODUCTION TRUST FUND	8.0	18.0	0.0	18.0	0.0	18.0	0.0	0.0	18.0	0.0	18.0
<i>Total, Enterprise and Other Funds</i>		1,814.1	1,229.2	660.0	18.0	327.6	1,005.6	167.4	9.8	1,182.8	63.7	1,246.5
Grand Total, DISTRICT GOVERNMENT		33,742.8	34,118.1	24,753.3	22.0	2,087.6	26,862.9	3,161.9	58.8	30,083.6	2,420.0	32,503.6

**The FY 2010
Budget Request
Act -
Congressional
Version**

FISCAL YEAR 2010
BUDGET REQUEST ACT
CONGRESSIONAL VERSION

NOTE. - The following document reflects the "District of Columbia Appropriations Act, 2009" (FY09 Act), and the "Fiscal Year 2010 Budget Request Act" (FY010 Act). The language enclosed in [] indicates language that is to be deleted from the FY09 Act. Amounts and text that appear in brackets and bold represent amounts and language that appear in the FY09 Second Revised Budget Request Act, approved August 10, 2009, which should also be deleted. The language shown in italics indicates new language in the FY010 Act.

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To approve the request of the District of Columbia government for the fiscal year ending September 30, [2009] *2010*.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Fiscal Year [2009] *2010* Budget Request Act".

Sec. 2. The Council of the District of Columbia approves the following expenditure levels and appropriation language for the government of the District of Columbia for the fiscal year ending September 30, [2009] *2010*.

**DIVISION A
DISTRICT OF COLUMBIA APPROPRIATION REQUEST
TITLE I--FEDERAL FUNDS**

THE DISTRICT OF COLUMBIA COURT SYSTEM

**Federal Payment to the Court Services and Offender Supervision Agency
for the District of Columbia**

For salaries and expenses, including the transfer and hire of motor vehicles, of the Court Services and Offender Supervision Agency for the District of Columbia, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, [203,490,000] *\$212,408,000*, of which not to exceed \$2,000 is for official reception and representation expenses related to Community Supervision and Pretrial Services Agency programs; of which not to exceed \$25,000 is for dues and assessments relating to the implementation of the Court Services and Offender Supervision Agency Interstate Supervision Act of 2002; [of which not to exceed \$400,000 for the Community Supervision Program and \$160,000 for the Pretrial Services Program, both to remain available until September 30, 2010, are for information technology infrastructure enhancement acquisitions;] of which [148,652,000] *\$153,856,000* shall be for necessary expenses of Community Supervision and Sex Offender Registration, to include expenses relating to the supervision of adults subject to protection orders or the provision of services for or related to such persons; of which [54,838,000] *\$58,552,000* shall be available to the Pretrial Services Agency: *Provided*, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: *Provided further*, That not less than \$2,000,000 shall be available for re-entrant housing in the District of Columbia: *Provided further*, That the Director is authorized to accept and use gifts in the form of in-kind

contributions of space and hospitality to support offender and defendant programs, and equipment and vocational training services to educate and train offenders and defendants: *Provided further*, That the Director shall keep accurate and detailed records of the acceptance and use of any gift or donation under the previous proviso, and shall make such records available for audit and public inspection: *Provided further*, That the Court Services and Offender Supervision Agency Director is authorized to accept and use reimbursement from the District of Columbia Government for space and services provided on a cost reimbursable basis.

Federal Payment to the District of Columbia Public Defender Service

For salaries and expenses, including the transfer and hire of motor vehicles, of the District of Columbia Public Defender Service, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, [\$35,659,000, of which \$700,000 is to remain available until September 30, 2010] *\$37,316,000*: *Provided*, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of Federal agencies. [*Provided further*, That for fiscal year 2009 and thereafter, the Public Defender Service is authorized to charge fees to cover costs of materials distributed and training provided to attendees of educational events, including conferences, sponsored by the Public Defender Service, and notwithstanding 31 U.S.C. 3302, such fees shall be credited to this account, to be available until expended without further appropriation.]

Federal Payment to the District of Columbia Courts

For salaries and expenses for the District of Columbia Courts, [\$248,409,000] *\$248,952,000* to be allocated as follows: for the District of Columbia Court of Appeals, [\$12,630,000] *\$12,014,000*, of which not to exceed \$1,500 is for official reception and representation expenses; for the District of Columbia Superior Court, [\$104,277,000] *\$108,491,000*, of which not to exceed \$1,500 is for official reception and representation expenses; for the District of Columbia Court System, [\$55,426,000] *\$58,447,000*, of which not to exceed \$1,500 is for official reception and representation expenses; and [\$76,076,000] *\$70,000,000*, to remain available until September 30, [2010] *2011*, for capital improvements for District of Columbia courthouse facilities, including structural improvements to the District of Columbia cell block at the Moultrie Courthouse: *Provided*, That funds made available for capital improvements shall be expended consistent with the General Services Administration (GSA) master plan study and building evaluation report: *Provided further*, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the GSA, and such services shall include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Oversight and Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate: *Provided further*, That 30 days after providing written notice to the Committees on Appropriations of the House of Representatives and the Senate, the District of Columbia Courts may reallocate not more than \$1,000,000 of the funds provided under this heading among the items and entities funded under this heading for operations, and not more than 4 percent of the funds provided under this heading for facilities.

Defender Services in District of Columbia Courts

For payments authorized under section 11-2604 and section 11-2605, D.C. Official Code (relating to representation provided under the District of Columbia Criminal Justice Act), payments for counsel appointed in proceedings in the Family Court of the Superior Court of the District of Columbia under chapter 23 of title 16, D.C. Official Code, or pursuant to contractual agreements to provide guardian ad litem representation, training, technical assistance, and such other services as are necessary to improve the quality of guardian ad litem representation, payments for counsel appointed in adoption proceedings under chapter 3 of title 16, D.C. Code, and payments for counsel authorized under section 21-2060, D.C. Official Code (relating to representation provided under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986), \$52,475,000, to remain available until expended: *Provided*, [That the funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the \$76,076,000 provided under such heading for capital improvements for District of Columbia courthouse facilities) may also be used for payments under this heading: *Provided further*, That in addition to the funds provided under this heading, the Joint Committee on Judicial Administration in the District of Columbia may use funds provided in this Act under the heading "Federal Payment to the District of Columbia Courts" (other than the \$76,076,000 provided under such heading for capital improvements for District of Columbia courthouse facilities), to make payments described under this heading for obligations incurred during any fiscal year: *Provided further*,] That funds provided under this heading shall be administered by the Joint Committee on Judicial Administration in the District of Columbia: *Provided further*, That notwithstanding any other provision of law, this appropriation shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), and such services shall include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Oversight and Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate.

DISTRICT OF COLUMBIA GENERAL AND SPECIAL PAYMENTS

Federal Payment for Resident Tuition Support

For a Federal payment to the District of Columbia, to be deposited into a dedicated account, for a nationwide program to be administered by the Mayor, for District of Columbia resident tuition support, \$35,100,000, to remain available until expended: *Provided*, That such funds, including any interest accrued thereon, may be used on behalf of eligible District of Columbia residents to pay an amount based upon the difference between in-State and out-of-State tuition at public institutions of higher education, or to pay up to \$2,500 each year at eligible private institutions of higher education: *Provided further*, That the awarding of such funds may be prioritized on the basis of a resident's academic merit, the income and need of eligible students and such other factors as may be authorized: *Provided further*, That the District of Columbia government shall maintain a dedicated account for the Resident Tuition Support Program that shall consist of the Federal funds appropriated to the Program in this Act and any subsequent appropriations, any unobligated balances from prior fiscal years, and any interest earned in this or any fiscal year: *Provided further*, That the account shall be under the control of the District of Columbia Chief Financial Officer, who shall use those funds solely for the purposes of carrying out the Resident Tuition Support Program: *Provided further*, That the Office of the Chief Financial Officer shall provide a quarterly financial report to the Committees on Appropriations of the House of Representatives and the Senate for these funds showing, by object class, the expenditures made and the purpose therefor.

Federal Payment for School Improvement

For a Federal payment for a school improvement program in the District of Columbia, [\$54,000,000] \$74,400,000, to be allocated as follows: for the District of Columbia Public Schools, [\$20,000,000] \$42,200,000 to improve public school education in the District of Columbia; for the *Office of the State Superintendent of Education* [Office], \$20,000,000 to expand quality public charter schools in the District of Columbia, to remain available until expended; for the Secretary of the Department of Education, [\$14,000,000] \$12,200,000 to provide opportunity scholarships for students in the District of Columbia in accordance with division C, title III of the District of Columbia Appropriations Act, 2004, *approved January 23, 2004* ([Public Law]P.L. 108-199; 118 Stat. 126), of which up to \$1,000,000 may be used to administer and fund assessments: *Provided, That notwithstanding the second proviso under this heading in Pub. L. No. 111-8, funds provided herein may be used to provide opportunity scholarships to students who received scholarships in the 2009-2010 school year: Provided further, That funds available under this heading for opportunity scholarships, including from prior-year appropriations acts, may be made available for scholarships to students who received scholarships in the 2009-2010 school year: Provided further, That none of the funds provided in this Act or any other Act for opportunity scholarships may be used by an eligible student to enroll in a participating school under the D.C. School Choice Incentive Act of 2003 unless (1) the participating school has and maintains a valid certificate of occupancy issued by the District of Columbia; and (2) the core subject matter teachers of the eligible student hold 4-year bachelor's degrees*: *Provided further, That use of any funds in this Act or any other Act for opportunity scholarships after school year 2009-2010 shall only be available upon enactment of reauthorization of that program by Congress and the adoption of legislation by the District of Columbia approving such reauthorization.*]

[Federal Payment to Jump Start Public School Reform

For a Federal payment to jump start public school reform in the District of Columbia, \$20,000,000, of which \$3,500,000 is to support the recruitment, development and training of principals and other school leaders; \$7,000,000 is to develop optimal school programs and intervene in low performing schools; \$7,500,000 is for a customized data reporting and accountability system on student performance as well as increased outreach and training for parents and community members; and \$2,000,000 is to support data reporting requirements associated with the District of Columbia Public Schools teacher incentive program: *Provided, That up to \$500,000 or 10 percent, whichever is less, of the amounts above may be transferred as necessary from one activity to another activity: Provided further, That the President and the Committees on Appropriations of the House of Representatives and Senate are notified in writing 15 days in advance of the transfer: Provided further, That any amount provided under this heading shall be available only after such amount has been apportioned pursuant to chapter 15 of title 31, United States Code.*]

Federal Payment to the District of Columbia Water and Sewer Authority

For a Federal payment to the District of Columbia Water and Sewer Authority, [\$16,000,000] \$20,000,000, to remain available until expended], to continue implementation of the Combined Sewer Overflow Long-Term Plan]: *Provided, That the District of Columbia Water and Sewer Authority provides a 100 percent match for this payment.*

Federal Payment to the Criminal Justice Coordinating Council

For a Federal payment to the Criminal Justice Coordinating Council, \$1,774,000, to remain available until expended, to support initiatives related to the coordination of Federal and local criminal justice resources in the District of Columbia.

Federal Payment for Judicial Commissions

For a Federal payment to the Commission on Judicial Disabilities and Tenure, \$295,000, and for the Judicial Nomination Commission, \$205,000, to remain available until September 30, 2011.

Federal Payment for Consolidated Laboratory Facility

For a Federal payment to the District of Columbia, [~~\$21,000,000~~] *\$15,000,000*, to remain available until September 30, [2010] *2011*, for costs associated with the construction of a consolidated bioterrorism and forensics laboratory: *Provided*, That the District of Columbia provides a 100 percent match for this payment.

Federal Payment for the D.C. National Guard

For a Federal payment to the District of Columbia, \$2,000,000, to remain available until September 30, 2011, to support costs associated with the D.C. National Guard.

Federal Payment for Permanent Supportive Housing

For a Federal payment to the District of Columbia, \$19,200,000, to remain available until September 30, 2011, to support permanent supportive housing programs in the District.

Federal Payment for Reconnecting Disconnected Youth

For a Federal payment to the District of Columbia, \$5,000,000, to remain available until September 30, 2011, to support programs aimed at reconnecting disconnected youth.

[Federal Payment for Central Library and Branch Locations]

[For a Federal payment to the District of Columbia, \$7,000,000, to remain available until expended, for the Federal contribution for costs associated with the renovation and rehabilitation of District libraries.]

[Federal Payment to the Office of the Chief Financial Officer of the District of Columbia]

[For a Federal payment to the Office of the Chief Financial Officer of the District of Columbia, \$4,887,622: *Provided*, That each entity that receives funding under this heading shall submit to the Office of the Chief Financial Officer of the District of Columbia (CFO) a detailed budget and comprehensive

description of the activities to be carried out with such funds no later than 60 days after enactment of this Act, and the CFO shall submit a comprehensive report to the Committees on Appropriations of the House of Representatives and the Senate no later than June 1, 2009.]

[Federal Payment to the Executive Office of the Mayor of the District of Columbia]

[For a Federal payment to the Executive Office of the Mayor of the District of Columbia to enhance the quality of life for District residents, \$3,387,500, of which \$1,250,000 shall be available as matching funds to temporarily continue Federal benefits for low-income couples who decide to marry, and of which \$2,137,500 shall be to continue Marriage Development Accounts in the District of Columbia: *Provided*, That no funds shall be expended until the Mayor of the District of Columbia submits a detailed expenditure plan, including performance measures, to the Committees on Appropriations of the House of Representatives and the Senate: *Provided further*, That the District submit a preliminary progress report on activities no later than June 1, 2009, and a final report including a detailed description of outcomes achieved no later than February 1, 2010.]

Federal Payment for Emergency Planning and Security Costs in the District of Columbia

For [a Federal payment of] necessary expenses, as determined by the Mayor of the District of Columbia in written consultation with the elected county or city officials of surrounding jurisdictions, [\$39,177,000] \$15,000,000, to remain available until expended [and in addition any funds that remain available from prior year appropriations under this heading for the] *to reimburse the* District of Columbia [Government, of which \$38,825,000 is] for the costs of providing public safety at events related to the presence of the national capital in the District of Columbia, [for the costs of providing] *including* support requested by the Director of the United States Secret Service Division in carrying out protective duties under the direction of the Secretary of Homeland Security, and for the costs of providing support to respond to immediate and specific terrorist threats or attacks in the District of Columbia or surrounding jurisdictions[; and of which \$352,000 is for the District of Columbia National Guard retention and college access program]: *Provided, That any amount provided under this heading shall be available only after such amount has been apportioned pursuant to chapter 15 of title 31, United States Code.*

TITLE II--DISTRICT OF COLUMBIA FUNDS--SUMMARY OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the General Fund of the District of Columbia ("General Fund"), except as otherwise specifically provided: *Provided*, That notwithstanding any other provision of law, except as provided in section 450A of the District of Columbia Home Rule Act, approved November 2, 2000 (114 Stat. 2440; D.C. Official Code, section 1-204.50a) and provisions of this Act, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year [2009] 2010 under this heading shall not exceed the lesser of the sum of the total revenues of the District of Columbia for such fiscal year or [\$9,888,094,000/\$9,784,948,000] \$10,016,041,000 (of which [\$6,082,474,000/\$5,902,522,000] \$5,637,824,000 shall be from local funds, (including [\$420,119,000/\$401,402,000] \$394,417,000 from dedicated taxes) [\$2,177,382,000] \$2,661,782,000 shall be from Federal grant funds, [\$1,621,929,000/\$1,698,735,000] \$1,711,249,000 shall be from other funds, and [\$6,310,000] \$5,187,000 shall be from private funds), in addition, [\$156,874,000] \$137,915,000 from funds previously appropriated in this Act as Federal payments[:] ,*which does not include funds appropriated under the American Recovery and Reinvestment Act of 2009, approved February 17, 2009 (123 Stat. 115; 26 U.S.C. Section 1, note)*; *Provided further*, That of the local funds, [\$339,989,000] such amounts as may be necessary may [shall] be derived from the District's General Fund balance: *Provided further*, That of

these funds the District's intradistrict authority shall be [~~\$725,461,000~~] *\$791,096,000*: in addition For capital construction projects, an increase of [~~\$1,482,977,000/\$1,526,477,000~~] *\$3,249,642,000*, of which [~~\$1,121,734,000/\$1,165,234,000~~] *\$2,685,760,000* shall be from local funds, [~~\$60,708,000/~~] *\$54,893,000* from the District of Columbia Highway Trust fund, [~~\$107,794,000/~~] *\$186,805,000* from the Local Street Maintenance fund, [~~\$75,000,000~~] from revenue bonds, \$150,00,000 from financing for construction of a consolidated laboratory facility, \$42,200,000 for construction of a baseball stadium,] [~~\$192,741,000~~] *\$322,184,000* from Federal grant funds, and a rescission of [~~\$353,447,000/\$400,060,000~~] *\$1,834,494,000* from local funds and a rescission of [~~\$37,500,000~~] *\$91,327,000* from Local Street Maintenance funds appropriated under this heading in prior fiscal years for a net amount of [~~\$1,092,030,000/\$1,088,917,000~~] *\$1,323,821,000*, to remain available until expended: *Provided further*, That the amounts provided under this heading are to be *available*, allocated and expended as proposed under Title III of this Act, at the rate set forth under 'District of Columbia Funds Division of Expenses' as included in the Fiscal Year [2009] *2010* Proposed Budget and Financial Plan submitted to the Congress by the District of Columbia *on September 22, 2009* [on June 9, 2008 as amended by laws enacted pursuant to section 442(c) of the District of Columbia Home Rule Act of 1973, approved December 25, 1973 (87 Stat. 798),] and such title as amended is hereby incorporated by reference as though set forth fully herein.] *Provided further*, That this amount may be increased by proceeds of one-time transactions, which are expended for emergency or unanticipated operating or capital needs: *Provided further*, That such increases shall be approved by enactment of local District law and shall comply with all reserve requirements contained in the District of Columbia Home Rule Act approved December 24, 1973 (87 Stat. 777; D.C. Official Code §1-201.01 et seq.), as amended by this Act: *Provided further*, That the Chief Financial Officer of the District of Columbia shall take such steps as are necessary to assure that the District of Columbia meets these requirements, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year [2009] *2010*, except that the Chief Financial Officer may not reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.

TITLE III--DISTRICT OF COLUMBIA FUNDS - - DIVISION OF EXPENSES

OPERATING EXPENSES

Governmental Direction and Support

Governmental direction and support, [~~\$438,701,000/\$422,341,000~~] *\$401,877,000* (including [~~\$361,097,000/\$344,737,000~~] *\$311,154,000* from local funds, [~~\$25,196,000~~] *\$28,272,000* from Federal grant funds, and [~~\$52,408,000~~] *\$62,443,000* from other funds *and \$8,000 from private funds*); provided, that [beginning in fiscal year 2009 and thereafter,] there are appropriated such amounts as may be necessary to account for vendor fees that are paid as a fixed percentage of revenue recovered from third parties on behalf of the District under contracts that provide for payments of fees based upon such revenue as may be collected by the vendor; provided further, that any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia. Funds to be allocated as follows:

- (1) Council of the District of Columbia. – [~~\$21,027,000/\$20,396,000~~] *\$19,833,000* from local funds; provided, that not to exceed \$10,600 shall be available for the Chairman of the Council of the District of Columbia from this appropriation for official reception and representation expenses;
- (2) Office of the District of Columbia Auditor. – [~~\$4,165,000/\$4,036,000~~] *\$4,119,000* from local funds;
- (3) Advisory Neighborhood Commissions. – [~~\$1,081,000/\$1,092,000~~] *\$1,001,000* from local funds;

(4) Office of the Mayor. – [~~\$6,289,000~~/~~\$6,086,000~~] *\$5,349,000* from local funds; provided, that not to exceed \$10,600 shall be available for the Mayor from this appropriation for official reception and representation expenses;

(5) Office of Community Affairs. – [~~\$3,345,000~~/~~\$3,049,000~~] *\$3,022,000* from local funds;

(6) Serve DC. – [~~\$3,761,000~~/~~\$3,743,000~~] *\$3,757,000* (including [~~\$438,000~~/~~\$410,000~~] *\$434,000* from local funds and *\$3,323,000* from Federal grant funds);

(7) Office of the Secretary. – [~~\$4,593,000~~/~~\$3,903,000~~] *\$3,299,000* (including [~~\$4,031,000~~/~~\$3,341,000~~] *\$2,751,000* from local funds [and] [~~\$540,000~~/~~\$562,000~~] *\$540,000* from other funds and *\$8,000* from private funds); *provided that beginning in fiscal year 2010 such amounts on deposit and any such future deposits into the Emancipation Day Fund, established by section 4 of the District of Columbia Emancipation Parade and Fund Act of 2004, effective March 17, 2005 (D.C. Law 15-240; D.C. Official Code §1-183) shall be available upon deposit and shall remain available until expended, consistent with the purposes set forth in that section.*

(8) City Administrator. – [~~\$5,974,000~~/~~\$5,864,000~~] *\$5,442,000* from local funds; provided, that not to exceed \$10,600 shall be available for the City Administrator from this appropriation for official reception and representation expenses;

(9) Office of Risk Management. – [~~\$1,182,000~~/~~\$1,480,000~~] *\$1,039,000* from local funds;

(10) Department of Human Resources. – [~~\$10,523,000~~/~~\$9,560,000~~] *\$5,686,000* (including [~~\$10,117,000~~/~~\$9,154,000~~] *\$5,408,000* from local funds and [~~\$277,000~~/~~\$406,000~~] *\$277,000* from other funds);

(11) Office of Disability Rights. – [~~\$1,568,000~~/~~\$1,371,000~~] *\$1,135,000* from local funds;

(12) *Medical Liability Captive Insurance Agency. -- \$1,000,000 from other funds;*

(13) [(12)] Office of Finance and Resource Management. – [~~\$4,875,000~~/~~\$4,471,000~~] *\$4,323,000* from local funds;

(14) [(13)] Office of Partnership and Grants Services. – [~~\$1,038,000~~/~~\$897,000~~] *\$642,000* from local funds;

(15) [(14)] Office of Contracting and Procurement. – [~~\$6,744,000~~/~~\$6,370,000~~] *\$3,897,000* (including [~~\$5,718,000~~/~~\$5,344,000~~] *\$3,021,000* from local funds and [~~\$1,026,000~~] *\$876,000* from other funds);

(16) [(15)] Office of Chief Technology Officer. – [~~\$58,714,000~~/~~\$54,848,000~~] *\$43,052,000* (including [~~\$58,614,000~~/~~\$54,748,000~~] *\$41,027,000* from local funds and [~~\$100,000~~] *\$2,025,000* from other funds);

(17) [(16)] [Office of Property Management] *Department of Real Estate Services.* – [~~\$27,529,000~~/~~\$25,601,000~~] *\$35,208,000* (including [~~\$19,208,000~~/~~\$17,280,000~~] *\$21,801,000* from local funds and [~~\$13,407,000~~/~~\$8,321,000~~] *\$13,407,000* from other funds); *provided, that, [beginning in fiscal year 2009,] amounts on deposit [with]in and any such future deposits [in]to the Commodities Cost Reserve Fund established under D.C. Official Code § 47-368.04 shall be available upon deposit and shall remain available until expended, consistent with the purposes established under D.C. Official Code § 47-368.04(b);*

(18) [(17)] Contract Appeals Board. – [~~\$1,038,000~~/~~\$972,000~~] *\$1,100,000* from local funds;

(19) [(18)] Board of Elections and Ethics. – [~~\$5,496,000~~/~~\$5,334,000~~] *\$5,382,000*, (*including \$5,193,000* from local funds, *and \$189,000 from Federal grant funds;*

(20) [(19)] Office of Campaign Finance. – [~~\$1,721,000~~] *\$1,690,000* from local funds;

(21) [(20)] Public Employee Relations Board. – [~~\$1,011,000~~/~~\$980,000~~] *\$1,004,000* from local funds;

(22) [(21)] Office of Employee Appeals. – [~~\$1,863,000~~/~~\$1,778,000~~] *\$1,798,000* from local funds;

(23) [(22)] Metropolitan Washington Council of Governments. – *\$396,000* from local funds;

(24) [(23)] Office of the Attorney General. – [~~\$88,669,000~~/~~\$86,829,000~~] *\$87,813,000* (including [~~\$65,216,000~~/~~\$63,376,000~~] *\$58,303,000* from local funds, [~~\$22,676,000~~/~~\$19,001,000~~] *\$22,676,000* from Federal grant funds, and [~~\$6,834,137~~] *\$6,834,000* from other funds); *provided, that not less than \$3,285,000 \$2,639,000 shall be available from this appropriation for the Office of the Attorney General*

to award a grant to the District of Columbia Bar Foundation for the purpose of providing support to nonprofit organizations that deliver civil legal services to low-income and under-served District residents pursuant to the Civil Legal Services Amendment Act of 2007, effective September 18, 2007 (D.C. Law 17-20; D.C. Official Code § 1-301.114); provided further, that not less than [~~\$315,000~~] *\$221,000* of this appropriation shall be available to fund the District of Columbia Poverty Lawyer Loan Assistance Program, established by the District of Columbia Poverty Lawyer Loan Assistance Repayment Program Act of 2006, effective March 2, 2007 (D.C. Law 16-203; D.C. Official Code § 1-308.21 *et seq.*);

(25) [24] Office of the Inspector General. – [~~\$17,312,000/\$16,853,000~~] *\$17,541,000* (including [~~\$15,317,000/\$14,858,000~~] *\$15,457,000* from local funds and [~~\$2,084,000/\$1,995,000~~] *\$2,084,000* from Federal grant funds); and

(26) [25] Office of the Chief Financial Officer. – [~~\$158,503,000/\$154,721,000~~] *\$143,349,000* (including [~~\$120,085,000/\$116,303,000~~] *\$105,866,000* from local funds, [~~\$878,000~~] *\$878,000* from Federal grant funds,] and *\$37,483,000* from other funds); provided, that not to exceed \$10,600 shall be available for the Chief Financial Officer of the District from this appropriation for official reception and representation expenses; provided further, that amounts appropriated by this Act may be increased by the amount required to pay banking fees for maintaining the funds of the District of Columbia.

Economic Development and Regulation

Economic development and regulation, [~~\$509,238,000/\$482,511,000~~] *\$433,467,000* (including [~~\$269,075,000/\$244,173,000~~] *\$164,633,000* from local funds (including [~~\$49,773,000/\$33,356,000~~] *\$34,202,000* from dedicated taxes), [~~\$99,849,000~~] *\$115,376,000* from Federal grant funds, [~~\$140,234,000/\$138,409,000~~] *\$153,378,000* from other funds, and \$80,000 from private funds) [of which \$25,000,000 collected by the District of Columbia in the form of Business Improvement District (“BID”) tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996, effective May 29, 1996 (D.C. Law 11-134; D.C. Official Code § 2-1215.01 *et seq.*); provided, that such funds are available for acquiring services provided by GSA; provided further, that Business Improvement Districts shall be exempt from taxes levied by the District of Columbia. Funds] to be allocated as follows:

(1) Deputy Mayor for Economic Development. – [~~\$85,259,000/\$80,579,000~~] *\$41,410,000* (including [~~\$52,499,000/\$47,819,000~~] *\$25,184,000* from local funds (including [~~\$16,998,000~~] *\$21,164,000* from dedicated taxes), *\$8,000,000* from Federal grant funds and [~~\$32,760,000~~] *\$8,226,000* from other funds); [provided, that \$4,000,000 from local funds shall remain available until expended for New Communities Human Capital];

(2) Office of Planning. – [~~\$10,093,000/\$9,873,000~~] *\$8,128,000* (including [~~\$9,628,000/\$9,408,000~~] *\$7,618,000* from local funds, \$450,000 from Federal grant funds, and [~~\$15,000~~] *\$60,000* from other funds); provided, that of the local funds provided to the Office of Planning in *previous* fiscal years [2008] for *Neighborhood* Historic Preservation, *including the Targeted Homeowner Grant funds authorized by section 11b(k) of the Historic Landmark and Historic District Protection Act of 1978, effective March 2, 2007 (D.C. Law 16-189; D.C. Official Code § 6-1110.02(k)), shall remain available until expended; provided further, that any funds deposited into the Historic Landmark-District Protection Fund, established by section 11a of the Historic Landmark and Historic District Protection Act of 1978, effective November 16, 2006 (D.C. Law 16-185; D.C. Official Code § 6-1110.01), and any interest earned on those funds, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time, but shall be continually* [~~\$1,000,000~~] *shall remain*] available until expended;

(3) Department of Small and Local Business Development. – [~~\$3,472,000/\$3,177,000~~] *\$2,385,000* from local funds; provided, that [amounts appropriated herein may be increased by the balance of amounts on deposit as of October 01, 2008 in the Small Business Micro Loan Fund established under the Small Business Micro Loan Fund Amendment Act of 2008, passed on 1st reading on May 13, 2008 (Engrossed version of Bill 17-678)]; *any funds deposited into the Small Business Micro Loan Fund,*

established by section 2375 of the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, effective September 18, 2007 (D.C. Law 17-20; D.C. Official Code § 2-218.75), and any interest earned on those funds, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time, but shall be continually available until expended;

(4) Office of Motion Pictures and Television. – [~~\$684,000~~/~~\$652,000~~] \$636,000 [from] including \$584,000 from local funds and \$52,000 from other funds; provided, that any funds deposited into the Film DC Economic Incentive Fund, established by section 2 of the Film DC Economic Incentive Act of 2006, effective March 14, 2007 (D.C. Law 16-290; D.C. Official Code § 39-501), and any interest earned on those funds, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time, but shall be continually [that of the local funds provided to the Office of Motion Pictures and Television in fiscal year 2008 for DC Film grant initiative, up to \$1,600,000 shall remain] available until expended;

(5) Office of Zoning. – [~~\$3,139,000~~/~~\$3,137,000~~] \$3,136,000 from local funds;

(6) Department of Housing and Community Development. – [~~\$101,401,000~~/~~\$84,583,000~~] \$84,585,000 (including [~~\$32,859,000~~/~~\$16,040,000~~] \$10,020,000 from local funds, [~~\$63,877,000~~] \$63,962,000 from Federal grant funds, and [~~\$4,666,000~~] \$10,603,000 from other funds);

(7) Department of Employment Services. – [~~\$132,259,000~~/~~\$151,480,000~~] \$140,148,000 (including [~~\$62,315,000~~/~~\$81,536,000~~] \$57,215,000 from local funds, [~~\$34,739,000~~] \$42,081,000 from Federal grant funds, [~~\$35,124,000~~] \$40,771,000 from other funds, and \$80,000 from private funds); provided, that of the local funds appropriated, up to 1% may be deposited into the Integrated Services Fund for At-Risk Children, Youth, and Families established by section 5203 of the Integrated Funding and Services for At-Risk Children, Youth, and Families Act of 2006, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 4-1345.02), and used for the purposes set forth in section 5204 (D.C. Official Code § 4-1345.03) of that act; provided further, that funds deposited into the Integrated Services Fund shall remain available until expended; provided further, that the District is authorized to transfer, either through a grant or as a direct payment, \$1,200,000 in local funds to an educational institution with an automotive workforce development training program, which provides vocational training in the field of automotive technology for at-risk youth and adults [and used for the purposes set forth in D.C. Official Code § 4-1345.03; provided further, that funds deposited into the Integrated Services Fund shall remain available until expended; provided further, that the District is authorized to transfer, either through a grant or as a direct payment, [~~\$3,800,000~~] \$1,200,000 in local funds to the Excel Institute from this appropriation];

(8) Board of Real Property Assessment and Appeals. – [~~\$727,000~~/~~\$708,000~~] \$698,000 from local funds;

(9) Department of Consumer and Regulatory Affairs. – [~~\$39,157,000~~/~~\$36,938,000~~] \$35,133,000 (including [~~\$19,868,000~~/~~\$17,649,000~~] \$13,258,000 from local funds and [~~\$19,288,000~~] \$21,875,000 from other funds);

(10) Office of the Tenant Advocate. – [~~\$2,652,000~~/~~\$2,530,000~~] \$3,567,000 (including [~~\$842,000~~] \$560,000 from local funds and [~~\$1,688,000~~] \$3,007,000 from other funds);

(11) Commission on Arts and Humanities. – [~~\$14,518,000~~/~~\$14,166,000~~] \$6,563,000 (including [~~\$13,517,000~~/~~\$13,165,000~~] \$5,434,000 from local funds, [~~\$601,000~~] \$729,000 from Federal grant funds, and \$400,000 from other funds);

(12) Alcoholic Beverage Regulation Administration. – [~~\$7,389,000~~/~~\$6,441,000~~] \$5,886,000 (including [~~\$1,144,000~~/~~\$196,000~~] \$400,000 from local funds and [~~\$6,245,000~~] \$5,486,000 from other funds);

(13) Public Service[s] Commission. – [~~\$9,972,000~~] \$10,111,000 (including [~~\$182,000~~] \$154,000 from Federal grant funds and [~~\$9,790,000~~] \$9,958,000 from other funds);

(14) Office of the People's Counsel. – [~~\$5,025,000~~] \$5,136,000 from other funds;

(15) Department of Insurance, Securities, and Banking. – [~~\$18,143,000~~/~~\$16,318,000~~] \$16,327,000 from other funds; [provided, that of the local funds provided the Department of Insurance,

Securities, and Banking in fiscal year 2008 for Captive Insurance, \$8,700,000 shall remain available until expended];

(16) Office of Cable Television. – [\$7,089,000] \$8,477,000 from other funds;

(17) Housing Authority Subsidy Payment. – [\$32,983,000/\$30,983,000] \$25,103,000 from local funds;

(18) Housing Production Trust Fund Subsidy Payment. – [\$32,775,000/\$16,358,000] \$13,039,000 from local funds (including \$13,039,000 [\$32,775,000/\$16,358,000] from dedicated taxes); and

(19) [Sports Commission Subsidy Payment. – \$2,500,000 from local funds.] *Business Improvement District Transfer - \$23,000,000 from other funds.*

Public Safety and Justice

“Public safety and justice, [\$1,287,835,000/\$1,269,602,000] \$1,280,872,000 (including [\$956,087,000/\$938,129,000] \$931,795,000 from local funds, [\$260,786,000] \$260,481,000 from Federal grant funds, [\$70,877,000] \$88,396,000 from other funds, and [\$85,000] \$200,000 from private funds); in addition, \$2,000,000 from funds previously appropriated in this Act under the heading ‘Federal Payment for the D.C. National Guard’, \$1,774,000 from funds previously appropriated in this Act under the heading ‘Federal Payment to the Criminal Justice Coordinating Council’ and \$441,000 from funds previously appropriated in this Act under the heading ‘Federal Payment for Judicial Commissions [and \$5,000,000, to remain available until September 30, 2011, from funds previously appropriated in this Act under the heading ‘Federal Payment to Reimburse the Federal Bureau of Investigation’]; to be allocated as follows:

(1) Metropolitan Police Department. – [\$485,413,000/\$474,690,000] \$485,296,000 (including [\$469,565,000/\$458,842,000] \$446,423,000 from local funds, [\$3,067,000] \$6,491,000 from Federal grant funds, [\$12,695,000] \$32,181,000 from other funds, and [\$85,000] \$200,000 from private funds) [and \$5,000,000, to remain available until September 30, 2011, from funds previously appropriated in this Act under the heading ‘Federal Payment to Reimburse the Federal Bureau of Investigation’]; provided, that not to exceed \$750,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime;

(2) Fire and Emergency Medical Services Department. – [\$185,995,000] \$189,455,000 (including [\$185,171,000/\$188,565,000] \$187,935,000 from local funds and [\$824,000] \$1,520,000 from other funds); provided, that not less than \$1,000,000 shall be available for the cadet program for young adult District residents, established pursuant to section 2 of the Police Officer and Firefighter Cadet Programs Funding Authorization and Human Rights Act of 1977 Amendment Act of 1982, effective March 8, 1983 (D.C. Law 4-172; D.C. Official Code § 5-418);

(3) Police Officers and Firefighters Retirement System. – [\$110,900,000/\$106,000,000] \$132,975,000 from local funds;

(4) Department of Corrections. – [\$149,774,000] \$138,710,000 (including [\$116,086,000] [\$115,588,000] \$103,887,000 from local funds and [\$33,688,000] \$34,824,000 from other funds);

(5) District of Columbia National Guard. – [\$8,358,000] \$7,481,000 (including [\$3,371,000] \$3,365,000 from local funds and [\$4,987,000] \$4,116,000 from Federal grant funds); provided, that the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard; provided further, that such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this Act, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved; in addition, \$2,000,000 from funds previously appropriated in this Act under the heading ‘Federal Payment for the D.C. National Guard’

- (6) Homeland Security and Emergency Management. – [\$249,628,000/**\$249,292,000**] \$239,043,000 (including [\$4,700,000/**\$4,365,000**] \$3,277,000 from local funds and [\$244,927,000] \$235,767,000 from Federal grant funds);
- (7) Commission on Judicial Disabilities and Tenure. – [\$271,000] \$295,000 from [local] funds *previously appropriated in this Act under the heading “Federal Payment for Judicial Commissions”*;
- (8) Judicial Nomination Commission. – [\$152,000] \$205,000 from [local] funds *previously appropriated in this Act under the heading “Federal Payment for Judicial Commissions”*;
- (9) Office of Police Complaints. – [\$2,628,000/**\$2,619,000**] \$2,618,000 from local funds;
- (10) District of Columbia Sentencing and Criminal Code Review Commission. – [\$779,000] \$816,000 from local funds;
- (11) Office of the Chief Medical Examiner. – [\$10,473,000] \$8,638,000 (including [\$10,199,000] \$8,364,000 from local funds and \$274,000 from other funds);
- (12) Officer of Administrative Hearings. – [\$7,795,000/**\$7,751,000**] \$7,013,000 (including [\$7,762,000/**\$7,719,000**] \$7,005,000 from local funds and [\$32,000] \$8,000 from other funds);
- (13) Corrections Information Council. – [\$115,000/**\$25,000**] \$25,000 from local funds;
- (14) Criminal Justice Coordinating Council. – [\$404,000] \$298,000 from local funds; in addition, \$1,774,000 from funds previously appropriated in this Act under the heading “Federal Payment to the Criminal Justice Coordinating Council”;
- (15) Forensic Laboratory Technician Training Program. – [\$1,656,000/**\$1,285,000**] \$1,249,000 from local funds;
- (16) Office of Unified Communications. – [\$49,585,000/**\$46,890,000**] \$40,912,000 (including [\$36,396,000/\$33,701,000] \$29,873,000 from local funds and [\$13,189,000/\$13,189,000] \$11,038,000 from other funds);
- (17) Office of Victims Services. – [\$15,952,000/**\$15,927,000**] \$14,700,000 (including [\$4,013,000/**\$3,988,000**] \$3,065,000 from local funds, [\$2,040,000] \$3,610,000 from Federal grant funds, and [\$9,899,000] \$8,025,000 from other funds);
- (18) Office of Justice Grants Administration. – [\$7,209,000/\$6,670,000] \$10,892,000 (including [\$1,444,000/\$905,000] \$395,000 from local funds and [\$5,765,000] \$10,497,000 from Federal grant funds); and
- (19) Motor Vehicle Theft Prevention Commission. – \$750,000 (including [\$475,000] \$225,000 from local funds and [\$275,000] \$525,000 from other funds).

Public Education System

“Public Education System, including the development of national defense education programs, [\$1,608,797,000/**\$1,590,453,000**] \$1,640,458,000 (including [\$1,401,649,000/**\$1,383,305,000**] \$1,359,696,000 from local funds, [\$170,889,000] \$256,143,000 from Federal grant funds, [\$32,420,000] \$20,835,000 from other funds, and [\$3,839,000] \$3,784,000 from private funds); in addition, \$35,100,000 from funds previously appropriated in this Act under the heading “Federal Payment for Resident Tuition Support”, [\$36,000,000] and \$74,400,000 from funds previously appropriated in this Act under the heading “Federal Payment for School Improvement in the District of Columbia,” [and \$20,000,000 from funds previously appropriated in this Act under the heading “Federal Payment to Jump-Start Public School Reform,”] to be allocated as follows:

- (1) District of Columbia Public Schools.— [\$579,078,000/**\$567,655,000**] \$528,624,000 (including [\$562,109,000/**\$550,686,000**] \$510,881,000 from local funds, [\$9,514,000] \$9,955,000 from Federal grant funds, [\$3,671,000] \$4,005,000 from other funds, and \$3,784,000 from private funds); in addition, [\$18,000,000] \$42,200,000 from funds previously appropriated in this Act under the heading “Federal Payment for School Improvement” and \$12,200,000 from funds previously appropriated in this Act under the heading “Federal Payment for School Improvement” to provide opportunity scholarships for students in the District of Columbia; [and \$20,000,000 from funds previously appropriated in this Act under the heading “Federal Payment to Jump-Start Public School Reform” shall be available for District

of Columbia Public Schools;] provided, that this appropriation shall not be available to subsidize the education of any nonresident of the District of Columbia at any District of Columbia public elementary or secondary school during fiscal year [2009] 2010 unless the nonresident pays tuition to the District of Columbia at a rate that covers 100 % of the costs incurred by the District of Columbia that are attributable to the education of the nonresident (as established by the Chancellor of the District of Columbia Public Schools); provided further, that not to exceed \$10,600 for the Chancellor shall be available from this appropriation for official reception and representation expenses; provided further, that notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the District of Columbia Public Schools on July 1, [2009], 2010 an amount equal to 10 % of the total amount of the local funds appropriations request provided for the District of Columbia Public Schools in the proposed budget of the District of Columbia for fiscal year [2010] 2011 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for the District of Columbia Public Schools under the District of Columbia Appropriations Act, [2010] 2011;

(2) *Teachers' Retirement System - \$3,000,000 from local funds;*

(3) [2]Office of the State Superintendent of Education.— [~~\$290,996,000~~/\$288,646,000] \$368,112,000 (including [~~\$119,894,000~~/\$117,544,000] \$111,990,000 from local funds, [~~\$160,535,000~~] \$245,394,000 from Federal grant funds, and [~~\$10,567,000~~] \$10,728,000 from other funds); in addition, \$35,100,000 from funds previously appropriated in this Act under the heading "Federal Payment for Resident Tuition Support" shall be available for the Office of the State Superintendent of Education and [~~\$18,000,000~~] \$20,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for School Improvement in the District of Columbia" to expand quality public charter schools in the District of Columbia, shall be available for the Office of the State Superintendent of Education; provided, that of the amounts provided to the Office of the State Superintendent of Education, \$1,000,000 from local funds shall remain available until June 30, [2010], 2011 for an audit of the student enrollment of each District of Columbia public school and of each District of Columbia public charter school; provided further, that \$5,000,000 in local funds shall remain available until expended for the *Blackman and Jones v. District of Columbia* consent decree; [provided further, that notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the Office of the State Superintendent of Education on July 1, 2009, an amount equal to 10 % of the total amount of the local funds appropriations request provided for the Office of the State Superintendent of Education in the proposed budget of the District of Columbia for fiscal year 2010 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for Office of the State Superintendent of Education under the District of Columbia Appropriations Act, 2010; provided further, that notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the Special Education Transportation agency, under the direction of the Office of the State Superintendent of Education, on July 1, 2009, an amount equal to 10 % of the total amount of the local funds appropriations request provided for the Special Education Transportation agency in the proposed budget of the District of Columbia for fiscal year 2010 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for the Special Education Transportation agency under the District of Columbia Appropriations Act, 2010; provided further, that any unspent funds from the \$960,000 available for pre-kindergarten from a prior fiscal year shall remain available until expended];

(4) [(3)] District of Columbia Public Charter Schools.— [~~\$366,053,000~~/\$359,601,000] \$373,969,000 from local funds shall be available for District of Columbia public charter schools; provided, that there shall be quarterly disbursement of funds to the District of Columbia public charter schools, with the first payment to occur within 15 days of the beginning of the fiscal year; provided further, that if the entirety of this allocation has not been provided as payments to any public charter schools currently in operation through the per pupil funding formula, the funds shall remain available until expended for public education in accordance with section 2403(b)(2) of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1804.03(b)(2)); provided further, that of the amounts made available to District of Columbia public

charter schools, \$100,000 shall be made available to the Office of the Chief Financial Officer as authorized by section 2403(b)(5) of the District of Columbia School Reform Act of 1995, approved April 26, 1996 (110 Stat. 1321; D.C. Official Code § 38-1804.03(b)(5)); provided further, that notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the District of Columbia public charter schools on July 1, [2009] 2010, an amount equal to 25 % of the total amount of the local funds appropriations request provided for payments to public charter schools in the proposed budget of the District of Columbia for fiscal year [2010] 2011 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for such payments under the District of Columbia Appropriations Act, [2010] 2011; provided further, that the annual financial audit for the performance of an individual District of Columbia public charter school shall be funded by the charter school;

(5) [(4)] University of the District of Columbia Subsidy.— \$62,070,000 from local funds shall be available for the University of the District of Columbia subsidy; provided, that this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, [2009] 2010, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area; provided further, that notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the University of the District of Columbia on July 1, [2009] 2010, an amount equal to 10 % of the total amount of the local funds appropriations request provided for the University of the District of Columbia in the proposed budget of the District of Columbia for fiscal year [2010] 2011 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for the University of the District of Columbia under the District of Columbia Appropriations Act, [2010] 2011; provided further, that not to exceed \$10,600 for the President of the University of the District of Columbia shall be available from this appropriation for official reception and representation expenses;

(6) [(5)] District of Columbia Public Libraries.- [~~\$46,595,000~~/~~\$46,064,000~~] \$41,538,000 (including [~~\$45,255,000~~/~~\$44,725,000~~] \$39,904,000 from local funds, [~~\$840,000~~] \$794,000 from Federal grant funds, [~~\$444,000~~] and \$840,000 from other funds, [and \$55,000 from private funds]) shall be available for the District of Columbia Public Libraries; provided, that not to exceed \$8,500 for the Public Librarian shall be available from this appropriation for official reception and representation expenses;

(7) [(6)] Public Charter School Board. – [~~\$3,460,000~~] \$3,637,000 (including \$1,660,000 from local funds and [~~\$1,800,000~~] \$1,976,000 from other funds);

(8) [(7)] Office of the Deputy Mayor for Education. [~~\$4,917,000~~/~~\$4,892,000~~] \$778,000 from local funds; provided, that amounts [appropriated herein shall be increased by \$4,000,000, the amount currently] on deposit in *as of September 30, 2009, within the Integrated Services Fund for At-Risk Children, Youth, and Families, established by section 5203 of the Integrated Funding and Services for At-Risk Children, Youth, and Families Act of 2006, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 4-1345.02), shall be available and shall remain* [as of September 30, 2008, to remain] available until expended [and increased by funds appropriated elsewhere in this Act for transfer to the Integrated Service Fund for the purposes set forth in D.C. Official Code § 4-1345.03];

(9) [(8)] Office of Public Education Facilities Modernization. – [~~\$38,369,000~~/~~\$40,806,000~~] \$32,199,000 (including [~~\$22,431,000~~/~~\$24,868,000~~] \$28,914,000 from local funds and [~~\$15,938,000~~] \$3,286,000 from other funds);

(10) [(9)] Non-Public Tuition. – [~~\$141,700,000~~] \$149,100,000 from local funds; [and]

(11) [(10)] Special Education Transportation. – [~~\$75,558,000~~] \$77,431,000 from local funds; provided, that notwithstanding the amounts otherwise provided under this heading or any other provision of law, there shall be appropriated to the Special Education Transportation agency under the direction of the Office of the State Superintendent of Education, on July 1, 2010, an amount equal to 10% of the total amount of the local funds appropriations request provided for the Special Education Transportation

agency in the proposed budget of the District of Columbia for fiscal year 2011 (as submitted to Congress), and the amount of such payment shall be chargeable against the final amount provided for the Special Education Transportation agency under the District of Columbia Appropriations Act, 2011; provided further, that amounts appropriated under this heading may be used to offer financial incentives as necessary to reduce the number of routes serving 2 or fewer students.

Human Support Services

Human support services, [~~\$3,211,223,000~~/**\$3,095,144,000**] \$3,336,590,000 (including [~~\$1,598,864,000~~/**\$1,482,785,000**] \$1,378,216,000 from local funds (including [~~\$24,949,000~~/**\$16,449,000**] \$25,764,000 from dedicated taxes), [~~\$1,579,242,000~~] \$1,925,708,000 from Federal grant funds, [~~\$32,002,000~~] \$32,208,000 from other funds, [~~\$1,114,000~~] and \$458,000 from private funds); in addition, \$19,200,000 from funds previously appropriated in this Act under the heading “Federal Payment for Permanent Supportive Housing” and \$5,000,000 from funds previously appropriated in this Act under the heading “Federal Payment for Reconnecting Disconnected Youth”; provided, further that up to 1% of the local funds appropriated for the Child Family and Services Agency, the Department of Health, the Department of Human Services, the Department of Mental Health, and the Department of Youth Rehabilitation Services may be deposited into the Integrated Services Fund for At-Risk Children, Youth, and Families established by section 5203 of the Integrated Funding and Services for At-Risk Children, Youth, and Families Act of 2006, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 4-1345.02) (“Integrated Services Fund”) and used for the purposes set forth in section 5204 (D.C. Official Code §4-1345.03) of that act; provided further, that funds deposited into the Integrated Services Fund shall remain available until expended. Funds to be allocated as follows:

(1) Department of Human Services. – [~~\$338,771,000~~/**\$327,779,000**] \$304,060,000 (including [~~\$179,322,000~~/**\$168,330,000**] \$144,388,000 from local funds, [~~\$156,558,000~~] \$156,948,000 from Federal grant funds, [~~\$2,800,000~~] and \$2,725,000 from other funds, and \$91,000 from private funds); in addition, \$19,200,000 from funds previously appropriated in this Act under the heading “Federal Payment for Permanent Supportive Housing”;

(2) Child and Family Services Agency. – [~~\$230,067,000~~/**\$260,796,000**] \$253,136,000 (including [~~\$198,295,000~~/**\$229,025,000**] \$194,161,000 from local funds, [~~\$30,998,000~~] \$58,203,000, from Federal grant funds, \$750,000 from other funds, and [~~\$23,000~~] \$22,000 from private funds);

(3) Department of Mental Health. – [~~\$222,555,000~~/**\$218,861,000**] \$202,367,000 (including [~~\$213,181,000~~/**\$209,487,000**] \$191,390,000 from local funds, [~~\$5,566,000~~] \$6,435,000 from Federal grant funds, [and \$3,808,000] \$4,424,000 from other funds and \$117,000 from private funds);

(4) Department of Health. – [~~\$253,077,000~~/**\$246,806,000**] \$228,640,000 (including [~~\$101,606,000~~/**\$95,335,000**] \$78,190,000 from local funds, [~~\$137,096,000~~] \$135,859,000 from Federal grant funds, [and \$14,375,000] \$14,272,000 from other funds and \$319,000 from private funds; [provided, that any funds deposited into the Effi Slaughter Barry Initiative Fund shall remain available until expended;] provided further, that any funds deposited into the Health Professional Recruitment Fund, established by section 16a of the District of Columbia Health Professionals Recruitment Program Act of 2005, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code §7-751.15a), including unspent funds from prior fiscal years, shall remain available until expended;

(5) Department of Parks and Recreation. – [~~\$50,242,000~~/**\$53,805,000**] \$41,639,000 (including [~~\$46,750,000~~/**\$50,313,000**] \$39,625,000 from local funds, [~~\$2,492,000~~] and \$2,014,000 from other funds, [and \$1,000,000 from private funds]);

(6) Office on Aging. – [~~\$24,186,000~~/**\$23,576,000**] \$23,004,000 (including [~~\$17,584,000~~/**\$16,975,000**] \$16,218,000 from local funds and [~~\$6,601,000~~] \$6,786,000 from Federal grant funds);

(7) District of Columbia Unemployment Compensation Fund. – [~~\$5,500,000~~/**\$6,700,000**] \$11,136,000 from local funds;

(8) Disability Compensation Fund. – [\$15,030,000/**\$16,030,000**] \$25,163,000 from local funds to remain available until expended;

(9) Office of Human Rights. – [\$3,218,000/**\$3,155,000**] \$2,935,000 (including [\$2,763,000/**\$2,700,000**] \$2,617,000 from local funds and [\$455,000] \$318,000 from Federal grant funds);

(10) Office of Latino Affairs. – [\$4,727,000/\$4,545,000] \$3,821,000 from local funds;

(11) Children Investment Trust Fund *Subsidy Payment*. – [\$18,460,000] \$10,602,000 from local funds;

(12) Office of [n] Asian and Pacific Islander Affairs. – [\$1,021,000/**\$948,000**] \$965,000 from local funds;

(13) Office on [f] Veterans Affairs. – [\$462,000/**\$415,000**] \$463,000 from local funds;

(14) Department of Youth Rehabilitation Service. – [\$81,820,000/**\$82,343,000**] \$85,016,000 from local funds; provided, that amounts appropriated herein may be expended to implement the provisions of *section 105(k) of the Department of Youth Rehabilitation Services Establishment Act of 2004, effective April 12, 2005 (D.C. Law 15-335; D.C. Official Code § 2-1515.05(k))*; in addition, \$5,000,000 from funds previously appropriated in this Act under the heading “Federal Payment for Reconnecting Disconnected Youth”; [the On-site Meal Expenses Amendment Act of 2008, passed on 1st reading on May 13, 2008 (Engrossed version of Bill 17-678)];

(15) Department on Disability Services. – [\$122,359,000/**\$126,836,000**] \$95,130,000 (including [\$90,475,000/**\$94,953,000**] \$62,007,000 from local funds, [\$26,083,000] \$26,923,000 from Federal grant funds, and [\$5,800,000] \$6,200,000 from other funds); and

(16) Department of Healthcare Finance. – [\$1,839,729,000/**\$1,704,089,000**] \$2,048,514,000 (including [\$621,867,000/**\$486,227,000**] \$512,445,000 from local funds (including [\$24,949,000/**\$16,449,000**] \$25,764,000 from dedicated taxes), [\$1,215,885,000] \$1,534,236,000 from federal grant funds, and [\$1,977,000] \$1,823,000 from other funds); provided, that any funds deposited into the Healthy DC Fund, *established by section 15b of the Hospital and Medical Services Corporation Regulatory Act of 1996, effective March 2, 2007 (D.C. Law 16-192; D.C. Official Code § 31-3514.02)*, including unspent funds from prior fiscal years, shall remain available until expended; provided further, that any funds deposited into the Nursing [Home] Facility Quality of Care Fund, *established by D.C. Official Code § 47-1262*, including unspent funds from prior fiscal years, shall remain available until expended.

Public Works

Public works, including rental of a one passenger-carrying vehicle for use by the Mayor and *three (3)* passenger-carrying vehicles for use by the Council of the District of Columbia and *the* leasing of passenger-carrying vehicles, [\$645,839,000/**\$621,437,000**] \$635,307,000 (including [\$451,135,000/**\$426,733,000**] \$413,602,000 from local funds (including [\$24,120,000/**\$11,420,000**] \$13,000,000 from dedicated taxes), [\$22,932,000] \$55,962,000 from Federal grant funds, [\$171,472,000] \$165,613,000 from other funds, and [\$300,000] \$130,000 from private funds to be allocated as follows:

(1) Department of Public Works. – [\$138,333,000/\$135,512,000] \$125,121,000 (including [\$124,939,000/**\$122,117,000**] \$116,021,000 from local funds and [\$13,395,000] \$9,101,000 from other funds);

(2) Department of Transportation. – [\$142,555,000/**\$127,190,000**] \$107,132,000 (including [\$30,094,000/**\$14,729,000**] \$13,043,000 from local funds (including [\$24,120,000/**\$11,420,000**] \$13,000,000 from dedicated taxes), [\$3,200,000] \$4,200,000 from Federal grant funds, and [\$109,261,000] \$89,889,000 from other funds);

(3) Department of Motor Vehicles. – [\$44,539,000/**\$41,251,000**] \$40,286,000 (including [\$31,216,000/**\$27,927,000**] \$26,524,000 from local funds and [\$13,324,000] \$13,762,000 from other funds);

(4) Department of the Environment. – [~~\$79,941,000~~/~~\$77,080,000~~] *\$109,440,000* (including [~~\$25,039,000~~/~~\$22,178,000~~] *\$17,343,000* from local funds, [~~\$19,732,000~~] *\$51,762,000* from Federal grant funds, [~~\$34,869,000~~] *\$40,205,000* from other funds, and [~~\$300,000~~] *\$130,000* from private funds);

(5) Taxi Cab Commission. – [~~\$1,991,000~~/~~\$1,927,000~~] *\$1,869,000* (including [~~\$1,368,000~~/~~\$1,304,000~~] *\$1,213,000* from local funds and [~~\$623,000~~] *\$656,000* from other funds);

(6) Washington Metropolitan Area Transit Commission. – [~~\$113,000~~] *\$123,000* from local funds;

(7) Washington Metropolitan Area Transit Authority. – [~~\$230,499,000~~] *\$243,668,000* (including *\$231,668,000* from local funds and *\$12,000,000* from other funds); and

(8) School Transit Subsidies. – [~~\$7,866,000~~] *\$7,668,000* from local funds.

Financing and Other

Financing and Other, [~~\$959,821,000~~/~~\$876,593,000~~] *\$911,255,000* (including [~~\$925,884,000~~/~~\$842,656,000~~] *\$904,805,000* from local funds (including [~~\$167,924,000~~/~~\$165,624,000~~] *\$210,550,000* from dedicated taxes) and [~~\$33,938,000~~] *\$6,449,000* from other funds), to be allocated as follows:

(1) Repayment of Loans and Interest - for payment of principal, interest, and certain fees directly resulting from borrowing by the District of Columbia to fund District of Columbia capital projects as authorized by sections 462, 475, and 490 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 777; D.C. Official Code §§ 1-204.62, 1-204.75, and 1-204.90), [~~\$459,727,000~~/~~\$439,727,000~~] *\$472,061,000* (including [~~\$456,630,000~~/~~\$436,630,000~~] *\$468,596,000* from local funds (including [~~\$3,580,000~~] *\$4,800,000* from dedicated taxes) and [~~\$3,097,000~~] *\$3,465,000* from other funds); [provided that \$10,000,000 from local funds shall be deposited into the Health Programs Contingency Fund];

(2) Short-Term Borrowing. – [~~\$7,385,000~~] *\$9,000,000* from local funds for payment of interest on short-term borrowing;

(3) Certificates of Participation. – for *lease payments representing* principal and interest payments on the District's Certificates of Participation, issued to finance *land and buildings* [the ground lease underlying the building] located at One Judiciary Square, and for the *Unified Communications Center and Office of Unified Communications, located on the St. Elizabeth's Campus*, [~~\$32,791,000~~/~~\$32,541,000~~] *\$32,285,000* from local funds;

(4) Debt Issuance Costs. – for the payment of debt service issuance costs, \$15,000,000 from local funds;

(5) Schools Modernization Fund. – for *the [a] Schools Modernization Fund, established by section 4042 of the Schools Modernization Amendment Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 1-325.41)*, [~~\$8,613,000~~] *\$8,612,000* from local funds;

(6) Revenue Bonds. – for the repayment of revenue bonds, [~~\$6,000,000~~] *\$4,861,000* from local funds (including [~~\$6,000,000~~] *\$4,861,000* from dedicated taxes);

(7) Settlements and Judgments. – *for making refunds and for the payment of legal settlements or judgments that have been entered against the District of Columbia government*, \$21,477,000 from local funds; provided, that this appropriation shall not be construed as modifying or affecting the provisions of section 103 of this Act;

(8) Wilson Building. – for expenses associated with the John A. Wilson building, [~~\$4,058,000~~] *\$3,625,000* from local funds;

(9) Workforce Investments. – for workforce investments, [~~\$36,691,000~~/~~\$23,891,000~~] from local funds, to be transferred by the Mayor of the District of Columbia within the various appropriation headings in this Act for which employees are properly payable; provided, that of this amount, [~~\$4,952,000~~] shall remain available until expended to meet the requirements of the Compensation Agreement Between the District of Columbia Government Units 1 and 2 Emergency Approval Resolution of 2006, effective September 19, 2006 (Res. 16-794; 53 DCR 7742);]

(9) Non-Departmental. – to account for anticipated costs that cannot be allocated to specific agencies during the development of the proposed budget, [~~\$39,279,000~~] *\$3,603,000 from local funds [(including [~~\$10,438,000~~] \$12,697,000 from local funds that shall remain available to cover any lease costs that may remain from the District’s lease at 225 Virginia Avenue and \$28,841,000 from other funds] to be transferred by the Mayor of the District of Columbia within the various appropriations headings in this Act[;] subject to any limitation or requirement set forth in the Fiscal Year 2010 Budget Support Act of 2009 (Bill 18-203);*

(10) For Emergency Planning and Security [Fund] *Costs.* – \$15,000,000 from funds previously appropriated in this Act under the heading "Federal Payment for Emergency Planning and Security Costs in the District of Columbia"; provided, that notwithstanding any other law, the District of Columbia may charge obligations and expenditures that are pending reimbursement under the heading "Federal Payment for Emergency Planning and Security Costs in the District of Columbia" to this local appropriations heading;

(11) Equipment Lease Operating. – [~~\$51,405,000~~/~~\$38,533,000~~] *\$46,157,000* from local funds;

[(12) Operating Cash Reserve – [~~\$46,000,000~~] from local funds; provided further, that any funds deposited in the Health Programs Contingency Fund shall remain available until expended;]

(12) Pay-As-You-Go Capital funds. – in lieu of capital financing, [~~\$144,637,000~~/~~\$108,946,000~~] *\$2,984,000 from other funds to be transferred to the Capital Fund; provided, that the Office of the Chief Financial Officer reconcile the capital budgets recorded in the District’s Financial Accounting System of Record (“SOAR”), with budgets approved by Council annually and provide the Mayor with a report on the reconciliation at the project level by February 1, following the end of every fiscal year [(including [~~\$142,637,000~~/~~\$106,946,000~~] \$123,014,000 from local funds (including [~~\$106,000,000~~] \$108,300,000 from dedicated taxes) and \$2,000,000 from other funds to be transferred to the Capital Fund)];*

(13) District Retiree Health Contribution. – for a District Retiree Health Contribution, [~~\$81,100,000~~] *\$90,700,000* from local funds;

(14) Baseball Revenue. – [~~\$50,044,000~~] *\$32,081,000* from local funds (including [~~\$50,044,000~~] *\$32,081,000* from dedicated taxes)] derived from a dedicated tax to account for the inflows and outflows of both operating and capital dollars; in addition, the amounts appropriated herein may be increased by such amounts as may be necessary and as are consistent with the Ballpark Omnibus Financing And Revenue Act of 2004, effective April 08, 2005 (D.C. Law 15-320; D.C. Official Code § 10-1601.01 *et seq.*), to pay debt service, and to maintain and replenish required reserves for baseball revenue bonds;

(15) *Convention Center Transfer.* - *\$93,054,000 from local funds (including \$93,054,000 from dedicated taxes);*

(16) *Highway Trust Fund Transfer.* - *\$29,762,000 from local funds (including \$29,762,000 from dedicated taxes);*

(17) Tax Increment Financing. – the amounts appropriated herein may be increased by an amount not to exceed [~~\$9,712,000~~] *\$45,992,000* from the District's General Fund balance for a Tax Increment Financing program as may be necessary to meet the Tax Increment Financing requirements; and

(18) Emergency and Contingency Funds. – For the emergency reserve fund and the contingency reserve fund under section 450A of the District of Columbia Home Rule Act, approved November 2, 2000 (114 Stat. 2440; D.C. Official Code § 1-204.50a), the amounts appropriated herein may be increased by such additional amounts from the funds of the District government as are necessary to meet the balance requirements for such funds under section 450A;”.

ENTERPRISE AND OTHER FUNDS

Amounts shall be provided to enterprise funds as follows; provided, that in the event that certain dedicated revenues exceed budgeted amounts, the District may increase its General Fund budget authority as needed to transfer all such revenues, pursuant to local law, to the Highway Trust Fund, the Washington Convention Center, the TIF and PILOT debt service agencies, the Ballpark Fund, and the Housing Production Trust Fund.

Business Improvement District Revenue

For Business Improvement Districts - \$23,000,000 collected by the District of Columbia in the form of Business Improvement District ("BID") tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996, effective May 29, 1996 (D.C. Law 11-134; D.C. Official Code § 2-1215.01 et seq.); provided, that such funds are available for acquiring services provided by the Government Services Administration; provided further, that BIDs shall be exempt from taxes levied by the District of Columbia.

Water and Sewer Authority

Pursuant to section 445a of the District of Columbia Home Rule Act, approved August 6, 1996 (110 Stat. 1698; D.C. Official Code §1-204.45a), which provides that the Council *may comment or make recommendations concerning such annual estimates but* shall have no authority to revise the budget for the District of Columbia Water and Sewer Authority, of which 60% represents rate-payer revenue, the Council forwards this non-appropriated budget request: For operation of the Water and Sewer Authority, [\$341,186,000] \$393,653,000 from other funds, of which [\$5,355,000] \$1,332,000 shall be apportioned for repayment of loans and interest incurred for capital improvement projects and payable to the District's debt service fund. For construction projects, [\$466,584,000] \$773,327,000, to be distributed as follows: [\$13,781,000] \$511,855,000 for the Blue Plains Wastewater Treatment Plant, [\$110,503,000 for the sewer program,] [\$98,675,000] \$230,118,000 for the combined sewer *overflow* program,] [\$193,782,000] [\$88,769,000 for the water program,] [\$19,175,000] \$13,667,000 for the Washington Aqueduct [capital program] and, [\$30,668,000] \$17,687,000 for the capital equipment program; in addition, [\$12,000,000] \$20,000,000 from funds previously appropriated in this Act under the heading "Federal Payment to the District of Columbia Water and Sewer Authority": Provided, That the requirements and restrictions that are applicable to General Fund capital improvement projects and set forth in this Act under the Capital Outlay appropriation account shall apply to projects approved under this appropriation account.

The Council also forwards this recommendation: the District of Columbia Water and Sewer Authority ("DC WASA") has been unable to justify incremental operating budget and rate increases for District ratepayers, in light of recent operating surpluses, cost savings, and increased federal assistance. Therefore, the Council recommends that the Congress not approve DC WASA's recommended rate increases until it is able to provide evidence of the need for those increases. DC WASA should provide clear evidence of measures it has taken, short of increasing ratepayer contribution, to avoid or minimize any increases.

Washington Aqueduct

For operation of the Washington Aqueduct, [\$49,815,000] \$54,356,000 from other funds.

Lottery and Charitable Games Enterprise Fund

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriations Act, 1982, approved December 4, 1981 (Pub. L. No. 97-91; 95 Stat. 1174), for the

purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Official Code, sec. 3-1301 et seq. and sec. 22-1716 et seq.), [\$266,700,000] \$250,000,000 from other funds: Provided, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally generated revenues: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board: Provided further, That, after notification to the Mayor, amounts appropriated herein may be increased by an amount necessary for the Lottery and Charitable Games Enterprise Fund to make transfers to the General Fund of the District of Columbia and to cover prizes, agent commissions, and gaming related fees directly associated with unanticipated excess lottery revenues, not included in this appropriation[, if such funds are available for transfer].

[Sports and Entertainment Commission

For the Sports and Entertainment Commission, [\$58,529,000] \$7,603,000 from other funds to remain available until expended, of which \$2,500,000 is from local funds to be received as a subsidy payment.]

District of Columbia Retirement Board

For the District of Columbia Retirement Board, established pursuant to section 121 of the District of Columbia Retirement Reform Act of 1979, approved November 17, 1979 (93 Stat 866; D.C. Official Code, sec. 1-711), [\$33,249,000] \$30,622,000 from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: Provided, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: Provided further, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

Washington Convention Center Enterprise Fund

For the Washington Convention Center Enterprise Fund, [\$96,696] *including for functions previously performed by the District of Columbia Sports and Entertainment Commission, \$91,974,000* from other funds.

Housing Finance Agency

For the Housing Finance Agency, [\$7,919,000] \$8,894,000 from other funds.

University of the District of Columbia

For the University of the District of Columbia, [\$112,613,000] \$129,855,000 (including, \$62,070,000 from local funds, [\$18,214,000] \$19,839,000 from Federal grant funds, [\$29,734,000] \$47,419,000 from other funds, and [\$687,000] \$527,000 from private funds): Provided, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, [2009] 2010, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area[.]; *provided further, that the Board of Trustees of the University of the District of Columbia is hereby authorized to use the Municipal University Fund, established for depositing all revenues and receipts derived from tuition and fees, for such University purposes as the Board of Trustees may approve, in compliance with all applicable regulations.*

[Department of Human Resources Trust Fund

For the District of Columbia Department of Human Resources Trust Fund, [\$1,500,000] \$2,400,000 from other funds.]

District of Columbia Public Library Trust Fund

For the District of Columbia Public Library Trust Fund, \$17,000 from other funds.

Unemployment Insurance Trust Fund

For the Unemployment Insurance Trust Fund, [\$180,000,000/\$265,000,000] \$251,000,000 from other funds.

Housing Production Trust Fund

For the Housing Production Trust Fund, [\$122,703,000] \$51,329,000 in local funds, including [\$108,680,000] \$51,329,000 from dedicated taxes) to remain available until expended for purposes identified by the Housing Production Trust Fund Act of 1988, effective March 16, 1989 (D.C. Law 7-202; D.C. Official Code § 42-2801 et seq.).

Tax Increment Financing

For Tax Increment Financing [\$24,330,000] \$32,106,000 from other funds.

Baseball Fund

For the Baseball Fund, [\$164,101,000] \$67,572,000 (including [\$157,101,000] \$59,572,000 from local funds (including [\$65,873,000] \$59,572,000 from dedicated taxes) and [\$7,000,000] \$8,000,000 from other funds).

Repayment of Payment in Lieu of Taxes Financing

For Repayment of Payment in Lieu of Taxes Financing [\$9,770,000] \$13,886,000 from other funds.

CAPITAL OUTLAY

For capital construction projects, an increase of [\$1,482,977,000/\$1,526,477,000] \$3,249,642,000, of which [\$1,121,734,000/\$1,165,234,000] \$2,685,760,000 shall be from local funds, [\$107,794,000] \$186,805,000 from the Local Street Maintenance fund, [\$60,708,000] \$54,893,000 from the District of Columbia Highway Trust Fund, [\$192,741,000] \$322,184,000 from Federal grant funds, and a rescission of [\$353,447,000/\$400,060,000] \$1,834,494,000 from local funds and a rescission of [\$37,500,000] \$91,327,000 from Local Street Maintenance funds appropriated under this heading in prior fiscal years for a net amount of [\$1,092,030,000/\$1,088,917,000] \$1,323,821,000, to remain available until expended; in addition, [\$7,000,000] to remain available until expended from funds previously appropriated in this Act under the heading "Federal Payment for Central Library and Branch Location" and] [\$5,000,000] \$15,000,000 to remain available until September 30, [2010] 2011 from funds previously appropriated in this Act under the heading "Federal Payment for Consolidated Laboratory Facility"; provided, that funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System; provided further, that all funds provided by this appropriation title shall be available only for the specific projects and purposes intended; provided further, that amounts appropriated under this heading

may be increased by the amount transferred from funds appropriated in this Act as Pay-As-You-Go Capital funds[.]”and by \$43,500,000 of other funds, derived from the sale of the former Department of Employment Services building, which shall be allocated to the Government Centers capital project for the purpose of constructing a new headquarters for the Department of Employment Services; provided further, that \$33,500,000 of General Obligation Bond allotments are reallocated from PL 106C to the following projects: \$4,600,000 for cell door replacement at the Central Detention Facility (CR002C); \$3,125,000 to the New Mental Health Hospital (HX501C) temporary power distribution at the Saint Elizabeth’s campus;\$1,900,000 for the Evidence Warehouse (AA339C); \$4,250,000 to the Consolidated Forensics Laboratory (AA338C); \$1,400,000 to the Kenilworth Parkside Recreation Center (QG638C); \$12,350,000 for the purchase and renovation of 3 Boys and Girls Clubs (QJ901); \$800,000 to Bald Eagle Recreation Center (R6701C); \$2,100,000 for improvements to Raymond Recreation Center (QM601); \$2,475,000 for the purposes set forth in section 2(b) of the Washington Metropolitan Area Transit Authority Fund Amendment Act of 2009, effective June 16, 2006 (D.C. Law 16-132; 53 DCR 4427) (“WMATA act”); \$500,000 for the Community Action facility at 5th and Florida Avenue N.E.; and any remaining balance that is unencumbered and unexpended on July 30, 2009 and not encumbered pursuant to section 1021 of the Reallocation of Capital Budget Funding Emergency Act of 2009, passed on emergency basis on July 31, 2009 (Enrolled version of Bill 18-409), in PL 106C not required to complete the DOES headquarters or its access and grounds or the Washington Metropolitan Area Transit Authority parking garage shall be reserved for the purposes of the WMATA act[.]”

TITLE IV--GENERAL PROVISIONS

SEC. 101. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 102. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor, or, in the case of the Council of the District of Columbia, funds may be expended with the authorization of the Chairman of the Council.

SEC. 103. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of legal settlements or judgments that have been entered against the District of Columbia government.

SEC. 104. [(a) None of the Federal funds provided in this Act shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

(b)]The District of Columbia may use local funds provided in this title to carry out lobbying activities on any matter.

SEC. 105. [(a) None of *the Federal* funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that remain available for obligation or expenditure in fiscal year 2010, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditures for an agency through a reprogramming of funds which--

- (1) creates new programs;
- (2) eliminates a program, project, *activity*, or responsibility center;
- (3) establishes or changes allocations specifically denied, limited or increased under this Act;
- (4) increases funds or personnel by any means for any program, project, *activity*, or responsibility center for which funds have been denied or restricted;
- (5) reestablishes any program or project previously deferred through reprogramming;
- (6) augments any existing program, project, *activity*, or responsibility center through a reprogramming of funds in excess of \$3,000,000 or 10 percent, whichever is less; or
- (7) increases by 20 percent or more personnel assigned to a specific program, project, *activity* or responsibility center,

unless , the Committees on Appropriations of the House of Representatives and the President are notified in writing 15 days in advance of the reprogramming.] *The District of Columbia government is authorized to approve and execute reprogramming and transfer requests of local funds under this title through November 1, 2010*

SEC. 106. Consistent with the provisions of section 1301(a) of title 31, United States Code, appropriations under this Act shall be applied only to the objects for which the appropriations were made except as otherwise provided by law.

[SEC. 107. None of the Federal funds made available in this Act may be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9-114; D.C. Official Code, sec. 32-701 et seq.) or to otherwise implement or enforce any system of registration of unmarried, cohabiting couples, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples.]

[SEC. 108. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979 (D.C. Law 3-171; D.C. Official Code, sec. 1-123).]

SEC 107. Except as otherwise provided in this section, none of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For the purposes of this section, the term "official duties" does not include travel between the officer's or employee's residence and workplace, except in the case of:

- (1) An officer or employee of the Metropolitan Police Department who resides in the District of Columbia or a District of Columbia government employee as may otherwise be designated by the Chief of Police;
- (2) At the discretion of the Fire Chief, an officer or employee of the Fire and Emergency Medical Services Department who resides in the District of Columbia and is on call 24 hours a day, or is otherwise designated by the Fire Chief;
- (3) At the discretion of the Director of the Department of Corrections, an officer or employee of the Department of Corrections who resides in the District of Columbia and is on call 24 hours a day, or is otherwise designated by the Director;
- (4) The Mayor of the District of Columbia; and
- (5) The Chairman of the Council of the District of Columbia.

SEC. 108. Amounts appropriated in this Act as operating funds, may be transferred to the District of Columbia's enterprise and capital funds and such amounts, once transferred, shall retain appropriation authority consistent with the provisions of this Act.

SEC. 109. (a) No later than 30 calendar days after the date of the enactment of this Act, the Chief Financial Officer of the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the Council of the District of Columbia a revised appropriated funds operating budget in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act, effective December 24, 1973 (87 Stat. 798; D.C. Official Code § 1-204.42), for all agencies of the District of Columbia government for fiscal year 2010 that is in the total amount of the approved appropriation and that realigns all budgeted data for personal services and other-than-personal-services, respectively, with anticipated actual expenditures.

(b) This section shall apply only to an agency where the Chief Financial Officer of the District of Columbia certifies that a reallocation is required to address unanticipated changes in program requirements.

[SEC. 110. (a) None of the Federal funds contained in this Act may be used by the District of Columbia Attorney General or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

(b) Nothing in this section bars the District of Columbia Attorney General from reviewing or commenting on briefs in private lawsuits, or from consulting with officials of the District government regarding such lawsuits.]

SEC. 110. No later than 30 calendar days after the date of the enactment of this Act, the Chief Financial Officer of the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the Council of the District of Columbia a revised appropriated funds operating budget for the District of Columbia Public Schools that aligns schools budgets to actual enrollment. The revised appropriated funds budget shall be in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act, effective December 24, 1973 (87 Stat. 798; D.C. Official Code § 1-204.42).

[SEC. 111. None of the Federal funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.]

SEC. 111. Except as expressly provided otherwise, any reference to “this Act” contained in this division shall be treated as referring only to the provisions of this division.

[SEC. 112. Nothing in this Act may be construed to prevent the Council or Mayor of the District of Columbia from addressing the issue of the provision of contraceptive coverage by health insurance plans, but it is the intent of Congress that any legislation enacted on such issue should include a ‘conscience clause’ which provides exceptions for religious beliefs and moral convictions.]

[SEC. 113. The Mayor of the District of Columbia shall submit to the Committees on Appropriations of the House of Representatives and Senate, the Committee on Oversight and Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate annual reports addressing--

(1) crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets;

- (2) access to substance and alcohol abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment programs;
- (3) management of parolees and pre-trial violent offenders, including the number of halfway houses escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes to be provided in consultation with the Court Services and Offender Supervision Agency for the District of Columbia;
- (4) education, including access to special education services and student achievement to be provided in consultation with the District of Columbia Public Schools and the District of Columbia public charter schools;
- (5) improvement in basic District services, including rat control and abatement;
- (6) application for and management of Federal grants, including the number and type of grants for which the District was eligible but failed to apply and the number and type of grants awarded to the District but for which the District failed to spend the amounts received; and
- (7) indicators of child well-being.
- (8) employment, including job status and participation in assistance programs by income, education and family structure.]

[SEC. 114. (a) None of the funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 801 et seq.) or any tetrahydrocannabinols derivative.

(b) The Legalization of Marijuana for Medical Treatment Initiative of 1998, also known as Initiative 59, approved by the electors of the District of Columbia on November 3, 1998, shall not take effect.]

[SEC. 115. None of the *Federal* funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.]

SEC. 112. This division may be cited as the “District of Columbia Appropriations Act, 2010”.

DIVISION – B¹

DISTRICT OF COLUMBIA AUTHORIZATION REQUEST

SEC. 201. The following proviso under the heading “Lottery and Charitable Games Enterprise Fund” in the District of Columbia Appropriations Act, 1982, approved December 4, 1981 (Public Law 97-91; 95 Stat. 1174;), is repealed:

"provided further, That the advertising, sale, operation, or playing of the lotteries, raffles, bingos, or other games authorized by D.C. Law 3-172 is prohibited on the Federal enclave, and in adjacent public buildings and land controlled by the Shipstead-Luce Act as amended by 53 Stat. 1144, as well as in the Old Georgetown Historic District:".

SEC. 202. Section 11201 of the National Capital Revitalization and Self-Government Improvement Act of 1997, approved August 5, 1997 (111 Stat. 734; D.C. Official Code § 24-101), is amended by adding a new subsection (a-1) to read as follows:

"(a-1) Reimbursement to District of Columbia Department of Corrections.— The United

¹ Provisions included under Division B shall be transmitted by the Mayor to the House Committee on Government Reform and the Senate Committee on Homeland Security and Governmental Affairs for enactment.

States Government shall reimburse the District of Columbia Department of Corrections its costs of providing custody and care for:

"(1) Felons committed by the Superior Court of the District of Columbia from the date of sentencing until transfer to a penal or correctional facility operated or contracted for by the Bureau of Prisons;

"(2) Previously sentenced felons committed to the Department of Corrections as violators of parole, supervised release, or probation from the date of commitment until transfer to a penal or correctional facility operated or contracted for by the Bureau of Prisons; and

"(3) Previously sentenced felons held by or committed to the Department of Corrections on writs from the date of commitment until transfer to a penal or correctional facility operated or contracted for by the Bureau of Prisons."

SEC. 203. Notwithstanding any other law, all entities within the District of Columbia shall be subject to the general sales tax of the District of Columbia for sales to the public in gift shops, restaurants, and similar facilities.

SEC. 204. Title IV of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 774; D.C. Official Code § 1-201.01 et seq.), is amended as follows:

(a) The table of contents of part B is amended as follows:

(1) Strike the phrase "Sec. 424a. Authority" and insert the phrase "Sec. 425. Authority" in its place.

(2) Strike the phrase "Sec. 424b. Procurement" and insert the phrase "Sec. 426. Procurement" in its place.

(b) Section 424a (D.C. Official Code § 1-204.25) is amended by striking the phrase "Sec. 424. (a) IN GENERAL." and inserting the phrase "Sec. 425. (a) IN GENERAL." in its place.

(c) Section 424b (D.C. Official Code § 1-204.26) is amended as follows:

(1) Strike the phrase "Sec. 424b. The Chief" and insert the phrase "Sec. 426. The Chief" in its place.

(2) Strike the date "1986" and insert the date "1985" in its place.

(d) Section 446A(c) (D.C. Official Code § 1-204.46a(c)) is amended to read as follows:

"(c) EFFECTIVE DATE – This section shall apply fiscal year 2006 and each succeeding fiscal year."

(e) Section 446B(f) (D.C. Official Code § 1-204.46b(f)) is amended to read as follows:

"(f) EFFECTIVE DATE – This section shall apply fiscal year 2006 and each succeeding fiscal year."

(f) Section 450A(c)(4) (D.C. Official Code § 1-204.50a(c)(4)) is amended to read as follows:

"(4) EFFECTIVE DATE – This section shall apply fiscal year 2006 and each succeeding fiscal year."

[SEC. 205. The 2005 District of Columbia Omnibus Authorization Act, approved October 16, 2006 (Public Law 109–356; 120 Stat. 2019) is amended as follows:

(a) Section 101(c) is amended to read as follows:

"(c) EFFECTIVE DATE – This section shall apply fiscal year 2006 and each succeeding fiscal year."

(b) Section 102(a)(4) is amended to read as follows:

"(4) EFFECTIVE DATE – This section shall apply fiscal year 2006 and each succeeding fiscal year."

(c) Section 202(a) is amended as follows:

(1) Paragraph (1) is amended by striking the phrase "Sec. 424. (a) IN GENERAL." and inserting the phrase "Sec. 425. (a) IN GENERAL." in its place.

(2) Paragraph (2) is amended by striking the phrase “Sec. 424a. Authority” and inserting the phrase “Sec. 425. Authority” in its place.

(d) Section 203(a) is amended as follows:

(1) Paragraph (1) is amended as follows:

(A) Strike the phrase “Sec. 424b. The Chief” and insert the phrase “Sec. 426. The Chief” in its place.

(B) Strike the date “1986” and insert the date “1985” in its place.

(2) Paragraph (2) is amended by striking the phrase “Sec. 424b. Procurement” and inserting the phrase “Sec. 426. Procurement” in its place.

(e) Section 305(f) is amended to read as follows:

“(f) EFFECTIVE DATE – This section shall apply fiscal year 2006 and each succeeding fiscal year.”.]

Sec. 205. The federal government shall compensate the District for use and occupancy of public space closed for the security of federal buildings within the District of Columbia and such compensation shall be deemed to be included in and available from the annual appropriations for each agency of the federal government.

Sec. 206. Section 209 of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 136; D.C. Official Code § 47-392.09), is repealed.

Sec. 207. [Section 424a of the District of Columbia Home Rule Act, approved October 16, 2006 (120 Stat. 2037; D.C. Official Code § 1-204.25), is amended by adding a new subsection (e) to read as follows::

“(e) Delegation of Oversight Responsibility for Independent Agencies. --

“(1) The Chief Financial Officer may delegate his or her oversight responsibilities under subsection (b)(3) of this section for any independent agency to the director of the respective agency or its governing board through a memorandum of understanding approved by the Council.

(2) Any proposed memorandum of understanding shall be submitted, along with a proposed resolution, by the Mayor to the Council for a 30-day period of review, excluding days of Council recess. If the Council does not approve or disapprove the proposed resolution within the 30-day period of review, the proposed resolution and the memorandum of understanding shall be deemed approved.”] *An Act to authorize the Commissioners of the District of Columbia on behalf of the United States to transfer from the United States to the District of Columbia Redevelopment Land Agency title to certain real property in said District, approved September 8, 1960 (74 Stat. 871; D.C. Official Code § 6-321.01 et seq.), is amended as follows:*

(a) *Section 4 (D.C. Official Code § 6-321.04) is amended as follows:*

(1) *Subsection (a) is amended as follows:*

(A) *Strike the phrase “to lease to a redevelopment company or other lessee” and insert the phrase “to lease or sell to a redevelopment company or other lessee or purchaser” in its place.*

(B) *Strike the phrase “this Act but may not otherwise dispose of such property except to the United States or any department or agency thereof, or to the District of Columbia, in accordance with section 5 of this Act.” and insert the phrase “this Act.” in its place.*

(2) *Subsections (b) and (c) are repealed.*

(b) *Section 5 (D.C. Official Code § 6-321.05) is repealed.*

SEC. 208. (a) The National Children’s Island Act of 1995, approved July 19, 1996 (110 Stat. 1416; D.C. Official Code § 10-1401 et seq.) (“National Children’s Island Act”), is amended as follows:

(1) The long title is amended by striking the phrase “family-oriented park” and inserting the phrase “recreational-use facility” in its place.

(2) Section 2 (D.C. Official Code § 10-1401) is amended as follows:

(A) Paragraph (4) is amended by striking the phrase “cultural, education, and family-oriented recreation park, together with a children’s playground, to be developed and operated in accordance with the Children’s Island Development Plan Act of 1993, D.C. Act 10-110” and inserting the phrase “cultural, educational, and recreational-use facility, not inconsistent with the Comprehensive Plan of the District of Columbia” in its place.

(B) Paragraphs (5) and (6) are repealed.

(3) Section 3 (D.C. Official Code § 10-1402) is amended as follows:

(A) Subsection (c) is repealed.

(B) Subsection (d) is amended to read as follows:

“(d) REVERSION. — The transfer under subsection (a) of this section and the grant of easements under subsection (b) of this section shall be subject to a limited right of reversion by the Secretary of the Interior. The limited right of reversion may be exercised only if:

“(1) Within 5 years after the revised transfer under subsection (a) of this section occurs or the revised grant of easements under subsection (b) of this section occurs, whichever is later, the District has not commenced activity to improve Kingman Island, or a portion thereof, for cultural, educational, or recreational uses; or

“(2) After 5 years after the revised transfer under subsection (a) of this section occurs or the revised grant of easements under subsection (b) of this section occurs, whichever is later, the District has ceased for at least 5 years to use Kingman Island for cultural, educational, or recreational uses; and

“(3) The Secretary provides to the District written notice of his or her preliminary determination that the condition described in paragraph (1) or (2) of this subsection has occurred and the District has not, within 90 days after the notice was delivered to the District, addressed the Secretary’s preliminary determination to the Secretary’s reasonable satisfaction; and

“(4) After the 90-day period, the Secretary has determined, in accordance with chapter 5 of title 5, United States Code, relating to administrative procedure, that the condition described in paragraph (1) or (2) of this subsection has occurred.”

(4) Section 4 (D.C. Official Code § 10-1403) is amended as follows:

(A) Subsection (a) is repealed.

(B) Subsection (c) is repealed.

(5) Section 5(a)(1) (D.C. Official Code § 10-1404(a)(1)) is amended by striking the phrase “and effect, except for the references in this Act to paragraphs 3 and 11 of the legend of the plat.” and inserting the phrase “and effect.” in its place.

(b) Within 60 days after the effective date of this section, the Secretary of the Interior shall issue to the District of Columbia, without consideration, a revised, unrestricted, and unqualified deed to Kingman and Heritage Islands and revised, unrestricted, and permanent easements for the areas set forth in section 3(b)(1) of the National Children’s Island Act, for the purposes set forth in section 3(b)(2) of the National Children’s Island Act, and with the same right of assignability as set forth in section 3(b)(3) of the National Children’s Island Act.

SEC. 209. An Act Making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and thirteen, and for other purposes, approved August 24, 1912 (37 Stat. 444; 40 U.S.C. § 8601), is amended by adding a new section 12 to read as follows:

“Sec. 12. This Act shall not apply to the portions of Fort Dupont Park (United States Reservation 405), the areas known as the Benning Recreation Center and Benning Stoddert Park (United States Reservation 706) or the area currently known as the Walter Reed Army Medical Center (Parcel 319) or to other parks or playgrounds or land on which municipal facilities are located in the District of

Columbia that are, or hereafter may be, under the jurisdiction of the government of the District of Columbia.”.

SEC. 210. *An Act Authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, approved August 30, 1935 (Pub. L. No. 74-409; 49 Stat. 1028), is amended by adding a new section 15 to read as follows:*

“Sec. 15. *The Secretary of Army, acting through the Chief of Engineers, shall modify the Washington Channel portion of the Washington Harbor project for navigation, District of Columbia, authorized by this act as follows:*

“*The following portion of the existing Washington Channel is hereby deauthorized: beginning at Washington Harbor Channel Geometry Centerline of the 400 foot wide main navigational ship channel, Centerline Station No. 103+73.12, coordinates North 441948.20, East 1303969.30, as stated and depicted on the Condition Survey Anacostia, Virginia, Washington and Magazine Bar Shoal Channels, Washington, D.C., Sheet 6 of 6, prepared by the U.S. Army Corps of Engineers, Baltimore district, July 2007; thence departing the aforementioned centerline traveling the following courses and distances: N. 40° 10' 45" E., 200.00 feet to a point, on the outline of said 400' wide channel thence binding on said outline the following three (3) courses and distances: S. 49° 49' 15" E., 1,507.86 feet to a point, thence; S. 29° 44' 42" E., 2,083.17 feet to a point, thence; S. 11° 27' 04" E., 363.00 feet to a point, thence; S. 78° 32' 56" W., 200.00 feet to a point binding on the centerline of the 400 foot wide main navigational channel at Centerline Station No. 65+54.31, thence; continuing with the aforementioned centerline the following courses and distances: N. 11° 27' 04" W., 330.80 feet to a point, Centerline Station No. 68+85.10, thence; N. 29° 44' 42" W., 2,015.56 feet to a point, Centerline Station No. 89+00.67, thence; N. 49° 49' 15" W., 1,472.45 feet to the point of beginning, such area in total containing a computed area of 777,284 square feet or 17.84399 acres of riparian water way.”.*

SEC. 211. *Section 101(a) of the Federal and District of Columbia Government Real Property Act of 2006, approved December 15, 2006 (Pub. L. No. 109-396; 120 Stat. 2711), is amended to read as follows:*

“(a) *Conveyance of Properties.--*

(1) *In general.--*

“(A) *On the date on which the District of Columbia conveys to the Administrator of General Services all right, title, and interest of the District of Columbia in the property described in subsection (c) of this section, the Administrator shall convey to the District of Columbia all right, title, and interest of the United States in U.S. Reservation 13, subject to the conditions described in subsection (b) of this section; and*

“(B) *Within 60 days of the enactment of this amendment, the Administrator shall convey to the District of Columbia all right, title, and interest in the Old Naval Hospital.”.*

SEC. 212. *Transfer of Properties.*

(a) *Within 90 days after the effective date of this section, the director of each federal agency with jurisdiction over the following properties in the District of Columbia shall transfer all right, title, and interest of the United States in each property to the government of the District of Columbia. If jurisdiction over a property is held by the District of Columbia, the District of Columbia may execute a quitclaim deed on behalf of the United States to transfer all right, title, and interest of the United States in the property to the government of the District of Columbia. Any change in the permitted uses for a transferred property listed in this subsection different from those permitted prior to transfer shall be authorized by the Council pursuant to local law:*

(1) *Parcel 255, Lots 13, 15, and 24 (Southwest Waterfront), "including the riparian area designated as Pier 5" at "24", to make clear that the pier is included with the land;*

(2) *Square 473, Lots 819, 846, 847, 848, 849, 850, 884 (Southwest Waterfront);*

(3) *Square 503, Lot 884 (Southwest Waterfront);*

- (4) Reservation 277A (North Capitol Street and Florida Avenue, N.W.);
- (5) Reservation 277 (Florida Avenue and Q Street, N.W.);
- (6) Square 2558, Lot 0810 (a portion of the Marie H. Reed Community Learning Center, a District of Columbia Public School);
- (7) Square 2901, Lot 0816 (Raymond Recreation Center, a portion of the Raymond Elementary School campus);
- (8) Square 2901, Lot 0815 (a portion of the Raymond Elementary School campus);
- (9) Square 0364, Lot 0837 (a portion of the Shaw Junior High School campus);
- (10) Parcel 246, Lot 0051 (P.R. Harris School);
- (11) Square 2864, Lot 0830 (Meyer Elementary School, closed);
- (12) Square 3327, Lot 0800 (Rudolph Elementary, closed);
- (13) Square 0511, Lot 0822 (fields and parking of Bundy School, closed);
- (14) Square 0767, Lot 0829 (Canal Park, north parcel);
- (15) Square 0769, Lot 0821 (Canal Park, south parcel);
- (16) Square 0768, Lot 0810 (Canal Park, center parcel);
- (17) Square 2882, Lot 0936 (Banneker Senior High School campus, western portion);
- (18) Square 2880, Lot 0859 (Banneker Senior High School, eastern portion);
- (19) Square 0336, Lot 0828 (Shaw Jr. High School recreation fields);
- (20) Square 0593, Lot 0823 (portion of Bowen Elementary School campus);
- (21) Square 0593, Lot 0822 (portion of Bowen Elementary School campus);
- (22) Square 0595, Lot 0810 (portion of Bowen Elementary School campus);
- (23) Square 0593, Lot 0826 (portion of Bowen Elementary School campus);
- (24) Square 0595, Lot 0807 (portion of Bowen Elementary School campus);
- (25) Square 0647, Lot 0802 (portion of Bowen Elementary School campus);
- (26) Square 0595, Lot 0809 (portion of Bowen Elementary School campus);
- (27) Square 0645, Lot 0816 (portion of Bowen Elementary School campus);
- (28) Square 0650N, Lot 0808 (portion of Bowen Elementary School campus);
- (29) Square 0647, Lot 0803 (portion of Bowen Elementary School campus);
- (30) Square 0645W, Lot 0808 (portion of Bowen Elementary School campus);
- (31) Square 0593, Lot 0050 (portion of Bowen Elementary School campus);
- (32) Square 0593, Lot 0051 (portion of Bowen Elementary School campus);
- (33) Square 0542, Lot 0085 (Southwest Library site);
- (34) All of Reservation 542 between Albermale Street, N.W., and Chesapeake Street, N.W., including Lots 800 and 801 in Square 1772 and Lot 0807 in Square 1768, and Fort Drive, N.W. in Reservation 542 (Wilson Senior High School and Wilson Aquatic Center);
- (35) The northern corner portion of Reservation 470 containing approximately 31,000 square feet, abutting both the east property line of Lot 0811 in Square 1759 and Fessenden Street, N.W. (Deal Middle School);
- (36) Howard Street, N.W. in Reservation 470 (Deal Middle School);
- (37) Fort Drive, N.W. in Reservation 515 (Deal Middle School);
- (38) All of Reservation 519 in Square 5876 and Square 5884, including Lot 940 in Square 5876 (Johnson Middle School);
- (39) The play field portion of Reservation 360 in Square 23 (Francis Middle School); and

(40) *The area described in unnumbered section 1 of An Act To authorize the Commissioners of the District of Columbia on behalf of the United States to transfer from the United States to the District of Columbia Redevelopment Land Agency title to certain real property in said District, approved September 8, 1960 (74 Stat. 871; Pub. L. 86-736; D.C. Official Code § 6-321.01) (Southwest Waterfront), to the extent not previously conveyed to the District.*

(b)(1) *Within 90 days of the effective date of this section, the Secretary of the Interior shall transfer administrative jurisdiction, for recreational purposes, of approximately 15 acres of land located in the northern portion of Fort Dupont Park, U.S. Reservation 405, from the United States, by the Department of the Interior, National Park Service, to the government of the District of Columbia*

(2) *The land to be transferred under paragraph (1) of this subsection is described in the October 2008 Environmental Assessment prepared by the National Park Service, entitled “Transfer of Jurisdiction of Certain National Park Service Properties to the District of Columbia Government (National Capital Parks - East: Fort Dupont Park)”.*

(3) *The transfer under paragraph (1) of this subsection shall be subject to a limited right of reversion by the Secretary of the Interior. The limited right of reversion may be exercised only if:*

A)(i) Within 5 years after the transfer under paragraph (1) of this subsection occurs, the District has not commenced activity to improve the transferred portion of Fort Dupont Park for recreational uses or facilities; or

(ii) After 5 years after the transfer under paragraph (1) of this subsection occurs, the District has ceased for at least 5 years to use the transferred portion of Fort Dupont Park for a recreational use or facility;

(B) The Secretary of the Interior provides to the District written notice of his or preliminary determination that the condition described in subparagraph (A)(i) or (ii) of this paragraph has occurred and the District has not, within 90 days after the notice was delivered to the District, addressed the Secretary’s preliminary determination to the Secretary’s reasonable satisfaction; and

(C) After such 90-day period, the Secretary has determined, in accordance with chapter 5 of title 5, United States Code (relating to administrative procedure) that the condition described in subparagraph (A)(i) or (ii) of this paragraph has occurred.

SEC. 213. Section 485 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 807; D.C. Official Code § 1-204.85), is amended to read as follows:

“SEC. 485. Except for estate, inheritance, and gift taxes, Bonds and notes issued by the Council pursuant to this title and the interest thereon shall be exempt from all District, State, and Federal taxation, including from taxation by any county, municipality, or other political subdivision of a State and any Territory or possession of the United States.”.

SEC. 214. Section 424(b)(2)(E) of the District of Columbia Home Rule Act, approved April 17, 1995 (109 Stat. 142; D.C. Official Code § 1-204.24b(b)(5)), is amended by striking the period at the end of the sentence and inserting the phrase “times 1.50.” in its place.

SEC. 215. Sections 2, 3, and 4 of the Domestic Partnership Police and Fire Amendment Act of 2008, effective January 16, 2008 (D.C. Law 17-358; 56 DCR 1188), are hereby enacted into law.

SEC. 216. The Contingency Cash Reserve Transparency Amendment Act of 2008, returned unsigned on January 29, 2008 (D.C. Act 17-278; 55 DCR 1530), is hereby enacted into law.

SEC. 217. Section 2 of the Special Election Amendment Act of 2008, effective March 19, 2008 (D.C. Law 17-156; 55 DCR 3694), is hereby enacted into law.

SEC. 218. Reserve fund clarifying amendment.

Section 450a of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.50a), is amended by adding a new subsection (d) as follows:

“(d) Overfunding Allocation Authorization --

(1) In general. – If at any time during a fiscal year the balance in the emergency reserve fund or the contingency reserve fund exceeds the minimum balance required by subsections (a)(1) and (b)(1), respectively, of this section the District may withdraw the amount(s) in excess of the respective minimum balances.

(2) After an allocation. - Paragraph (1) of this subsection shall apply based on the calculated required minimum balance for a fiscal year, notwithstanding any actual shortfall in the balances of either the emergency reserve fund or the contingency reserve fund because of a prior allocation that is being repaid in that fiscal year.

This division may be cited as the “District of Columbia Omnibus Authorization Act, [2009] 2010”.

*Chairman
Council of the District of Columbia*

*Mayor
District of Columbia*



THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

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