

**PUBLIC HEARING ON**  
**THE FISCAL YEAR 2007 BUDGET OF THE**  
**OFFICE OF THE CHIEF FINANCIAL OFFICER**

**Before the**  
**Committee on Finance and Revenue**  
**Council of the District of Columbia**

**The Honorable Jack Evans, Chairman**

**April 5, 2006, 11:00 a.m.**  
**John A. Wilson Building**  
**Council Chamber**



**Testimony of**  
**Lasana K. Mack**  
**Treasurer and Deputy Chief Financial Officer**  
**Office of Finance and Treasury**

**Natwar M. Gandhi**  
**Chief Financial Officer**  
**Government of the District of Columbia**

Good morning, Chairman Evans and members of the committee. I am Lasana Mack, Deputy Chief Financial Officer and Treasurer, and I am responsible for management of the Office of Finance and Treasury (OFT) in the Office of the Chief Financial Officer. The information that I will present today addresses the Office of Finance and Treasury's proposed FY 2007 budget.

OFT's mission is to efficiently and effectively manage the financial assets and liabilities of the District government. This includes receiving, safe-keeping, investing, disbursing, recording, and/or acquiring District financial resources. This description includes critical on-going functions such as check production, payroll funding, management of the District's debt issuance and repayment operation, the college savings plan, the 401(a) pension plan, the 457 deferred compensation plan, the electronic benefits program, and the unclaimed property operation. OFT has diligently carried out its mission during FY 2005 and FY 2006 year-to-date with very positive results, and our FY 2007 budget request supports the continuation of such results.

A few of the aforementioned positive results during FY 2005 and FY 2006 to-date include effectively managing new District bond issuances with very positive outcomes, including refunding outstanding debt at lower interest rates to produce millions of dollars in debt service savings, and additional bond rating upgrades that produce additional on-going debt service savings; effectively managing significant increases in the participation in and assets invested in the District's college savings, 401(a) and 457 plans, and a virtually seamless transition in 401(a) plan management to a better plan for District employees; and increasing the amount of

unclaimed property returned to its rightful owners while effectively managing these assets and processing such claims.

### **FY 2007 Budget Request**

The FY 2007 budget request for OFT totals \$18.56 million and includes funding for a total of 91 FTEs. This budget request represents a net decrease of approximately \$224,000 from the FY 2006 approved budget and no change in FTEs. The decrease reflects an increase in efficiency associated with our utilization of contractual services. The \$18.56 million consists of \$6.12 million in personal services (PS) and \$12.44 million in non-personal services (NPS) spending. The \$12.4 million includes funding for critical services that OFT provides for the District, such as various banking services, payment processing and cash security services, and professional advisory services.

The FY 2007 budget request for OFT was formulated in accordance with the office's objective of continually providing high-quality, efficient services to District citizens, agencies and stakeholders.

Chairman Evans, members of the committee, this concludes my testimony. I am prepared to answer any questions that the committee may have.