



Government of the District of Columbia
FY 2017 Proposed Budget and Financial Plan

A Fair Shot

Volume 1 Executive Summary

Submitted to the
Council of the District of Columbia

by
Muriel Bowser, Mayor

March 24, 2016



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

District of Columbia Government

District of Columbia

For the Fiscal Year Beginning

October 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to District of Columbia Government, District of Columbia, for its annual budget for the fiscal year beginning October 1, 2015. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is the sixteenth in the history of the District of Columbia.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Government of the District of Columbia

Muriel Bowser, Mayor

Rashad M. Young
City Administrator

Kevin Donahue
Deputy City Administrator
and Deputy Mayor for Public Safety and Justice

Brenda Donald
Deputy Mayor for Health and
Human Services

Brian Kenner
Deputy Mayor for Planning and
Economic Development

Jennifer C. Niles
Deputy Mayor for Education

Courtney Snowden
Deputy Mayor for Greater Economic Opportunity

John Falcicchio
Chief of Staff

Jeffrey S. DeWitt
Chief Financial Officer

Members of the Council

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Chairman

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Anita Bonds.....At-Large
David GrossoAt-Large
Elissa Silverman.....At-Large
Brianne NadeauWard 1
Jack EvansWard 2
Mary M. ChehWard 3
Brandon ToddWard 4
Kenyan R. McDuffieWard 5
Charles Allen.....Ward 6
Yvette M. Alexander.....Ward 7
LaRuby May.....Ward 8

Jennifer Budoff
Budget Director

Office of the Chief Financial Officer

Angell Jacobs

Deputy Chief Financial Officer and Chief of Staff

Jeffrey Barnette

Deputy Chief Financial Officer
Office of Finance and Treasury

Stephen Cordi

Deputy Chief Financial Officer
Office of Tax and Revenue

Fitzroy Lee

Deputy Chief Financial Officer
Office of Revenue Analysis

Bill Slack

Deputy Chief Financial Officer
Office of Financial Operations and Systems

David Tseng

General Counsel

Patricia Gracyalny

Assistant General Counsel

Associate Chief Financial Officers

Delicia V. Moore

Human Support Services

Cyril Byron, Jr.

Economic Development and Regulation

George Dines

Government Services

Angelique Hayes Rice

Public Safety and Justice

Mohamed Mohamed

Government Operations

Deloras Shepherd

Education

Office of the CIO

Richard Weil, Acting Chief Information Officer

Sandra M. Pinder, Director
Narayan Ayyagari, IT Manager

Office of the Chief Financial Officer

Office of Budget and Planning

Gordon McDonald

Deputy Chief Financial Officer

Lakeia Williams, Executive Assistant

James Spaulding

Associate Deputy Chief Financial Officer

Budget Administration

Eric Cannady, Director
Sunday Okparaocha, Deputy Director
Stacy-Ann White, Deputy Director
Renee Waddy, Executive Assistant

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Randall Myers

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Melissa Lavasani
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SebleWengel Mulaw
Oluwatosin Onifade
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Charles Pryor
Naila Tengra
Linda W. Williams

Financial Planning and Analysis

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Tayloria Stroman, Budget Controller

Financial Systems and Cost Analysts

Robert Johnson
Darryl Miller
Carlotta Osorio
Duane Smith
Sue Taing

Capital Improvements Program

David Clark, Director
Sherrie Greenfield, Capital Budget Controller

CIP Analysts

Omar Herzi
Bharat Kothari
Alex Tessema

Operations

Margaret Myers, Office and Production Manager
Sharon Nelson, Staff Assistant
Haroun Dumbuya, Intern

Office of the City Administrator

Office of Budget and Finance

Matthew Brown
Director

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Deputy Director and
General Counsel

Chris Murray
Senior Budget Analyst

Tim Hatton
Budget Analyst

Tynekia Garrett
Capital City Fellow

John McGaw
Director
Capital Improvements Program

Deborah Kelly
Budget Analyst

Anthony Gamblin
Budget Analyst



District of Columbia Organization Chart



GOVERNMENT OF THE DISTRICT OF COLUMBIA

RESIDENTS

EXECUTIVE BRANCH

MAYOR

City Administrator

LEGISLATIVE BRANCH

Council of the District of Columbia

DC Auditor

Advisory Neighborhood Commissions

Office of the Chief Financial Officer

Office of Budget and Planning
Office of Tax and Revenue
Office of Finance and Treasury

Office of Revenue Analysis
Office of Financial Operations and Systems
Lottery and Charitable Games Control Board

Office of Budget and Finance

Deputy Mayor for Greater Economic Opportunity

Department of Small and Local Business Development
Department of Employment Services
Office of African-American Affairs
Commission on Fathers, Men, and Boys

Deputy Mayor for Education

DC Public Schools
Office of the State Superintendent of Education
Department of Parks and Recreation
Public Charter School Board
Public Charter Schools
University of the District of Columbia (including UDC Community College)

Deputy Mayor for Planning and Economic Development

Department of Housing and Community Development
Department of Consumer and Regulatory Affairs
Department of Transportation
Office of Planning
Department of the Environment
Department of Insurance, Securities, and Banking
Office of Film, Television, and Entertainment
Commission on the Arts and Humanities
Taxicab Commission

Deputy Mayor for Health and Human Services

Department of Health
Department of Human Services
Child and Family Services Agency
Department of Disability Services
Department of Behavioral Health
Department of Youth Rehabilitation Services
Department of Health Care Finance
Office on Aging
Office of Disability Rights

Deputy City Administrator/
Deputy Mayor for Public Safety and Justice

Metropolitan Police Department
Fire and Emergency Medical Services Department
Homeland Security and Emergency Management Agency
Department of Corrections
Department of Forensic Sciences
Office of Unified Communications
Office of the Chief Medical Examiner
Justice Grants Administration:
Office of Victim Services
Corrections Information Council

Mayor's Office of Legal Counsel

Department of Human Resources
Department of Public Works
Department of General Services
Office of the Chief Technology Officer
Office of Contracting and Procurement
Department of Motor Vehicles
Office of Risk Management
Office of Human Rights

Office of the Inspector General

EOM/Office of the Senior Advisor

Office of Policy and Legislative Affairs
Office of Federal and Regional Affairs
Office of the Secretary

New Columbia Statehood Commission*
Office of the Statehood Delegation

Office of the Attorney General

EOM/Office of the Chief of Staff

Office of the General Counsel:
Office of Partnerships and Grants
Office of Communications: Mayor's Correspondence Unit
Office of Talent and Appointments
Office of Scheduling and Advance
Office of Community Affairs:
Clean City Office
Office of Community Relations and Services
Youth Advisory Council
ServeDC
Office of African Affairs
Office of Asian and Pacific Islander Affairs
Office of LGBT Affairs
Office of Latino Affairs
Office of Religious Affairs
Office of Veteran Affairs
Office of Returning Citizens Affairs
Office on Women's Policy and Initiatives

JUDICIAL BRANCH

DC Court of Appeals

DC Superior Court

Joint Committee on Judicial Administration

Commission on Judicial Disabilities and Tenure

Judicial Nomination Commission

Sentencing and Criminal Code Revision Commission

CHARTER INDEPENDENT AGENCIES

- Board of Elections (including the Office of Campaign Finance)
- Public Service Commission
- Zoning Commission

INDEPENDENT AGENCIES

- Alcoholic Beverage Regulation Administration
- Board of Ethics and Government Accountability
- Contract Appeals Board
- Criminal Justice Coordinating Council
- DC Housing Authority
- DC Public Library
- DC Retirement Board
- DC Water (Water and Sewer Authority)
- Health Benefit Exchange Authority
- Housing Finance Agency
- New Columbia Statehood Commission
- Not-for-Profit Hospital Corporation
- Office of Administrative Hearings
- Office of Employee Appeals
- Office of the People's Counsel
- Office of the Statehood Delegation
- Office of the Tenant Advocate
- Office of Zoning
- Public Charter School Board
- Public Employee Relations Board
- Real Property Tax Appeals Commission
- State Board of Education
- University of the District of Columbia (including UDC Community College)
- Washington Convention and Sports Authority

REGIONAL BODIES

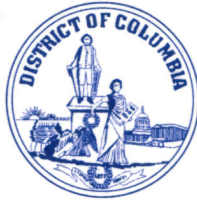
- Metropolitan Washington Council of Governments
- National Capital Planning Commission
- Washington Metropolitan Area Transit Authority
- Washington Metropolitan Area Transit Commission
- Washington Metropolitan Airports Authority



NOTE: Agencies enclosed within dashed boxes are independent agencies.
* The New Columbia Statehood Commission is co-chaired by the Mayor and the Council Chairman.



Transmittal Letters



MURIEL BOWSER
MAYOR

March 24, 2016

The Honorable Phil Mendelson, Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Dear Chairman Mendelson:

On behalf of the residents of the District of Columbia, I am pleased to submit to you the District of Columbia Fiscal Year 2017 Budget and Financial Plan, "A Fair Shot." This is the first budget that recognizes our authority over our locally raised funds, and is submitted to you within a week of the historic decision in the Superior Court, upholding the lawfulness of the Budget Autonomy Act. Thus, for the first time, we will only be requesting that the federal payments portion of our budget be transmitted by the President to Congress for appropriations. Budgeting with our locally raised dollars is now within our legislative purview. With the help of pro bono counsel, the Council and I have demonstrated to the satisfaction of the judicial branch that this budget, upon enactment, may be transmitted to Congress on the same terms as other legislation, for passive review. I am delighted that the concerns of the Chief Financial Officer have been allayed and that he will not be appealing that decision.

This proposal is the District of Columbia's twenty-first consecutive balanced budget and invests in residents ensuring they have a **Fair Shot** at a quality education, a safe place to live and work, and a place to call home. This year I again heard from residents before I finalized my budget. Through a series of budget engagement forums, residents shared their ideas and concerns about education, public safety, affordable housing, jobs and economic development, and health and human services. And from these discussions I finalized the FY 2017 Budget and Financial Plan.

The proposal before you reflects the ideas and priorities of District residents and delivers on the commitment of a **Fair Shot**. From again investing \$100 million in the Housing Production Trust Fund to allocating over \$1 billion in full-scale school modernizations, this budget is a plan that continues to move the District of Columbia forward. This proposal also maintains critical investments that make our communities safer and stronger and ensures our residents have access

to job training programs that keep them on the pathway to the middle class. Below, I've highlighted a few of the key investments proposed in the FY 2017 Budget and Financial Plan.

High-Quality Education

Rising enrollment in our traditional public and public charter schools, and increasing student achievement, demonstrate that school reform in the District is working. The FY 2017 Budget will ensure that DC continues to build on those gains, so that students and families have access to a high-quality education and academic experience including:

- \$75 million enhancement to support increased student enrollment and increasing the cost-per-student investment;
- \$1.3 billion for full-scale school modernizations (6-year Capital Improvements Program);
- \$3.6 million to improve licensed child-care facilities;
- \$1.6 million for early literacy grants;
- \$5.2 million of additional funding for University of the District of Columbia and University of the District of Columbia Community College
- \$5.2 million for summer programs and to provide adequate staffing and resources at recreation centers; and
- \$0.6 million to fully fund the Books from Birth program in our public libraries.

Safer, Stronger DC

The District is making the necessary investments to keep our neighborhoods and residents safe. That includes more resources for EMS reform – beefing up the dispatchers and call takers at 911, and putting more ambulances out on the streets during peak times. In addition, the budget includes investments that keep DC on the cutting edge of crime prevention, and growing the Metropolitan Police Department to meet the needs of our growing city. The FY 2017 Budget will support a safer, stronger DC by investing:

- \$12 million for FEMS Third Party Ambulance Initiative;
- \$2.5 million for additional training, call takers and dispatchers at 911 answering centers
- \$8 million to improve the District's Crime Lab;
- \$2.5 million to hire nearly 60 additional police officers in the "Experienced Officer Training Program";
- \$3.5 million for improved crime fighting technology;
- \$20.5 million for a new harbor patrol facility;
- \$5.9 million to Department of Corrections to assume operation of Correctional Treatment Facility (CTF);
- \$3.1 million for body-worn cameras and FOIA requests;
- \$750,000 for synthetic drug testing and Mortuary Unit Staff; and
- \$2.8 million to MPD for Civilianization of an additional 35 positions.

Affordable Housing

The Bowser Administration is committed to producing, preserving and protecting affordable housing in the District of Columbia. The Mayor has committed another \$100 million contribution to the Housing Production Trust Fund in the FY 2017 Budget. This investment will support grants and loans to yield more affordable housing for families, across incomes.

Additionally, this budget provides:

- \$15 million in DC Housing Authority budget will be used for deferred maintenance and rehabs;
- \$21.4 million for redevelopment of Walter Reed;
- \$50 million for redevelopment of St. Elizabeths; and
- \$53.5 million for New Communities.

Pathways to the Middle Class

Maintaining a strong, diverse, and resilient District of Columbia requires that every resident has a fair shot, and a pathway to the middle class. That includes supporting our most vulnerable families and residents; job training that leads to real employment opportunities; and nurturing our small businesses. The FY 2017 Budget does this by providing:

- \$4.8 million for Marion Barry Summer Youth Employment Program to fully fund over 12,000 14-21 year olds and 1,000 22-24 year olds;
- \$4.5 million for Department of Employment Services DC Career Connections to continue programs started in 2016;
- \$1.5 million for approximately 20 Traffic Control Operators to advance Vision Zero; and
- \$887,000 to continue the Learn, Earn, Achieve and Prosper (LEAP) employment training program.

Health and Human Services

Investing in the health and well-being of District residents remains a priority in this budget. Ensuring residents are able to provide for their families and connecting these families with valuable care and supportive programs when they need it most ensures they have a fair shot at success in the future. The FY 2017 budget includes:

- \$13.1 million for the next phase of the Homeward DC plan;
- \$10 million to support residents on TANF to protect the neediest families;
- \$9 million for improvements to the D.C. Access System;
- \$1.5 million to fund the Alternatives to Court Experience (ACE) and Parent and Adolescent Support Services (PASS) programs; and
- \$0.8 million for the Joyful Foods initiative.

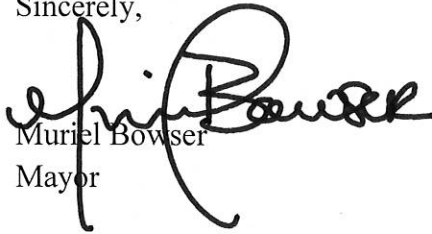
Government Operations

Building a government that works for the residents of the District Columbia streamlines processes and improves efficiency. The FY 2017 budget supports these improvements by:

- Office of Contracting and Procurement enhancement of \$802,000 and 6 positions to improve how the government purchases;
- \$100,000 to study airplane noise, and \$100,000 to study anaerobic digester;
- WMATA operating subsidy fully funded at \$368.6 million and capital subsidy at \$831 million.
- Office of Risk Management, \$1.0 million and 11 positions to better manage and mitigate the District's liability; and
- \$1 million to advance Public Private Partnerships.

In a city as prosperous as ours, we can make all of these critical investments to ensure that our residents – whether they have lived here five generations or five minutes – have a fair shot.

Sincerely,



Muriel Bowser
Mayor

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER



Jeffrey S. DeWitt
Chief Financial Officer

March 24, 2016

The Honorable Muriel Bowser
Mayor of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, NW, Room 306
Washington, DC 20004

Dear Mayor Bowser:

I am pleased to transmit the Fiscal Year 2017 Proposed Budget and Financial Plan. The Fiscal Year 2017 Proposed Budget includes \$7.3 billion in Local funds and \$13.4 billion in Gross funds (excluding Intra-District funds).

The Office of the Chief Financial Officer (OCFO) worked closely with your executive leadership team, the City Administrator's Office of Budget and Finance (OBF) staff, and agency program staff to produce a balanced budget and five-year financial plan. The FY 2017 policy budget reflects your administration's funding priorities and determinations.

After careful review, I certify that the FY 2017 – FY 2020 Budget and Financial Plan, as proposed, are balanced.

REVENUE OUTLOOK

The revenue outlook is predicated on continuing moderate growth in the national economy and assumes similar growth in the District's economy, with added jobs and residents over the period of the financial plan.

Measures to constrain federal spending, however, are expected to be in effect during the period of the financial plan, with the severity of their impact diminishing over time.

Population growth has been a major factor in increasing the District's income and sales tax bases, and a major driving force behind rising home values. In the last five years (2010 to 2015),

the District's population has grown by 67,102 (11.1 percent), an increase that has averaged more than 1,000 net new residents per month over this period. Currently, about one third of the District's population growth is from natural increase (births minus deaths), and the rest is from migration from the rest of the U.S. and from overseas.

The FY 2016 baseline estimate of \$6.90 billion in total Local Fund Revenue, excluding Dedicated Taxes and Special Purpose Revenue, is essentially unchanged from FY 2015. FY 2015 revenues included more than \$300 million in one-time revenues related to capital gains and deed transfer and recordation taxes, as well as an on-line travel settlement of \$73.6 million. These extraordinary gains are not expected to recur in FY 2016. Furthermore, enacted tax policy proposals, which lower the corporate and individual income tax rates, also contribute to flat growth in FY 2016. The \$7.14 billion estimate for FY 2017 is an increase of \$233.7 million (3.4 percent) over FY 2016 and reflects continued strength across the major revenue sources, particularly in real property taxes. Including Dedicated General Fund Tax Revenue, Special Purpose Revenues, and policy initiatives, total FY 2016 General Fund Revenue in the financial plan is \$7.7 billion. Total General Fund Revenue in FY 2017 is \$8.0 billion, \$269.6 million more than FY 2016.

Various policy initiatives increase General Fund Revenue by \$3.7 million in FY 2016, \$26.7 million in FY 2017, and by nearly \$9.5 million through the remainder of the Financial Plan. Some of the major policy proposals are listed below:

- A delay of five years, from tax year 2016 to tax year 2021, in the implementation of a business franchise tax deduction, known as FAS 109 that was enacted with combined reporting laws in the FY 2011 legislation, raises \$3.7 million in FY 2016, increasing to \$7.4 million in FY 2017 through FY 2020
- An extension, on a one-time basis, of the hospital gross receipts tax, which authorizes the District to tax hospitals' inpatient and outpatient revenues, is expected to raise almost \$17 million in FY 2017
- A City Clean Hands initiative, which identifies delinquent (non-filer) sales and withholding tax returns, will increase revenues by \$2.0 million annually throughout the Financial Plan

EXPENDITURES

Local Funds

The FY 2017 Mayor's Proposed Budget includes \$7.3 billion in spending supported by \$7.3 billion of resources, with an operating margin of \$0.5 million, as shown in Table 1.

Table 1	
FY 2017 Proposed Budget Summary	
Local Funds	
(\$ in millions)	
Taxes	\$ 6,647.9
Non-Tax Revenues	422.8
Lottery	55.5
Other Resources (Bond Issuance, TIF Transfers, etc.)	21.2
Revenue Proposals	9.2
Interfund Transfers	85.2
Fund Balance Use	44.1
Total Local Fund Resources	\$ 7,285.9
Local Expenditures	\$ 7,285.4
Projected FY 2017 Operating Margin	\$0.5

Note: Details may not add to totals due to rounding.

Gross Funds

The proposed FY 2017 gross funds operating budget (excluding intra-District funds) is \$13.4 billion, an increase of \$346.3 million, or 2.7 percent, over the FY 2016 approved gross budget of \$13.0 billion. The Local and non-Local funding components of the proposed FY 2017 gross budget and the changes from FY 2016 are summarized in Table 2 below.

Table 2				
FY 2017 Gross Funds Budget by Fund Type				
(\$ in millions)				
<u>Fund Type</u>	<u>FY 2016 Approved Budget</u>	<u>FY 2017 Mayor's Proposed</u>	<u>Change</u>	<u>% Change</u>
Local	7,063.0	\$ 7,285.4	\$ 222.4	3.1%
Dedicated Tax	320.4	305.7	-14.7	-4.6%
Special Purpose	587.3	599.2	11.8	2.0%
Subtotal, General Fund	7,970.7	8,190.3	219.6	2.8%
Federal	3,258.6	3,408.3	149.8	4.6%
Private	1.5	1.3	-0.2	-12.0%
Total, Operating Funds	11,230.7	11,599.9	369.2	3.3%
Enterprise and Other Funds (including from Dedicated Taxes)	1,808.9	1,786.0	-22.9	-1.3%
Total Gross Funds	\$ 13,039.6	\$ 13,385.9	\$ 346.3	2.7%

Note: Details may not add to totals due to rounding.

MAJOR COST DRIVERS – LOCAL FUNDS

Overall, the proposed FY 2017 Local funds budget increased by \$222.4 million, or 3.1 percent, over FY 2016. Table 3 provides a snapshot of the major cost drivers associated with the increase.

Table 3	
Mayor's FY 2017 Proposed Budget	
Cost Drivers - Local Funds (in millions)	Amount
FY 2016 Approved Local Funds Budget	\$ 7,063.0
Major Changes:	
PA0 - Pay-As-You-Go Capital Fund	\$ 54.3
GC0 - District of Columbia Public Charter Schools	46.0
JA0 - Department of Human Services	31.1
GA0 - District of Columbia Public Schools	28.9
DS0 - Repayment of Loans and Interest	28.6
FB0 - Fire and Emergency Medical Services Department	19.7
GX0 - Teachers' Retirement System	12.3
FA0 - Metropolitan Police Department	10.8
KT0 - Department of Public Works	10.6
All Other Agencies	(19.9)
Total Changes	\$ 222.4
FY 2017 Proposed Local Funds Budget	\$ 7,285.4

Note: Details may not add to totals due to rounding

Primary Cost Drivers

- **Pay-As-You-Go Capital Fund (Paygo):** \$54.3 million increase is primarily due to \$21.7 million towards the District's contribution to WMATA's capital improvements program and \$39.4 million for the United Medical Center capital project. The remaining amounts are the result of smaller changes to various projects.
- **D.C. Public Charter Schools (DCPCS):** \$46.0 million increase over FY 2016, primarily due to increased enrollment from 38,962 in SY 2016 to 40,953 in SY 2017 (a 5.1% increase) and the opening of four new Charter schools.

- **Department of Human Services (DHS):** \$31.1 million increase in Local funds primarily due to \$10.0 million for additional housing resources for individuals and families, \$3.1 million for shelter and housing resources targeted to homeless youth, \$10.1 million of one-time funding to support TANF policy, \$4.9 million of one-time funding for the D.C. Access system, and \$1.5 million of one-time funding to support the Parent Adolescent Support Services (PASS) and Alternatives to the Court Experience Diversion (ACE) programs.
- **D.C. Public Schools (DCPS):** \$28.9 million increase over FY 2016, primarily due to increased enrollment from 49,190 in SY 2016 to 50,016 in SY 2017 (a 1.7% increase) and the costs associated with opening two new schools.
- **Repayment of Loans and Interest:** \$28.6 million increase in Local funds, which is the result of the District's increased borrowing for capital projects.
- **Fire and Emergency Medical Services Department:** \$19.7 million increase in Local funds, primarily due to a one-time increase of \$12.0 million for a third-party Emergency Medical Services provider contract for ambulance services. This service is a pilot program in FY 2016 and FY 2017.
- **Teachers' Retirement System:** \$12.3 million increase over FY 2017, which is based on the District of Columbia Retirement Board's approved actuarial certification that was transmitted to the Mayor in a letter dated January 11, 2016.
- **Metropolitan Police Department (MPD):** \$10.8 million increase in Local funds, primarily due to \$2.8 million for an initiative to civilianize 35 positions in MPD, thereby freeing sworn officers from administrative responsibilities to perform strictly law enforcement activities; \$4.9 million to support the Automated Traffic Enforcement program; \$3.1 million to implement full funding for the Body Worn Camera Program to cover the costs of 2,800 cameras; and additional spending requirements for personnel and equipment to handle Freedom of Information Act (FOIA) requests.
- **Department of Public Works (DPW):** \$10.6 million increase in Local funds, primarily due to \$4.0 million for additional staffing resources and increased salary and fringe benefits; \$4.0 million to support a pilot program for central management of DDOT fleet costs; \$1.5 million to support contract escalations for disposal of recycling waste; and \$1.1 million to support contract rate escalations for disposal of municipal waste.
- **All Other Agencies:** \$19.9 million reduction is the net of policy increases and decreases to various agency programs.

CAPITAL IMPROVEMENTS PLAN

The District is addressing its continuing infrastructure needs through its Capital Improvements Plan (CIP). The total proposed appropriation request for the FY 2017 through FY 2022 CIP is \$6.27 billion from all sources. The majority of the budget will be financed with municipal bonds totaling \$4.25 billion, along with Pay-As-You-Go (Paygo) transfers from the General Fund, Federal Grants, a local match to the grants from the Federal Highway Administration, private donations, sale of assets and local transportation fund revenue.

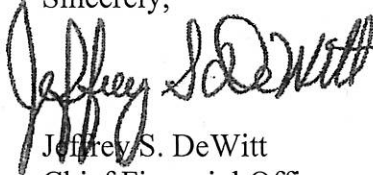
The proposed FY 2017 capital program includes \$1.31 billion in planned capital expenditures to be financed by \$865 million in new I.T. or G.O. bonds, \$6.5 million from new short-term bonds, \$94 million from Grant Anticipation Revenue Vehicle (GARVEE) bonds, \$80.2 million in Paygo, \$160.6 million in federal grants and payments, \$27.3 million in the Local Match to the Federal Highway Administration grants, \$45.1 million from the Local Transportation Revenue Fund, \$5 million from private grants, and \$26.3 million from the Sale of Assets. Debt service within the CIP period remains below the 12 percent debt cap.

MULTI-YEAR FINANCIAL PLAN

The plan shows substantial growth in debt service costs during the plan period to support the \$6.27 billion Capital Improvements Plan through FY 2022. Because of the growth in these costs, labor costs and other non-capital costs must be constrained at low to moderate growth levels throughout the financial plan. Careful monitoring of these costs, as well as execution of the capital plan, is required to ensure the plan remains balanced in the future.

The leadership provided by you and your team, along with the hard work of the Office of Budget and Planning and others in the OCFO, allowed us to work effectively together to produce a balanced budget. I look forward to continuing to work with you and the Council during the upcoming budget deliberations.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey S. DeWitt". The signature is stylized with a large, looped "J" and "S".

Jeffrey S. DeWitt
Chief Financial Officer



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FY 2017 Proposed Budget and
Financial Plan
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Volume 5 - FY 2017 Proposed Budget and Financial Plan - *FY 2017 - FY 2022 Capital Improvements Plan (Including Highway Trust Fund)*

Web Only: Volume 6 - FY 2017 Proposed Budget and Financial Plan - *Operating Appendices*



How to Read the FY 2017 Proposed Budget and Financial Plan

How to Read the FY 2017 Proposed Budget and Financial Plan

The District of Columbia's FY 2017 Proposed Budget and Financial Plan is a communication tool that presents and explains policy priorities, agency operations, including programmatic/organizational structures, and performance measures in the context of the Financial Plan, which shows the District's sources of revenue and planned expenditures. The Budget and Financial Plan includes 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, all of which are essential elements for accurate financial reporting and sound management of public resources.

This chapter, How to Read the Budget and Financial Plan, is a guide for understanding 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, which call for a presentation of information to provide readers 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 2017 Proposed Budget and Financial Plan is presented in six volumes summarized as follows:

Executive Summary (Volume 1) - provides a high-level summary of the budget and financial information, including sections describing new initiatives within the District's proposed budget, the transmittal letters from the Mayor and the Chief Financial Officer, the District's five-year financial plan, detailed information on the District's projected revenues and expenditures, and summary information about the Capital Improvements Plan. In addition, this volume includes information about the District's budgetary and financial management policies, a glossary of budget terms, a description of agency performance plans, budget summary tables by agency and fund type, and the Budget Act legislation that serves as the basis for the District's federal appropriations act.

Agency Budget Chapters (Volumes 2, 3, and 4) - describes, by appropriation title, the operating budgets for each of the District's agencies. 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 Governmental Direction and Support, Public Safety and Justice, and Financing and Other.

Capital Improvements Plan (Including Highway Trust Fund) (Volume 5) - describes the District's proposed six-year Capital Improvements Plan for all of the District's agencies. The Highway Trust Fund describes the District's proposed FY 2017 to FY 2022 planned transportation projects including federal highway grants.

Operating Appendices (Volume 6) - includes detailed supporting tables displaying the proposed expenditures and full-time equivalents in the operating budgets that are described in Volumes 2, 3, and 4. Please note: This volume is available exclusively on the Government of the District of Columbia website at <http://cfo.dc.gov/>.

Detailed information on the chapter contents of each volume include:

Volume 1: Executive Summary

Includes the following sections:

Introduction: FY 2017 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, and compares the prior year's approved budget to the current one. The chapter also explains the budget development process and budget formulation calendar for FY 2017.

Financial Plan

The Financial Plan summarizes planned revenues and expenditures from FY 2017 through FY 2022. This chapter includes financing sources, uses, and the assumptions used to derive the District's short-term and long-term economic outlook.

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 describes the revenue outlook for FY 2017 through FY 2020.

Operating Expenditures

This chapter describes the District's recent Local funds expenditures. It includes analysis of expenditures between FY 2012 and FY 2015, both by agency and by expense category, e.g. personnel, supplies, and fixed costs.

Capital Improvements Plan (CIP)

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

Appendices

The last section of the Executive Summary includes explanations of items specific to 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 Basis of Budgeting and Accounting section describes the basis of budgeting and accounting, enabling the readers to understand the presentation methods of the District's finances;
- The Fund Structure and relationship to other the Budget section relates the District's fund structure to its budget presentation;
- The Current Services Funding Level (CSFL) Development section describes how the CSFL was developed for the Local funds budget;
- The Agency Performance Plans section describes how the Office of the City Administrator evaluates government agencies, services, and operations; contains details on major plan revisions or changes in the assessment process; and directs readers to the agency plans, including performance measures, on the District's website;
- The Summary Tables detail the District's proposed operating budget by agency and fund type for both budgeted dollars and positions;
- The Glossary of Budget Terms section describes unique budgeting, accounting, and District terms that may not be known by the general reader; and
- The Budget Act is the legislation that the District uses 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 the President through the federal appropriations process.

Volumes 2, 3, and 4: Agency Budget Chapters - Part I, II, and III

These volumes include agency chapters that describe available resources, their uses, and the achieved and anticipated outcomes as a result of these expenditures. New for this year, the Agency Performance Plan Objectives and Measures tables for certain agencies will now appear on the Internet at <http://cfo.dc.gov/>. Chapters in these volumes are grouped by appropriation title and each chapter contains the following sections, as applicable:

Header Information:

- Agency name and budget code;
- Website address and telephone; and
- FY 2017 proposed operating budget table.

Introduction:

- Agency Mission; and
- Summary of Services.

Financial and Program Information:

- Proposed Funding and Full-Time Equivalents by Source table;
- Proposed Expenditure by Comptroller Source Group table;
- Division/Program descriptions;
- Proposed Expenditure by Division/Program table;
- FY 2017 Proposed Budget Changes; and
- FY 2016 Approved Budget to FY 2017 Proposed Budget reconciliation table.

FY 2017 Proposed Budget Changes

The FY 2017 Proposed Budget Changes section within each agency chapter provides a comprehensive explanation of the FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type table that appears in nearly every chapter. Please see the Current Services Funding Level (CSFL) Development appendix in this volume for more information about the CSFL methodology, which is only applied to agencies with Local funds. This section includes major changes within the agency budget by program, fund, and full-time equivalents, from the initial request through the policy decisions made by the Mayor. The FY 2017 Proposed Budget Changes section uses the following terms to describe budgetary or programmatic changes:

Actions with an impact on services:

- **Enhance:** More funding to improve the quality or quantity of an existing service (e.g., Funding to support the new DMV service center in Georgetown).
- **Reduce:** Reduction, but not elimination of an existing service (e.g. Close a service center and provide services at other locations; Realign staffing in the Fleet Management division).
- **Eliminate:** Total elimination of an existing service, with no anticipation of the service being provided by another entity (e.g. Eliminate unfunded vacant FTEs for staffing realignment).

Actions with no service impact:

- **Increase:** Additional funds necessary to continue service at current levels (e.g., Fund recurring operating cost of Automated Traffic Enforcement).
- **Decrease:** Reduction in cost without a service impact (e.g., Align energy budget with revised DGS estimate).
- **Transfer-In:** Shift of an existing program, operation, or personnel from another District agency (e.g., Transfer the Central Cell Block Security activity from MPD to DOC).
- **Transfer-Out:** Shift of an existing program, operation, or personnel to another District agency (e.g., Transfer APRA division from DOH to establish DBH).
- **Shift:** Shift an existing program or operation from one Fund type to another (e.g., Shift from Special Purpose Revenue to Local funds to support telecommunications for the D.C. Lottery).
- **Technical Adjustment:** An increase or decrease to the budget that is required because of a legislative mandate or to correct an error or omission.
- **No Change:** The agency has no changes in funding and/or budget structures from the FY 2016 approved budget to the FY 2017 proposed budget.

An example of an agency narrative is at the end of this chapter to help the reader navigate the Agency Budget Chapter volume. The example shows an agency with a performance plan. Call-out boxes highlight the features discussed above.

Agency Performance Plans

The Office of the City Administrator (OCA) is building a robust performance management program across the District. This process includes making several updates to the format and submission process for annual agency performance plans.

Under the new process, agencies had the opportunity to update major components of their performance plan for FY 2017 including: objectives, key performance indicators and workload measures. Ultimately, the revised performance plans will be able to communicate more effectively the important work each agency plans to do over the coming year and how each agency will work to improve its performance. First drafts of the high level components of each agency's performance plan (objectives, key performance indicators, and operations) are published with the budget volumes and other budget materials at www.cfo.dc.gov.

Volume 5: Capital Improvements Plan (Including Highway Trust Fund)

This volume covers the District's FY 2017 - FY 2022 Capital Improvements Plan (CIP) and the Highway Trust Fund. The capital volume includes:

- An **Introduction** chapter that describes the overall CIP, including the sources and uses of capital funds, the District's policies and procedures for its capital budget and debt, and the FY 2017 planning process;
- **Project Description Forms** that comprise the major portion of the capital volume. The project description forms provide details on capital projects funded by general obligation bonds, Pay-As-You-Go (Paygo) capital, and the Local Street Maintenance Fund. Each page shows one subproject's planned allotments for FY 2017 through FY 2022, including a description, its annual operating impact, milestone data, and its location; and
- **Appendices** that provide supporting tables and a glossary about the District's capital budget, including:
 - The **FY 2017 Appropriated Budget Authority Request** table that summarizes proposed new projects and changes (increase or decrease) for ongoing projects by agency, subproject, and funding source;
 - The **FY 2017 - FY 2022 Planned Expenditures from New Allotments** table that summarizes the new allotments' planned FY 2017 - FY 2022 expenditures by agency, project, and subproject;
 - The **FY 2017 - FY 2022 Planned Funding** table that summarizes the FY 2017 and six-year funding sources for all new allotments by agency, subproject, and funding source;
 - The **Capital Budget Authority and Allotment Balances** table that summarizes the lifetime budget authority and allotment, life-to-date expenditures, total commitments, and balance of budget authority and allotment for all ongoing capital projects by agency, project, and authority (District versus federal);
 - The **Capital Project Cost Estimate Variances** table displays changes of 5 percent or greater to project costs since the FY 2016 Budget;
 - FY 2016 year-to-date budget actions; and
 - Rescissions, Redirections, and Reprogrammings that occurred between June 1, 2015 (the cut-off date for last year's budget book) and September 30, 2015 (the end of FY 2015).

Highway Trust Fund

This appendix covers the District's FY 2017 through FY 2022 proposed Highway Trust Fund expenditures, including:

- An **Introduction** chapter, which 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 2017 planning process;
- The **Project Description Forms**, which show planned allotments, for FY 2017 through FY 2022 and descriptions for Highway Trust Fund master projects; and
- **Appendices** that provide supporting tables for the District's Highway Trust Fund program.
 - An overview of the District of Columbia's Water and Sewer Authority's FY 2016 - FY 2025 Capital Improvements Plan.

Volume 6: Operating Appendices

This volume provides supporting tables to each agency's proposed operating budget. The tables generally include FY 2015 actual expenditures, the FY 2016 approved budget, the FY 2017 proposed budget, and the change from FY 2016 to FY 2017 (unless noted).

The following tables are provided:

Schedule 30-PBB - dollars summarized by program, activity, and governmental fund (governmental fund breakout is for FY 2016 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 appropriated fund, with specific revenue source (for the FY 2017 Proposed Budget only).

Agency name, website address and telephone number (if applicable)

(KA0)

Department of Transportation

Agency budget code

www.ddot.dc.gov
 Telephone: 202-673-6813

Table KA0-1

This shows the agency's FY 2015 actual expenditures, FY 2016 approved budget, the FY 2017 proposed budget, and the percent variance from FY 2017 to FY 2016. This includes the agency's operating budget and FTEs.

Description	Actual	Approved	Proposed	%
OPERATING BUDGET	\$91,505,661	\$113,676,337	\$110,856,255	-2.5
FTEs	544.3	553.4	569.4	2.9

The District Department of Transportation's (DDOT) mission is to enhance the quality of life for District residents and visitors by ensuring that people and goods move safely with minimal adverse impact on residents and the environment.

Summary of Services

DDOT executes its mission through the work of the following divisions: The Infrastructure Project Management Administration designs and builds roads and bridges; the Progressive Transportation Services Administration provides Metro and the Circulator bus system; the Transportation Operations Administration provides a user-friendly transportation environment; the Planning, Policy and Research Administration sets strategic goals for the agency; the Public Space Regulation Administration issues permits; and the Urban Forestry Administration maintains the District's street trees, providing our community with traffic calming, improved air quality, increased ground water retention that minimizes runoff and flooding, temperature moderation, and aesthetics.

The agency's FY 2017 proposed budget is presented in the following tables:

This section describes the agency's mission and purpose.

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

FY 2017 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table KA0-2 contains the proposed FY 2017 budget by revenue type compared to the FY 2016 approved budget. It also provides FY 2015 actual data.

Table KA0-2
(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change
GENERAL FUND										
LOCAL FUNDS	75,050	85,025								-1.6
SPECIAL PURPOSE REVENUE FUNDS	11,258	20,706								N/A
TOTAL FOR GENERAL FUND	86,308	105,731								-0.7
FEDERAL RESOURCES										
FEDERAL GRANT FUNDS	5,198	7,945								N/A
TOTAL FOR FEDERAL RESOURCES	5,198	7,945								N/A
INTRA-DISTRICT FUNDS										
INTRA-DISTRICT FUNDS	0	0	308	308	N/A	0.0	0.0	0.0	0.0	N/A
TOTAL FOR INTRA-DISTRICT FUNDS	0	0	308	308	N/A	0.0	0.0	0.0	0.0	N/A
GROSS FUNDS	91,506	113,676	110,856	-2,820	-2.5	544.3	553.4	569.4	16.0	2.9

*Percent

Note:
agreed
on the

This table also shows the agency's total operating budget from each funding source (Local, Dedicated Taxes, Special Purpose Revenue, Federal Payments, Federal Grants, Medicaid, Private Grants, or Intra-District sources).

Intra-District
es located

FY 2017 Proposed Operating Budget, by Comptroller Source Group

Table KA0-3 contains the proposed FY 2017 budget at the Comptroller Source Group (object class) level compared to the FY 2016 approved budget. It also provides FY 2014 and FY 2015 actual expenditures.

Table KA0-3
(dollars in thousands)

Comptroller Source Group	Change					Percentage Change*
	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	
11 - REGULAR PAY - CONTINUING FULL						13.4
12 - REGULAR PAY - OTHER						-33.4
13 - ADDITIONAL GROSS PAY						0.0
14 - FRINGE BENEFITS - CURRENT PER						18.7
15 - OVERTIME PAY						0.0
SUBTOTAL PERSONAL SERVICES (PS)						7.6
20 - SUPPLIES AND MATERIALS						1.7
30 - ENERGY, COMMUNICATION AND R						-35.2
RENTALS						
31 - TELEPHONE, TELEGRAPH, TELEGRAM, ETC.	0	-54	150	150	0	0.0
40 - OTHER SERVICES AND CHARGES	6,486	5,908	5,824	2,020	-3,804	-65.3
41 - CONTRACTUAL SERVICES - OTHER	30,267	31,218	50,554	51,082	528	1.0
50 - SUBSIDIES AND TRANSFERS	1,296	2,149	7,378	7,600	222	3.0
70 - EQUIPMENT AND EQUIPMENT RENTAL	1,002	383	299	299	0	0.0
SUBTOTAL NONPERSONAL SERVICES (NPS)	48,563	48,906	73,328	67,441	-5,887	-8.0
GROSS FUNDS	88,469	91,506	113,676	110,856	-2,820	-2.5

*Percent change is based on whole dollars.

This table lists the agency's total operating expenditures for FY 2014 and FY 2015, the FY 2016 approved budget, and the FY 2017 proposed budget at the Comptroller Source Group level.

Table KA0-4
(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(STRE) STREET CAR	8,858	9,311	9,210	-101	3.8	2.0	2.0	0.0
SUBTOTAL (PT00) PROGRESSIVE TRANSPORTATION SERVICES	11,900	11,909	11,466	-443	18.9	19.0	19.0	0.0
(PU00) PLANNING, POLICY AND SUSTAINABILITY								
(POLD) POLICY DEVELOPMENT	10,517	16,128	14,570	-1,558	17.9	4.0	2.0	-2.0
(SPMG) PUBLIC SPACE MANAGEMENT	2,437	2,309	2,561	252	0.0	35.0	37.0	2.0
(TPLN) PLANNING	5,162	9,120	7,335	-1,785	17.9	0.0	0.0	0.0
SUBTOTAL (PU00) PLANNING, POLICY AND SUSTAINABILITY	18,115	27,557	24,466	-3,091	35.9	39.0	39.0	0.0
(TR00) TRANSPORTATION OPERATIONS								
(CWPS) CITYWIDE PROGRAM SUPPORT	15,434	20,638	17,759	-2,879	5.7	6.0	6.0	0.0
(ITSO) INTELLIGENT TRANSPORTATION SYSTEMS	95							0.0
(OAI) OFFICE OF THE ASSOCIATE DIRECTOR	2,834							1.0
(SIO) SYSTEM INSPECTION AND OVERSIGHT	1,086							-1.0
(SPET) SPECIAL EVENTS	430							0.0
(STBM) STREET AND BRIDGE MAINTENANCE	5,208							0.0
(TOTM) TRANSPORTATION OPS AND TRAFFIC MGMT	8,791							20.0
(TSFO) TRAFFIC SERVICES FIELD OPERATIONS	1,137							0.0
SUBTOTAL (TR00) TRANSPORTATION OPERATIONS	35,014							20.0
TOTAL PROPOSED OPERATING BUDGET	91,506	115,076	110,856	-4,220	544.3	555.4	569.4	16.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see Schedule 30-PBB Program Summary by Activity in the FY 2017 Operating Appendices located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

Division Description

The District Department of Transportation operates through the following 8 divisions:

Urban Forestry Administration (UFA) – establishes a full population of street trees within the District of Columbia, ensures that the trees lining the District's roadways are maintained in a healthy and safe environment, provides educational information to District residents about the benefits of growing trees, and encourages planting of appropriate trees. UFA also maintains the District's tree inventory and manages the District's tree planting program. UFA also manages the District's tree removal program and oversees the District's tree preservation program. UFA also manages the District's tree preservation program and oversees the District's tree removal program.

This division contains the following

- **Project Development and Management** – supports ward-based teams that design and construct transportation infrastructure projects. They manage the condition of the streets, sidewalks, and alleys

FY 2017 Proposed Budget Changes

The District Department of Transportation's (DDOT) proposed FY 2017 gross budget is \$110,856,255, which represents a 2.5 percent decrease from its FY 2016 approved gross budget of \$113,676,337. The budget is comprised of \$74,435,774 in Local funds, \$25,000,000 in State funds, and \$11,420,481 in Special Purpose Revenue funds, and \$500,000 in Federal funds.

Current Services Funding Level

The Current Services Funding Level (CSFL) represents the total amount of funding available to the operating District agencies, before considering any adjustments to the FY 2016 approved budget across multiple divisions. It includes major internal changes within the budget including Current Services Funding Level (CSFL) changes, changes to the initial adjusted budget, and policy initiatives. Please see the CSFL Development section regarding the methodology used and components that comprise the CSFL.

DDOT's FY 2017 CSFL budget is \$86,083,783, which represents a \$1,058,848, or 1.2 percent, increase over the FY 2016 approved Local funds budget of \$85,024,935.

CSFL Assumptions

The FY 2017 CSFL calculated for DDOT included adjustment entries that are not described in detail on table 5. These adjustments include a reduction of \$2,105,000 to account for the removal of one-time funding appropriated in FY 2016 to support waiver of Public Parking Space Rental fees, an Aerial Transport Study, a Congestion Management Study, and a Transportation Reorganization Act. Additional adjustments include personal services to account for Fringe Benefits, cost-of-living adjustments, and approved nonpersonal services based on the Consumer Price Index. CSFL assumptions are presented separately within the budget. For more detail on the CSFL, please see the appendix in this volume.

CSFL funding for DDOT also includes adjustments to reflect estimates for Fleet services, and \$1,000,000 requested in the FY 2016 budget, approved union contracts, and corresponding salary and other adjustments.

Agency Budget Submission

Increase: In Local funds, DDOT's budget proposal includes an increase of \$262,267 and 1.0 Full-Time Equivalent (FTE) to account for the reallocation of a Deputy Director position from the Infrastructure Project Management division to the Transportation Operations division. Additionally, an increase of \$233,099 in the budget proposal for Local funds covers projected salary step increases and Fringe Benefits costs across multiple divisions.

In Federal Grant funds, the proposed budget includes a new Indirect Cost Recovery Grant funding source supporting associated costs, which will help to mitigate rush-hour congestion.

DDOT's budget proposal in Special Purpose Revenue funds includes revenue projections associated with the Tree, Bicycle, and DDOT Enterprise funds.

In Intra-District funds, the budget proposal includes a Memorandum of Understanding with the Metropolitan Police Department to cover costs related to a Traffic Signalization contract.

Decrease: The budget proposal in Local funds reflects a net decrease of \$37,429 and 1.0 FTE, partly due to the reallocation of a Deputy Director position from the Infrastructure Project Management Administration division to the Transportation Administration division, offset by miscellaneous adjustments to salary and Fringe Benefits costs within the division. Additionally, a decrease of

FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type

Table KA0-5 itemizes the changes by revenue type between the FY 2016 approved budget and the FY 2017 proposed budget. For a more comprehensive explanation of changes, please see the FY 2017 Proposed Budget Changes section, which follows the table.

Table KA0-5
(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2016 Approved Budget and FTE		85,025	553.4
Removal of One-Time Funding	Multiple Programs	-2,105	0.0
Other CSFL Adjustments	Multiple Programs	3,164	0.0
LOCAL FUNDS: FY 2017 Current Services Funding Level (CSFL) Budget		86,084	553.4
Increase: To align personal services and Fringe Benefits with projected costs	Transportation Operations	262	1.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	233	0.0
Decrease: To align personal services and Fringe Benefits with projected costs	Infrastructure Project Management Admin	-37	-1.0
Decrease: To realize programmatic cost savings in nonpersonal services	Multiple Programs	-1,504	0.0
Decrease: To adjust the Contractual Services budget	Multiple Programs	-2,398	0.0
LOCAL FUNDS: FY 2017 Agency Budget Submission		82,640	553.4
Shift: To reallocate funding within agency (across funds types)	Planning, Policy And Sustainability	-1,013	-5.0
Reduce: To realize programmatic cost savings in nonpersonal services	Transportation Operations	-2,850	0.0
Transfer-Out: To EOM for MOCRS	Multiple Programs	-352	-4.0
Transfer-Out: To reallocate funding within agency (across funds types)	Multiple Programs	-3,990	0.0
LOCAL FUNDS: FY 2017 Mayor's Proposed Budget		74,436	544.4
FEDERAL GRANT FUNDS: FY 2016 Approved Budget and FTE		7,945	0.0
Increase: To align budget with projected revenues	Multiple Programs	4,000	20.0
Decrease: To align budget with projected revenues	Planning, Policy And Sustainability	-250	0.0
FEDERAL GRANT FUNDS: FY 2017 Agency Budget Submission		11,695	20.0
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2017 Mayor's Proposed Budget		11,695	20.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2016 Approved Budget and FTE		20,706	0.0
Increase: To align budget with projected revenues	Multiple Programs	2,698	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Agency Budget Submission		23,405	0.0
Shift: To reallocate funding within agency (across funds types)	Multiple Programs	1,013	5.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Mayor's Proposed Budget		24,418	5.0
INTRA-DISTRICT FUNDS: FY 2016 Approved Budget and FTE		0	0.0
Increase: To align budget with projected revenues		308	0.0
INTRA-DISTRICT FUNDS: FY 2017 Agency Budget Submission		308	0.0
No Change		0	0.0
INTRA-DISTRICT FUNDS: FY 2017 Mayor's Proposed Budget		308	0.0
GROSS FOR KA0 - D		110,856	569.4
(Change is calculated by w			

Typically referred to as Table 5, the *FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type* table describes the changes made to an agency from the CFSL to the policy decisions, by fund, and by program.

Introduction to the FY 2017 Proposed 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 increasing service needs. Totalling \$13.4 billion, the gross budget in the FY 2017 Proposed Budget and Financial Plan is \$346 million, or 2.7 percent, more than the FY 2016 Approved Budget of \$13.0 billion, including Enterprise Fund agencies but excluding intra-District funding. The gross budget excluding Enterprise Fund agencies is \$11.6 billion. Figure 1-1 shows the major source of gross funds for FY 2017. Figure 1-2 does the same for Local funds revenue.

The proposed 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, providing health services and improving access to them, educating children and adults, promoting economic development, encouraging people to move into the District, and protecting at-risk youth and adults.

The District's proposed budget is similar to any other budget, in that it identifies resources (revenues) and uses (expenditures) to accomplish the specific purposes developed by citywide strategic planning and departmental business planning. In addition to these basic elements, the proposed budget includes a financial forecast for policy priorities and detailed cost information for agency programs and activities.

District of Columbia Fiscal Year 2017 Budget Policy and Priorities Focus

The Fiscal Year 2017 Proposed Budget and Financial Plan marks the District of Columbia's 21st consecutive balanced budget - one that makes investments in affordable housing, homeless services, public education, and infrastructure and preserves the District's 12-percent debt cap. Investments in these priority areas will help ensure the District remains a great place to live, work, and play.

Continued Investment in Public Education

Public education (K-12) remains a top priority for the District in FY 2017. The budget supports additional educational investments, which are reflected in \$75 million of increased funding for the District of Columbia Public Schools (DCPS) and the District of Columbia Public Charter Schools (DCPCS) to cover projected increases in student enrollment and a 2 percent base adjustment to the Uniform Per Student Funding Formula. It will also continue investments to address at-risk students by ensuring that at-risk dollars follow the students who need them. The proposed budget also includes a critical investment of \$5.2 million in the University of the District of Columbia and the Community College of the District of Columbia to address school staff and programming needs.

In order to advance the education services the District currently provides, the proposed budget includes \$8.6 million of enhancements in our State Education office. These include \$1.6 million for the early literacy program, \$3.6 million to meet new Federal Child Care Development Fund requirements and improve the quality of child care slots in District centers, \$1.1 million for data system improvements, and \$2.3 million to maintain the level of funding provided in prior years for infant and toddler services. Lastly, the proposed budget continues funding for the Community Schools program and fully funds the Books from Birth program, which will provide a book per month to every District child from birth until his or her fifth birthday.

Additional Investments in Affordable Housing

The FY 2017 proposed budget continues to make significant investments in affordable housing. This is reflected in \$100 million of funding for the Housing Production Trust Fund. This critical investment will increase the number of grants and loans that will be used to preserve and build housing in the District of Columbia.

Continuing Strategic Path to End Homelessness

The Interagency Council on Homelessness' Homeward DC 5-year strategic plan provides for supports across the homeless services continuum of care to get individuals and families off the street and connected to the appropriate resources. The FY 2017 proposed budget makes \$13.1 million of investments towards achieving these goals. For singles, \$4.8 million will be used to provide 300 slots of permanent supportive housing with \$1.2 million for 100 slots of targeted affordable housing. For families, \$1 million will provide 390 slots for prevention, with \$1.8 million for 284 slots of rapid re-housing, and \$1.9 million for 100 slots of targeted affordable housing. For youth, \$0.7 million will provide 165 slots for prevention, with \$0.8 million for 27 crisis beds, and \$0.8 million for 12 transitional living spaces.

Investment in Infrastructure

The Capital Improvements Plan (CIP) makes the following investments in the District's infrastructure:

Metrorail, Metrobus, and Integrated Premium Transit System. The continued growth and vitality of the city and region greatly relies on a safe, efficient, and reliable Metro system to transport residents and visitors alike. The CIP includes \$831 million for safety improvements, improving the effectiveness of the current rail and bus networks, increasing system capacity, and rebuilding the Metro system. An integrated streetcar and bus transit system will add capacity to the District's transportation system, provide links to activity centers that complement Metrorail service, and offer a potentially cleaner and more sustainable transportation alternative. The CIP provides \$575.7 million for the Circulator and streetcars, giving priority to the H Street – Benning Metro Station streetcar segment.

Public Schools Modernization and University Facilities. The District is currently undertaking a comprehensive schools modernization initiative that began in 2008. So far, almost \$4 billion has been invested. This CIP commits to an additional investment of \$1.3 billion over the next six years for modernization of elementary, middle, and high school facilities. In addition, the University of the District of Columbia is making campus improvements that will enhance the collegiate experience for its students, faculty, staff, and guests. The CIP provides \$55 million for University improvements.

21st Century Public Libraries. Continuing efforts to fully modernize the Martin Luther King Jr. Memorial Central Library, the CIP includes \$179 million that will be used to renovate and reconfigure this historic landmark, resulting in a world-class facility offering residents and visitors a vibrant center of activity for reading, learning, and community discussion. In addition, libraries in District neighborhoods will receive \$68.4 million to renovate and modernize existing facilities, update I.T. systems including public access computers, and construct new state-of-the-art facilities.

United Medical Center. The District places a high priority on providing public health services to all District residents. Since taking control of the operations of the Not-for-Profit Hospital Corporation, commonly referred to as United Medical Center (UMC), in 2010, the District has invested millions of dollars in the District's only acute care hospital on the city's East End. The CIP includes \$98.7 million for additional improvements to attract an operating partner, rebrand UMC, encourage more residents to utilize the facility's services, and improve patient services.

Transitional Housing. The CIP provides \$20 million of funding that will be used for emergency housing options for people who experience homelessness in the District and permanent supportive housing for families and individuals experiencing chronic homelessness. In addition, the District anticipates receiving a \$9 million federal payment to support the replacement of the Federal City Shelter.

Details on Key Budget Areas:

The proposed budget also includes a number of changes to align the budget with the District's priorities, improve services and accountability, and meet agency strategic business goals. They include the following:

- **D.C. Access System** - The Department of Human Services' (DHS) FY 2017 proposed budget provides additional funding for the DC Access System that will help improve and streamline the eligibility system – and the process for applying for and renewing – TANF, SNAP, Medicaid, and other federal benefits.
- **Alternatives to Court Experience (ACE)** - Funding in the budget also supports the Alternatives to Court Experience Diversion program (ACE). ACE helps youth avoid formal arrest and potential prosecution for misdemeanor crimes by diverting them to various services such as community-based intervention, family therapy, and anger management.
- **D.C. Housing Authority** - The Housing Authority Subsidy in the FY 2017 budget proposes additional support for short-term housing and critical maintenance and repair needs for low-income families and individuals. This budget will invest \$1 million for the rehab 22 short-term housing units that are currently offline, increasing the current stock of housing units available in the District. In addition, the District has budgeted \$15 million for essential and preventative maintenance and repairs needs, ensuring families and individuals have access to safe and harmless housing.
- **Third-Party Ambulance Initiative** - The proposed FY 2017 budget reflects an increase of \$12 million for the third-party providers to the Fire and Emergency Medical Services (FEMS) budget. The use of a third party provider is essential to advancing critical phases of EMS reform including improvements in unit availability and addressing preventive maintenance. The third-party provider initiative assists EMS with transporting low acuity basic life support (BLS) patients to ensure better quality medical service to the residents of the District.
- **Correctional Treatment Facility (CTF) Transition** - The Department of Corrections (DOC) will assume operation of the Correctional Treatment Facility. The FY 2017 budget reflects an increase of \$5.9 million to the DOC to assume operation of the CTF. When oversight returns to the District in FY 2017, DOC will fully use the available program space to significantly expand the level of pre-release programs and services made available to the male and female inmate population. This transition will result in lower cost per inmate to District taxpayers and overall savings of approximately \$9 million in future years.
- **Additional 911 Call-takers for the Office of Unified Communications** - The proposed budget also includes an increase of \$2.5 million to the Office of Unified Communications for additional call takers for 911 operation. The additional positions will enable the agency to meet the increasing demand for 911 service calls and also improve the quality of customer service to the residents of the District.
- **Safer Stronger DC Initiatives** - The FY 2017 budget continues to fund the Mayor's Safer Stronger DC Initiatives which includes: \$2.8 million for the Metropolitan Police Department Civilianization initiative, \$8 million for the Department of Forensic Sciences' DNA Crime Lab, and \$1 million for the Office of the Chief Medical Examiner.

- **D.C. Public Schools** - For FY 2017, in the District’s Uniform Per Student Funding Formula (UPSFF), which forms the basis for funding the public school system, the foundation level per student will be increased to \$9,682, an increase of 2 percent. Appropriations for the UPSFF are funded with 100 percent Local dollars. Please refer to the agency budget chapters for the District of Columbia Public Schools (DCPS) and the District of Columbia Public Charter Schools (DCPCS), to review the current allocation for the UPSFF. DCPS student enrollment is projected to increase to 50,016 students.
- **D.C. Public Charter Schools** - The District of Columbia Public Charter Schools (DCPCS) operates as the central agency, independent of the District’s school system, which disburses the UPSFF from District of Columbia Local funds to charter schools, each of which operates as an autonomous school district. Both the Residential and Non-Residential Facilities Allotments will remain at the same levels as in FY 2016: Residential \$8,395 per student, and Non-Residential \$3,124 per student. DCPCS student enrollment is projected to increase to 40,953 students.
- **Special Education Transportation** - In FY 2017, the Special Education Transportation’s (SET) proposed budget reflects the agency’s primary goal of improving the quality of student transportation for the District’s eligible students. To further improve these capacities, SET proposes \$9 million of increased funding for investigations of complaints, analysis of arrival times, terminal operations, and fleet management.
- **Department of Public Works (DPW)** - The FY 2017 proposed budget includes an enhancement to fund 25 additional FTEs through DPW’s Learn, Earn, Achieve and Prosper (L.E.A.P.) program to support workers training in both fleet maintenance and sanitation services — all 25 L.E.A.P. employees are District residents, making this program a cornerstone of Mayor Bowser’s Pathways to the Middle Class initiative.
- **District Department of Transportation (DDOT)** - The FY 2017 proposed local funds budget includes \$1.5 million in funding for an additional 20 Traffic Control Operators that aligns with and supports Mayor Bowser’s “Vision Zero” program to eliminate traffic-related deaths by 2024.
- **Washington Metropolitan Area Transit Authority (WMATA)** - WMATA receives approximately 37.0 percent of its annual subsidy from the District of Columbia. In FY 2017, WMATA’s proposed budget includes funding to support the annual subsidy payment, the DC Circulator bus, reduced fares at select stations, and the Kids-Ride-Free initiative. The District’s annual subsidy payment has remained virtually flat from FY 2016, and with no increase in fares for customers.
- **D.C. Taxicab Commission (DCTC)** - The FY 2017 proposed Local funds budget reflects the commission’s goal to support the modernization of the District’s taxicab industry and set a standard for other jurisdictions to follow. In view of this, DCTC increased funding by \$2.8 million to provide paratransit benefits through its “TransportDC” program. TransportDC provides the same service as Metro’s “MetroAccess” program, but it does so at half the cost. Special Purpose Revenue funds include increased funding for the Driver Training program, and also leveraged funding provided by the United States Department Justice for fingerprinting and background checks for drivers.
- **Office of Contracting and Procurement (OCP)** - The FY 2017 budget proposal includes increased funding and 20.0 FTEs to support the Procurement Practices Reform Act (PPRA), which was instituted and subjected to the Delegated Procurement Authority (DPA) operating structure.

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 (Figure 1-2). Detailed revenue information, including FY 2017 to FY 2020 revenue estimates, projection assumptions, and the estimated revenue impact of proposed policy changes, are provided 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 dimensions. 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 \$13.4 billion, the expenditure budget (including Enterprise and Other funds but excluding Intra-District funds) in the FY 2017 Proposed Budget and Financial Plan is \$346 million, or 2.7 percent, more than the FY 2016 approved budget of \$13.0 billion, as shown in Table 1-1.

For purposes of appropriating the District's proposed budget, agency budgets are grouped by appropriation title or function, such as public safety and justice or public education. Table 1-1 shows the FY 2017 proposed gross funds expenditure budget by appropriation title and the change from FY 2016. Figure 1-3 shows the percentage distribution of FY 2017 gross funds expenditure budget by appropriation title. The largest appropriation titles, Public Education System and Human Support Services, represent 52.1 percent of the District's proposed budget – meaning more than one-half of every dollar generated is directed to these two areas.

The FY 2017 proposed Local funds budget operating margin is zero dollars, after allowing for equivalent deposits to the Cash Flow Reserve and to the Fiscal Stabilization Reserve as proposed in Chapter 2, the Financial Plan. As shown in Table 1-2a, the proposed Local funds budget (excluding Dedicated Taxes and Enterprise and Other funds) for FY 2017 is \$7.3 billion, which is \$222 million, or 3.1 percent, more than the FY 2016 approved budget of \$7.1 billion. The table also displays expenditure budgets by appropriation title and their change from FY 2016. The proposed Dedicated Tax budget for FY 2017 is \$306 million, which is \$14.7 million, or 4.6 percent, less than the FY 2016 approved budget of \$320 million. Table 1-2b shows the FY 2017 proposed Dedicated Taxes funds expenditures budget by appropriation title and their change from FY 2016. 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 Transportation, and the Department of Motor Vehicles. The FY 2017 proposed Local funds budget includes approximately 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. These same categories are used by all District agencies, and all agency chapters detail specific agency costs by expense category.

A large expense category is personal services, totaling \$2.6 billion and representing 35.9 percent of the FY 2017 Local funds proposed budget, excluding Dedicated Taxes. This funding will support 28,398 Local full-time equivalent (FTE) positions, an increase of 699 FTEs, or 2.5 percent, over FY 2016 (see Table 1-4). Including all fringe benefits, but excluding extra compensation such as overtime and shift differential, the average Local FTE for FY 2017 will cost \$87,380. The District's FY 2017 gross funds proposed budget, including Intra-District funds, includes 35,157 FTEs, an increase of 999 FTEs, or 2.9 percent, over FY 2016. Major gross funds FTE changes by agency and appropriation title are detailed in Table 1-5.

Organization of the FY 2017 Proposed Budget and Financial Plan

The FY 2017 Proposed Budget and Financial Plan is composed of the following volumes:

- Volume 1 - Executive Summary;
- Volumes 2, 3, and 4 - Agency Budget Chapters - provides summary information of each District agency's proposed budget;
- Volume 5 - FY 2017 - FY 2022 Capital Improvements Plan (Including Highway Trust Fund); and
- Volume 6 - Operating Appendices - provides detailed information about operating funds by agency (available on-line only).

Additional details about the organization of the District's FY 2017 Proposed Budget and Financial Plan may be found in the How to Read the Budget and Financial Plan chapter.

The FY 2017 Budget Calendar

The FY 2017 Proposed 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, approved December 24, 1973 (Public Law 93-198; D.C. Official Code § 1-201.01 et seq.), prescribes the procedure for the approval of the annual budget for the District of Columbia government. Under Section 424(d)(5)(A) (D.C. Official Code § 1-204.24d(5)(A)), the Chief Financial Officer 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 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(d)(2) (D.C. Official Code § 1-204.24d(2)). The Mayor may also prepare and submit supplemental or deficiency budget recommendations to the Council from time to time, pursuant to Section 442(c) (D.C. Official Code § 1-204.24(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 in order to balance the budget. 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 multi-year plan for all agencies of the District government (as required under Section 443 (D.C. Official Code § 1-204.43)) and multi-year capital improvements plan for all agencies of the District government (as required under Section 444 (D.C. Official Code § 1-204.44)).

The Council must hold a public hearing on the budget submission and adopt a budget by act pursuant to the time period required by Section 446 (D.C. Official Code § 1-204.46). The act is styled as the Budget Request Act (of the year of adoption) and requires only one reading.

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(f)). If an item or provision is disapproved, the Mayor 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 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 a disapproved item or provision is not returned to the Council in a timely manner, the Mayor 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.

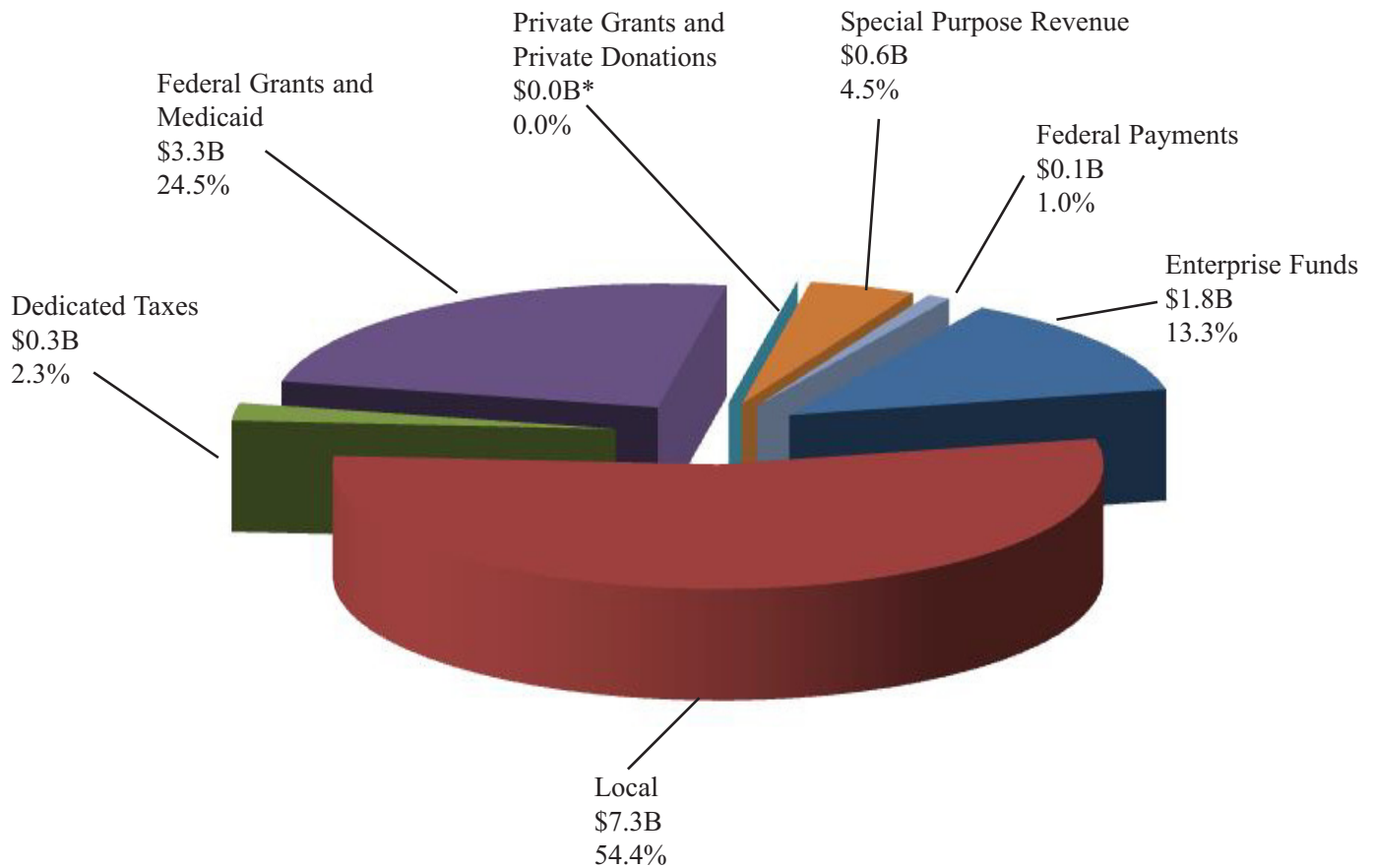
The Mayor may prepare a proposed supplemental or deficiency budget plan under Home Rule Act Section 442(c) (D.C. Official Code § 1-204.42(c)), which authorizes the Mayor to submit budget recommendations that are, in his or her judgment, necessary on account of a law passed after budget transmission or otherwise justified as in the public interest. The Mayor may submit a budget recommendation to the Council, accompanied by a statement of justification. Alternatively, Section 442(d) of the Home Rule Act (D.C. Official Code § 1-204.42(d)) authorizes the Council to request, by resolution, that the Mayor prepare and submit a budget recommendation to the Council.

The District of Columbia may obligate and expend an increase in the amount of funds authorized under Adjustments to Appropriations (D.C. Official Code § 47-369.01 et seq.) only where the Chief Financial Officer certifies (1) the increase in revenue; and (2) that the use of the amounts is not anticipated to have a negative impact on the long-term financial, fiscal, or economic health of the District. These funds may be increased (1) by an aggregate amount of no more than 25 percent, in the case of amounts proposed to be allocated as “Other-Type Funds” in the annual Budget Request Act submitted to Congress; and (2) by an aggregate amount of no more than 6 percent, in the case of any other amounts proposed to be allocated in the Budget Request Act. The amounts shall be obligated and expended in accordance with laws enacted by the Council in support of each such obligation and expenditure, consistent with the requirements of this subchapter. The amounts may not be used to fund any agencies of the District government operating under court-ordered receivership. The amounts may not be obligated or expended unless the Mayor has notified the Committees on Appropriations of the House of Representatives and the Senate not fewer than 30 days in advance of the obligation or expenditure.

On March 18, 2016, the Superior Court of the District of Columbia issued an order that upholds the budget process enacted in the Local Budget Autonomy Act of 2012, by which the District would submit its budget to Congress similar to other local District laws, subject to a 30-day review by Congress, rather than as a unique law, requiring an Act of Congress. The Mayor, the Council, and the Chief Financial Officer will work together to modify the budget process as necessary.

Figure 1-1

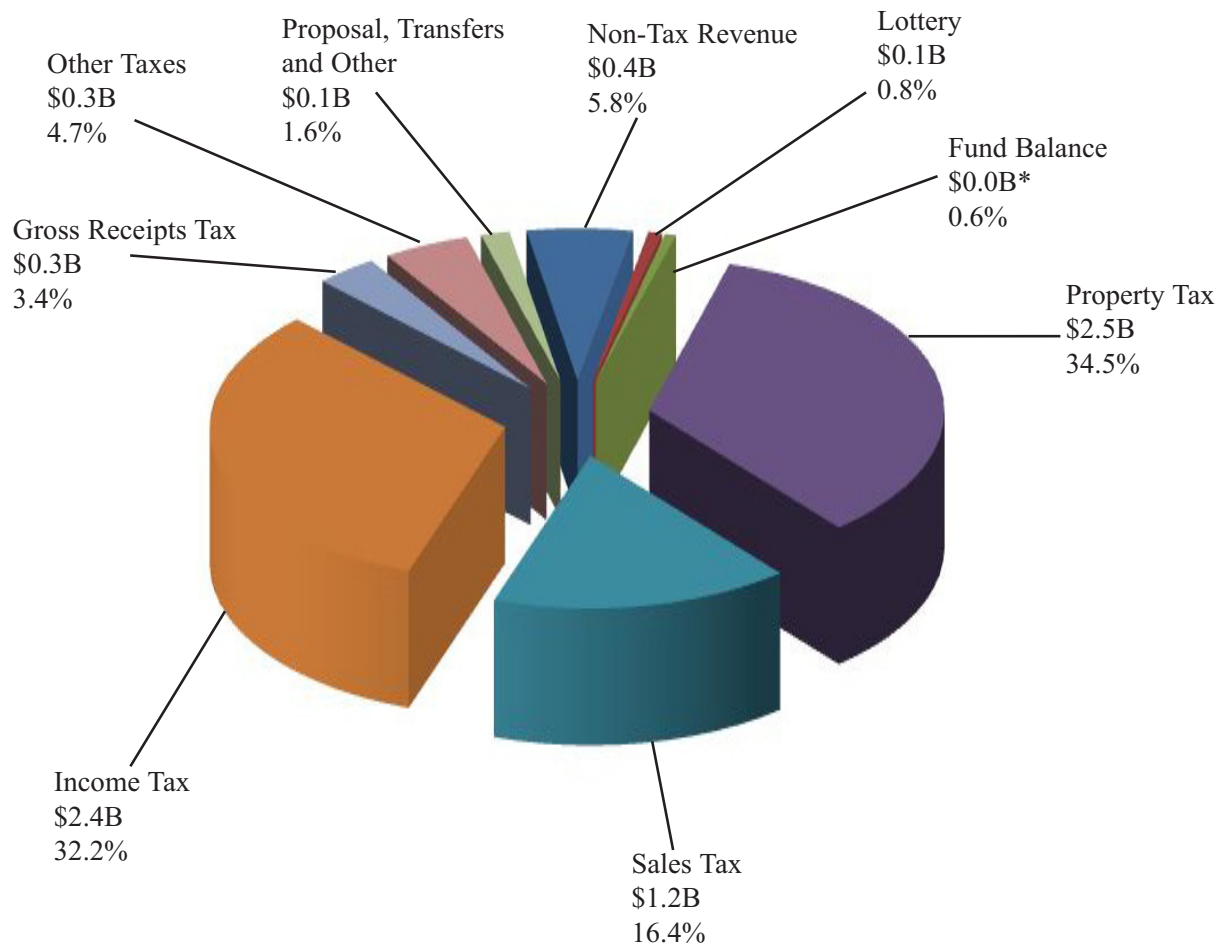
**Where the Money Comes From - Sources of Gross Funds for FY 2017
(\$13.4 Billion, Excluding Intra-District Funds)**



*The amount from Private Grants and Donations is \$1.3 million.

Figure 1-2

Where the Money Comes From - Sources of Local Funds for FY 2017 (\$7.3 Billion, Excluding Dedicated Taxes)



*The amount from this source is \$44.1 million

Figure 1-3

**Where the Money Goes -
Gross Funds Expenditure Budget, by Appropriation Title for FY 2017
(Excluding Intra-District Funds) (\$13.4 Billion)**

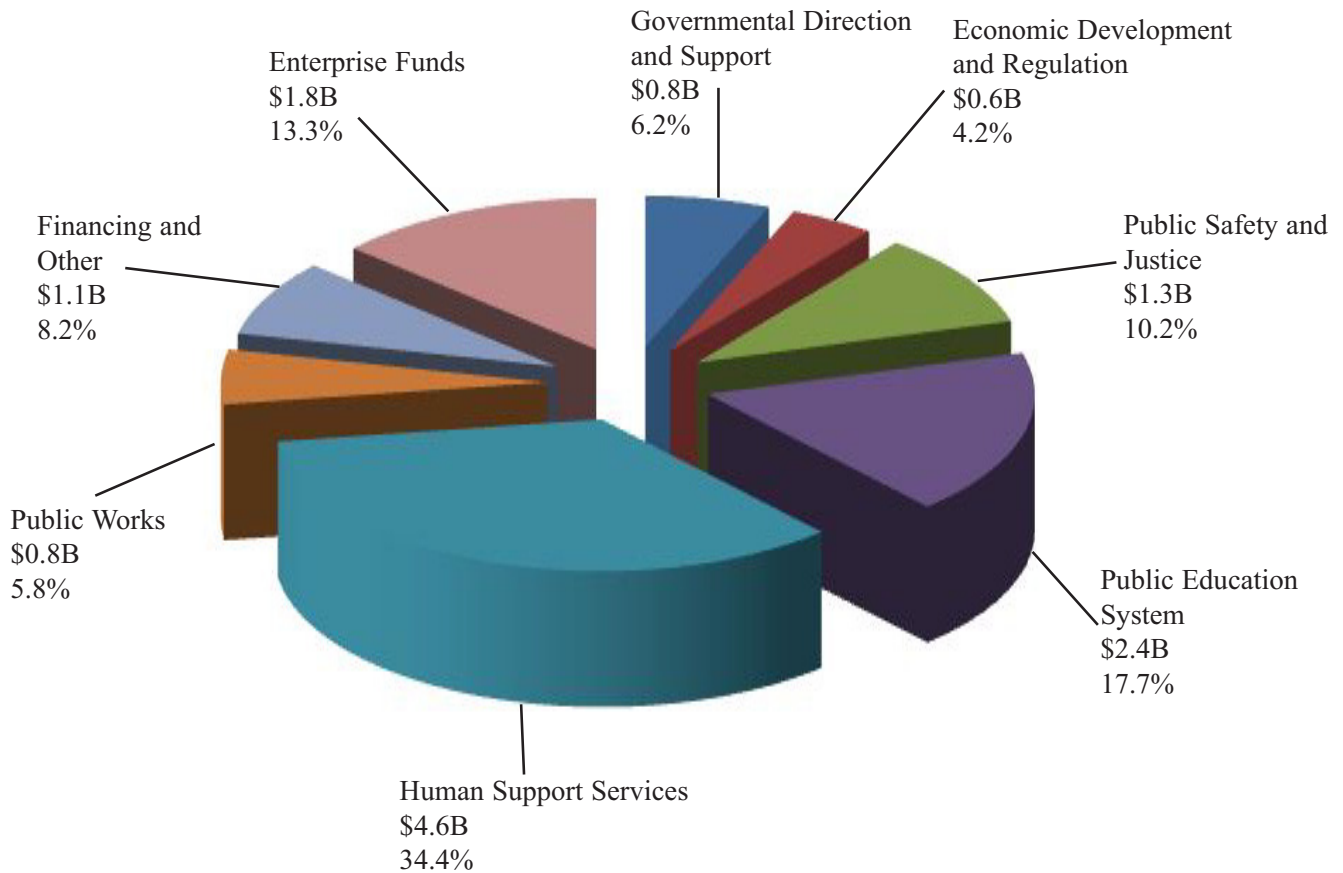


Table 1-1

Gross Funds Expenditure Budget, by Appropriation Title (Excluding Intra-District Funds)

(Dollars in Thousands)

	FY 2016 Approved Budget	FY 2017 Proposed Budget	Change from FY 2016	% Change from FY 2016
Governmental Direction and Support	786,463	828,937	42,475	5.4%
Economic Development and Regulation	540,755	567,480	26,725	4.9%
Public Safety and Justice	1,308,589	1,357,956	49,367	3.8%
Public Education System	2,233,291	2,371,251	137,960	6.2%
Human Support Services	4,502,393	4,603,249	100,857	2.2%
Public Works	770,416	779,824	9,407	1.2%
Financing and Other	1,088,835	1,091,201	2,366	0.2%
Subtotal, General Operating Funds	11,230,742	11,599,899	369,157	3.3%
Enterprise and Other Funds	1,808,855	1,785,972	-22,883	-1.3%
Total District of Columbia	13,039,598	13,385,871	346,274	2.7%

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

Table 1-2a

Local Funds Expenditure Budget, by Appropriation Title (Excluding Dedicated Taxes and Enterprise and Other Funds)

(Dollars in Thousands)

	FY 2016 Approved Budget	FY 2017 Proposed Budget	Change from FY 2016	% Change from FY 2016
Governmental Direction and Support	687,151	728,310	41,159	6.0%
Economic Development and Regulation	258,154	266,913	8,759	3.4%
Public Safety and Justice	1,101,509	1,149,736	48,228	4.4%
Public Education System	1,887,478	1,986,876	99,398	5.3%
Human Support Services	1,778,468	1,814,796	36,327	2.0%
Public Works	514,566	510,423	-4,143	-0.8%
Financing and Other	835,635	828,305	-7,330	-0.9%
Total	7,062,962	7,285,360	222,398	3.1%

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

Table 1-2b

Dedicated Taxes Expenditure Budget, by Appropriation Title (Excluding Enterprise and Other Funds)

(Dollars in Thousands)

	FY 2016 Approved Budget	FY 2017 Proposed Budget	Change from FY 2016	% Change from FY 2016
Economic Development and Regulation	1,170	1,170	0	0.0%
Public Education System	4,306	4,282	-23	-0.5%
Human Support Services	100,959	81,907	-19,052	-18.9%
Public Works	66,664	66,670	6	0.0%
Financing and Other	147,275	151,689	4,414	3.0%
Total	320,374	305,718	-14,656	-4.6%

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

Table 1-3a

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

(Dollars in Thousands)

	FY 2016 Approved Budget	FY 2017 Proposed Budget	Change from FY 2016	% Change from FY 2016
Regular Pay - Continuing Full Time	1,839,283	1,905,572	66,289	3.6%
Regular Pay - Other	128,925	164,893	35,969	27.9%
Additional Gross Pay	80,611	77,101	-3,510	-4.4%
Fringe Benefits - Current Personnel	379,945	410,990	31,045	8.2%
Overtime Pay	53,766	54,022	255	0.5%
Subtotal, Personal Services	2,482,530	2,612,577	130,047	5.2%
Supplies and Materials	49,933	47,437	-2,496	-5.0%
Energy, Communication and Building Rentals	105,354	108,515	3,162	3.0%
Telephone, Telegraph, Telegram, Etc.	28,222	29,728	1,506	5.3%
Rentals - Land and Structures	142,942	150,802	7,860	5.5%
Janitorial Services	124	150	26	20.8%
Security Services	28,106	29,163	1,057	3.8%
Occupancy Fixed Costs	80,989	76,710	-4,279	-5.3%
Other Services and Charges	204,511	196,962	-7,549	-3.7%
Contractual Services - Other	368,289	401,893	33,604	9.1%
Subsidies and Transfers	2,872,794	2,931,073	58,279	2.0%
Equipment & Equipment Rental	35,103	28,126	-6,977	-19.9%
Debt Service	664,065	672,223	8,158	1.2%
Subtotal, Nonpersonal Services	4,580,432	4,672,783	92,351	2.0%
Total	7,062,962	7,285,360	222,398	3.1%

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

Table 1-3b

Dedicated Taxes Proposed Expenditure Budget, by Category**(Excluding Enterprise and Other Funds)**

(Dollars in Thousands)

	FY 2016 Approved Budget	FY 2017 Proposed Budget	Change from FY 2016	% Change from FY 2016
Regular Pay - Continuing Full Time	1,316	1,755	439	33.4%
Regular Pay - Other	109	75	-34	-30.9%
Fringe Benefits - Current Personnel	305	375	70	23.1%
Subtotal, Personal Services	1,730	2,206	476	27.5%
Supplies and Materials	5	30	25	500.0%
Telephone, Telegraph, Telegram, Etc.	0	2	2	N/A
Other Services and Charges	2	25	23	1,170.8%
Contractual Services - Other	3,135	3,097	-38	-1.2%
Subsidies and Transfers	307,670	292,508	-15,162	-4.9%
Equipment and Equipment Rental	0	15	15	N/A
Debt Service	7,832	7,835	3	0.0%
Subtotal, Nonpersonal Services	318,644	303,512	-15,132	-4.7%
Total	320,374	305,718	-14,656	-4.6%

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)**

(Dollars in Thousands)

	FY 2016 Approved Budget	FY 2017 Proposed Budget	Change from FY 2016	% Change from FY 2016
Governmental Direction and Support	3,100	3,168	69	2.2%
Economic Development and Regulation	630	641	11	1.7%
Public Safety and Justice	8,283	8,643	360	4.4%
Public Education System	9,475	9,502	27	0.3%
Human Support Services	4,030	4,255	225	5.6%
Public Works	2,141	2,148	7	0.3%
Financing and Other	40	40	0	0.0%
Subtotal, General Operating Local Fund	27,699	28,398	699	2.5%
Public Education System	11	16	5	47.1%
Human Support Services	6	6	-1	-9.1%
Subtotal, General Operating Dedicated Taxes	17	22	5	27.0%
Total, General Operating Local and Dedicated Tax Funds	27,716	28,420	704	2.5%

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

Table 1-5

Major Gross Funds FTE Changes (Including Enterprise and Other Funds and Intra-District Funds)

Agency Name	FY 2016 Approved FTEs	FY 2017 Proposed FTEs	Increase (Decrease)	Explanation of Major FTE Changes
Office of the Mayor	73	87	14	From multiple agencies for MOCRS, MORCA, and Mayor's Office of Clean City
Deputy Mayor for Greater Economic Opportunity	5	18	13	For Business and Workforce Development Program
D.C. Office of Risk Management	25	36	11	To align personal services with projected costs
D.C. Department of Human Resources	117	134	17	To align personal services with projected costs
				14 from DBH and DDS pursuant to the Delegated Procurement Authority,
Office of Contracting and Procurement	191	218	27	13 to align personal services with projected costs
Office of the Chief Financial Officer	970	982	12	To align personal services with projected costs
Other Agencies	2,212	2,225	12	Net Changes
Governmental Direction and Support	3,593	3,700	107	
Department of Employment Services	587	611	24	To align personal services with projected costs
Department of Consumer and Regulatory Affairs	356	395	39	To align personal services with the Mayor's initiatives
Commission on the Arts and Humanities	19	28	9	To align personal services with the Mayor's initiatives
Other Agencies	797	795	(2)	Net Changes
Economic Development and Regulation	1,759	1,829	70	
Metropolitan Police Department	4,620	4,663	43	To support the Safer Stronger Initiative
Fire and Emergency Medical Services Department	2,068	2,104	36	To align budget with projected grant awards
				To support the proposed transition for the Correction Treatment Facility Takeover
Department of Corrections	932	1,162	230	
Homeland Security and Emergency Management Agency	92	105	13	To align budget with projected grant awards
Office of the Chief Medical Examiner	73	86	13	To align personal services with projected costs and to support the Safer Stronger Initiative
Office of Unified Communications	311	342	32	To align personal services with projected costs
Department of Forensic Sciences	136	195	59	To support the Safer Stronger Initiative
Other Agencies	291	295	4	Net Changes
Public Safety and Justice	8,522	8,952	430	
District of Columbia Public Schools	8,115	8,186	71	To align personal services with projected costs
Office of the State Superintendent of Education	370	403	33	To support the Longitudinal Data Systems initiative and other Mayor's initiatives
District of Columbia Public Library	598	551	(47)	To align personal services with projected costs
Other Agencies	1,450	1,450	0	Net Changes
Public Education System	10,533	10,590	57	

(Continued on next page)

Table 1-5 (Continued)

Major Gross Funds FTE Changes**(Including Enterprise and Other Funds and Intra-District Funds)**

Agency Name	FY 2016 Approved FTEs	FY 2017 Proposed FTEs	Increase (Decrease)	Explanation of Major FTE Changes
Department of Human Services	1,047	1,114	67	To align personal services with the Mayor's initiatives
Department of Behavioral Health	1,428	1,410	(18)	To align personal services with projected costs
Department of Health	612	628	17	To align personal services with projected costs
Department of Parks and Recreation	551	746	194	To align personal services with the Mayor's initiatives
Other Agencies	2,198	2,200	3	Net Changes
Human Support Services	5,835	6,098	263	
Department of Public Works	1,438	1,464	26	LEAP Program/Waste Diversion, resources for booting operations
District Department of Transportation	553	569	16	To align budget with projected revenues
Other Agencies	707	712	5	Net Changes
Public Works	2,698	2,745	47	
Non-Departmental	40	40	0	To support the Return-to-Work program
Other Agencies	0	0	0	Net Changes
Financing and Other	40	40	0	
District of Columbia Retirement Board	63	70	7	To align personal services with projected costs
D.C. Health Benefit Exchange Authority	73	92	19	To align personal services with projected costs
Other Agencies	1,042	1,042	0	Net Changes
Enterprise and Other Funds	1,178	1,204	26	
Grand Total, District Government	34,158	35,157	999	

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

How and When the FY 2017 Operating Budget was Prepared

Budget Guidance

July 2015 – September 2015

The FY 2017 budget process began with the development of the Current Services Funding Level (CSFL) budget. The CSFL is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2016 approved budget across multiple programs and estimates how much it would cost an agency to continue its current programs and operations into the following fiscal year. The CSFL served as the starting point for all District agencies' Local funds Maximum Allowable Request Ceiling (MARC).

Agency Budget Request Development

October 2015 – December 2015

Taking into consideration the Office of the City Administrator's (OCA) citywide strategic plan, and following the budget guidance from the OCA's Office of Budget and Finance (OBF) and the Office of Budget and Planning (OBP), agencies began formulating their FY 2017 budget requests. Agencies submitted their FY 2017 proposed budget to OBP by December 31, 2015.

Budget Analysis

October 2015 – December 2015

OBP reviewed agency budgets during the various development stages for adherence to established guidelines, identified opportunities for efficiencies, and incorporated revised economic data into the formulation process.

Budget Presentation

January 2016 – March 2016

OBP collaborated with OBF to conduct a thorough and sound analysis of the budget as it was developed and revised during the Budget Review Team meetings where policy priorities were determined, and the Mayor's FY 2017 proposed budget was finalized for submission to the Council on March 24, 2016.

Note: On March 18, 2016, the Superior Court of the District of Columbia issued an order that upholds the budget process enacted in the Local Budget Autonomy Act of 2012, by which the District would submit its budget to Congress similar to other local District laws, subject to a 30-day review by Congress, rather than as a unique law, requiring an Act of Congress. The Mayor, the Council, and the Chief Financial Officer will work together to modify the budget process as necessary.

Financial Plan

The Financial Plan projects the District's results of operations for three fiscal years beyond the proposed FY 2017 operating budgets of the General Fund (comprised of Local funds, Dedicated Taxes, and Special Purpose Revenue funds) and the Federal and Private Resources Fund (comprised of Federal Grants, Federal Payments, Federal Medicaid Payments, and Private Grants and Donations). 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 2017 through FY 2020 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 FY 2017 Proposed Budget and its impact on FY 2018 through FY 2020. It has four sections:

- Revenues;
- Expenditures;
- Composition of Cash Reserves; and
- Composition of Fund Balance.

The numbering scheme noted below refers to the line numbers on Tables 2-1, 2-2, 2-3, and 2-4. The amounts in the FY 2015 Actual column are as published in the District's Comprehensive Annual Financial Report (CAFR) for FY 2015.

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. This includes tax revenues that are dedicated by law to a particular agency for a particular purpose. The dedicated portion of tax revenues is transferred out of the Local fund and is not available for general budgeting. See the Revenue chapter for details. In Table 2-3, these 12 dedicated taxes are shown as follows:

3a. Deed Recordation and Deed Transfer Taxes for HPTF debt service. 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. These revenues are recorded directly in the Special Revenue fund outside of the General Fund. The Deed Recordation and Transfer Tax Revenue reflected in this line funds debt service on Revenue Bonds for New Communities projects, which is paid through the General Fund from the 15 percent portion of the Deed Taxes.

3b. Healthcare Provider Tax transfer to Nursing Facility Quality of Care Fund. The Healthcare Provider Tax is an assessment per licensed bed that is paid by each nursing facility in the District. Revenues from the assessments are dedicated to the Nursing Facility Quality of Care Fund. The legislation was passed in 2004.

3c. General Sales Taxes, Insurance Premiums, and Carefirst Contribution transfers to Healthy D.C. Fund. The "Fiscal Year 2007 Budget Support Act of 2006", Section 15b, established the Healthy D.C. 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. Approximately 40 percent is used to fund the indigent population covered by the Alliance program. This fund is administered by the Department of Health Care Finance.

3d. ICF-IDD Assessment transfer to Stevie Sellows Fund. Each institution providing care to the developmentally disabled in the District of Columbia pays an assessment of 5.5 percent of gross revenue in quarterly installments. All assessments shall be transferred to the Stevie Sellows Quality Improvement Fund. The fund was established to fund quality of care improvements in a qualified ICF-IDD (Intermediate Care Facility for Persons with Intellectual or Developmental Disabilities).

3e. Inpatient Hospital Bed Tax and Provider Fee transfer to Hospital Fund. The hospital bed tax is a \$3,788 per licensed bed assessment on hospitals operating in the District. Revenues from the assessment are dedicated to the Hospital Fund, a non-lapsing fund that is used to fund District state Medicaid services. The bed tax and provider fee sunset after September 30, 2014. The Medicaid Hospital Inpatient Rate Supplemental Act of 2015 authorized the District to tax hospitals' net inpatient revenue for one year beginning October 1, 2015. The Medicaid Hospital Outpatient Supplemental Payment Act of 2015 authorized the District to tax hospitals' outpatient gross patient revenue for one year beginning October 1, 2015. Both taxes will be transferred to the Hospital Provider Fee Fund.

3f. General Sales Taxes transfer to Washington Metropolitan Area Transit Authority (WMATA) – Parking Taxes. Beginning in FY 2012, all parking sales tax revenue is used to help meet the District's funding responsibility for WMATA.

3g. General Sales Taxes to Convention Center. This fund records the transfer of certain sales tax revenues from the District's General Fund to the Washington Convention and Sports Authority, Walter E. Washington Convention Center. This makes visible the flow of dedicated revenues through the General Fund.

3h. Motor Fuel Tax transfer to 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.

3i. General Sales Taxes transfer to Alcohol Beverage Regulation Administration (ABRA). Effective in FY 2012, the sales tax rate on alcoholic beverages for off-premise consumption was increased to 10 percent. The projected revenue raised will annually go to fund the Reimbursable Detail Subsidy Program in ABRA.

3j. General Sales Taxes transfer to Healthy Schools Fund. Effective in FY 2012, soft drinks, non-alcoholic beverages not containing milk, or milk substitutes, non-carbonated fruit or vegetable juice, coffee, cocoa or tea are no longer exempt from sales tax. An estimated \$4.266 million raised annually from taxing soft drinks goes to the Healthy Schools Fund.

3k. Public Space Rental transfer to District Department of Transportation (DDOT) Enterprise Fund from advertising on bike sharing stations. Beginning in FY 2015, DDOT will sell advertising on bike sharing stations through an agreement with Capital Bikeshare, the operators of the bike sharing program in the District. All proceeds from the advertising agreement would be paid in to the DDOT Enterprise Fund for Transportation initiatives.

3l. Health Benefit Exchange Assessment. The health benefit exchange assessment is imposed on carriers doing business in the District with gross receipts exceeding \$50,000 in the previous year. The amount assessed is based on a percentage of direct gross receipts and is computed annually so that the amount raised covers the cost of operations of the Health Benefit Exchange Authority. This fund records the transfer of healthcare assessment tax revenues from the District's General Fund to the Health Benefit Exchange Authority via the Health Benefit Exchange Subsidy. The transfer of this revenue to the Authority via the subsidy has been changed, and now the revenue is recorded directly into the Authority instead of going through the Subsidy transfer agency.

3m. Miscellaneous. This line represents amounts reflected in the FY 2015 CAFR in the dedicated taxes component of the Local Source. However, it is not allocated to one of the tax categories e.g. property, sales, income, or other taxes.

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 Lottery. 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. Subtotal, 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. The related expenditure is on line 25.
- 9. Fund Balance Use from FY 2015.** This reflects the reservation of fund balance in FY 2015 that is budgeted for use in future years.
- 10. Fund Balance Use from FY 2016.** This reflects the reservation of fund balance in FY 2016 that is budgeted for use in future years.
- 10a. Certified Resources not used.** In Table 2-4, this line shows the total amount of certified resources not used by agencies in their particular funds and returned to their relevant fund balances.
- 11. Interfund Transfers from Special Purpose Revenue (SPR) and other funds.** This line shows the movement of funds from the fund balance between SPR, Dedicated Tax, and Local Funds within the General Fund as itemized below.
- 11a. Interfund Transfers from SPR and other – FY 2015.** This line shows the movement of funds from SPR and other funds from FY 2015.
- 11b. Interfund Transfers from SPR and other – FY 2016.** This line shows the movement of funds from SPR and other funds from FY 2016.
- 12. Central Services Cost Allocation from Federal Funds.** This line reflects the movement of Indirect Cost Recovery (IDCR) funds from Federal Grant Funds, designated by the grantor, into Local funds, to cover administrative costs.
- 13. Transfer from Enterprise and Other Funds.** In Table 2-1, this line shows transfer of funds from Enterprise and other Special Revenue Funds as itemized below and in Tables 2-2 and 2-4.
- 13a. Transfer from TIF/PILOT/Other.** In Tables 2-2 and 2-4, the amounts include transfers into the General Fund from the Tax Increment Financing (TIF), the Payment in Lieu of Taxes (PILOT), and other outside [Enterprise] funds.
- 13b. Transfer from Capital Fund Paygo.** In Table 2-2, the amount shown is transferred into the General Fund from the Capital Improvements Fund. No bond proceeds are transferred; only capital funds that were originally Pay-as-you-go (Paygo) funds can be transferred.
- 14. Revenue Proposals.** This line reflects 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 - Selected Agencies. This line includes items in this appropriation title that are not specifically shown in lines 25 through 31.

25. Bond Issuance Costs. This line reflects the cost of issuing General Obligation (or Income Tax Revenue) bonds. The related funding source is on line 8.

26. Debt Service. This line includes Repayment of Debt and other debt service agencies.

27. Subtotal, Operating Expenditures. This line shows the sum of lines 18 through 26.

28. Paygo Capital. Tables 2-2 and 2-4 reflect transfers of operating revenue to the capital budget through pay-as-you-go (Paygo) financing.

29. Transfer to Trust Fund for Post-Employment Benefits. Tables 2-1 and 2-2 reflect a transfer to reduce the District's accumulated liability for health insurance costs for retirees. This liability is recognized in the CAFR in accordance with the Governmental Accounting Standards Board (GASB) ruling on the treatment of such costs.

30. Repay Contingency Reserve Fund. This line in Table 2-2 reflects the amount planned to replenish the Contingency Reserve Fund.

31. Transfer to Enterprise and Other Funds. This shows the transfer of General Funds to Enterprise and Other Funds as reflected in the following lines.

31a. Transfer to Highway Trust Fund. This line in Table 2-3 reflects transfers of dedicated motor fuel tax revenues and in Table 2-4 reflects transfers of a portion of Rights-of-Way revenues to the Highway Trust Fund.

31b. Transfer to Convention Center. This line in Table 2-2 reflects transfers of Local funds and in Table 2-3 reflects transfers of dedicated sales tax revenues to the Washington Convention and Sports Authority Enterprise Fund.

32. Operating Impact of CIP. This line in Tables 2-1 and 2-2 reflects the estimated cost of operating and maintaining newly completed capital projects. See Volume 5 – FY 2017–FY 2022 Capital Improvements Plan for details.

33. Total Expenditures and Transfers. This is the sum of lines 27 to 32.

34. Operating Margin Before Reservations. This line is the difference between lines 15 and 33 showing the surplus or deficit after subtracting total expenditures and transfers from total resources.

35. Reserved for Subsequent Years' Expenditures. This amount in FY 2016 reflects the total amount in line 10 of the following years.

36. Operating Margin After Reservations. This is the difference between Total General Fund Resources (line 15) and the total of Expenditures and Transfers (line 33) and Reserved for Subsequent Years' Expenditures (line 35).

37. Line intentionally left blank.

38. Beginning General Fund Balance. Shows the accumulated fund balance at the beginning of the fiscal year, which is identical to the end-of-year fund balance for the previous fiscal year.

39. Operating Margin Before Reservations. This is the same as line 34.

40. Projected GAAP Adjustments (Net). GAAP adjustments are year-end adjustments necessary to properly report the ending fund balance on an accounting basis by converting budgeted activity to resources earned and used.

41. Fund Balance Use. The amount of prior-year fund balance that is used in the current year must be subtracted when calculating the current year-end fund balance. The amount is the total of lines 9, 10, and 11.

42. Ending General Fund Balance. This line shows the sum of the beginning fund balance, the operating margin before reservations, and GAAP and other adjustments (lines 38 through 41).

43. Line intentionally left blank.

Composition of Cash Reserves

45. Emergency Cash Reserve Balance (2 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.

46. Contingency Cash Reserve Balance (4 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.

47. Cash Flow Reserve (8.33 percent). The cash flow reserve may be used by the District's CFO as needed to manage the District's cash flow. When a portion of the reserve is used to meet cash flow needs, this reserve must be replenished in the same fiscal year the amounts were used. At full funding, the cash flow reserve must equal 8.33 percent of the General Fund operating budget for each fiscal year. This Account was established by section 47-392.02(j-1) of the District of Columbia Official Code. The Fiscal Year 2011 Budget Request Act of 2010 authorizes 50 percent of the undesignated end-of-year fund balance to be deposited in this account. Of the four reserves, the Cash Flow Reserve is the only one that does not reach its full targeted level during the financial plan period.

48. Fiscal Stabilization Reserve (2.34 percent). The fiscal stabilization reserve may be used by the Mayor for the same purposes for which the contingency reserve was established. However, this reserve may not be used for cash flow management purposes. At full funding, the fiscal stabilization reserve must equal 2.34 percent of the District's General Fund operating expenditures for each fiscal year. This Account was established by section 47-392.02(j-1) of the District of Columbia Official Code. The Fiscal Year 2011 Budget Request Act of 2010 authorizes 50 percent of the undesignated end-of-year fund balance to be deposited in this account.

49. Total Cash Reserves. This is the sum of lines 45 - 48.

Table 2-1

FY 2017 - FY 2020 Proposed Budget and Financial Plan: GENERAL FUND

(\$ thousands)

	FY 2015 Actual	FY 2016 Approved	FY 2016 Revised	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
1 Revenues							
2 Taxes	6,432,194	6,429,677	6,420,938	6,647,921	6,889,583	7,122,357	7,365,755
3 Dedicated Taxes	285,287	304,467	301,718	290,924	291,243	295,551	299,344
4 General Purpose Non-Tax Revenues	414,910	383,988	422,082	422,779	407,561	407,902	395,360
5 Special Purpose (O-type) Revenues	524,826	533,496	516,692	546,907	538,742	547,337	550,570
6 Transfer from Lottery	55,586	62,500	55,000	55,500	56,000	56,500	57,000
7 Subtotal, General Fund Revenues	7,712,803	7,714,128	7,716,431	7,964,031	8,183,129	8,429,647	8,668,029
8 Bond Proceeds for Issuance Costs	4,894	6,000	6,000	6,000	6,000	6,000	6,000
9 Fund Balance Use from FY 2015	60,410	161,393	449,866	33,996	0	0	0
10 Fund Balance Use from FY 2016	0	0	0	62,052	13,796	1,234	54,075
11 Interfund Transfers from SPR and Other Funds	0	49,925	49,925	85,157	1,389	0	0
12 Central Services Cost Allocation from Federal Funds	1,466	2,363	2,363	2,363	2,363	2,363	2,363
13 Transfer from Enterprise and Other Funds	57,583	24,122	16,121	12,799	13,112	14,203	15,419
14 Revenue Proposals	0	22,669	3,721	26,696	9,496	9,489	9,481
15 Total General Fund Resources	7,837,156	7,980,600	8,244,428	8,193,095	8,229,285	8,462,936	8,755,368
16							
17 Expenditures (by Appropriation Title)							
18 Governmental Direction and Support	674,876	756,796	815,154	798,711	811,393	827,380	842,608
19 Economic Development and Regulation	320,080	440,037	487,555	474,240	390,137	400,574	406,760
20 Public Safety and Justice	1,045,398	1,158,185	1,234,823	1,198,402	1,191,437	1,215,344	1,239,760
21 Public Education System	1,853,130	1,908,452	1,919,592	2,007,639	2,036,190	2,075,773	2,116,082
22 Human Support Services	1,857,486	1,913,747	1,904,389	1,933,035	1,950,453	1,994,257	2,031,921
23 Public Works	653,046	735,893	746,754	740,192	745,551	762,423	779,754
24 Financing and Other - Selected Agencies	42,658	65,139	76,644	49,333	65,022	55,356	56,395
25 Bond Issuance Costs (ZB0)	5,638	6,000	6,000	6,000	6,000	6,000	6,000
26 Debt Service (DSO, CPD, SMO, DTO, ELO)	631,874	671,011	650,878	679,378	752,360	832,064	930,951
27 Subtotal, Operating Expenditures	7,084,185	7,655,260	7,841,788	7,886,929	7,948,544	8,169,172	8,410,231
28 Paygo Capital (PA0)	136,245	72,466	83,110	125,294	89,089	92,977	139,914
29 Transfer to Trust Fund for Post-Employment Benefits (RH0)	91,400	95,400	29,000	31,000	33,200	35,600	38,200
30 Repay Contingency Reserve Fund (SV0)	0	0	59,202	0	0	0	0
31 Transfer to Enterprise and Other Funds	160,659	147,558	147,808	147,040	150,157	154,653	158,607
32 Operating Impact of CIP	0	0	0	0	7,795	10,034	7,558
33 Total Expenditures and Transfers	7,472,488	7,970,683	8,160,908	8,190,263	8,228,785	8,462,435	8,754,510
34 Operating Margin Before Reservations	364,667	9,917	83,519	2,831	500	500	858
35 Reserved for Subsequent Years' Expenditures	0	0	72,021	0	0	0	0
36 Operating Margin After Reservations	364,667	9,917	11,498	2,831	500	500	858
37							

(Continued on next page)

Table 2-1 (Continued)

FY 2017 - FY 2020 Proposed Budget and Financial Plan: GENERAL FUND

(\$ thousands)

	FY 2015 Actual	FY 2016 Approved	FY 2016 Revised	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
38 Beginning General Fund Balance	1,873,658	2,167,060	2,167,060	1,740,787	1,552,413	1,527,728	1,516,994
39 Operating Margin Before Reservations	364,667	9,917	83,519	2,831	500	500	858
40 Projected GAAP Adjustments (Net)	(10,856)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
41 Fund Balance Use (see lines 9, 10 and 11)	(60,410)	(211,318)	(499,792)	(181,205)	(15,185)	(1,234)	(54,076)
42 Ending General Fund Balance	2,167,060	1,955,659	1,740,787	1,552,413	1,527,728	1,516,994	1,453,777
43							
44 Composition of Cash Reserves							
45 Emergency Cash Reserve Balance (2%)	122,083	129,804	129,022	135,317	138,941	139,322	142,112
46 Contingency Cash Reserve Balance (4%)	244,166	259,609	258,043	270,634	277,881	278,644	284,224
47 Cash Flow Reserve Account (8.33%)	443,763	404,889	418,336	401,595	390,321	384,210	369,864
48 Fiscal Stabilization Reserve Account (2.34%)	174,856	185,852	190,965	191,652	192,554	198,021	204,856
49 Total Cash Reserves	984,868	980,154	996,366	999,198	999,697	1,000,197	1,001,056

(Numbers may not add due to rounding)

Table 2-2

FY 2017 - FY 2020 General Fund - Local Funds Component

(\$ thousands)

	FY 2015 Actual	FY 2016 Approved	FY 2016 Revised	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
1 Revenues							
2 Taxes	6,432,194	6,429,677	6,420,938	6,647,921	6,889,583	7,122,357	7,365,755
4 General Purpose Non-Tax Revenues	414,910	383,988	422,082	422,779	407,561	407,902	395,360
6 Transfer from Lottery	55,586	62,500	55,000	55,500	56,000	56,500	57,000
7 Subtotal, Local Fund Revenues	6,902,689	6,876,165	6,898,020	7,126,200	7,353,144	7,586,759	7,818,115
8 Bond proceeds for Issuance Costs	4,894	6,000	6,000	6,000	6,000	6,000	6,000
9 Fund Balance Use from FY 2015	0	121,039	357,664	41,177	0	0	0
10 Fund Balance Use from FY 2016	0	0	0	2,916	13,796	1,234	54,075
11a Interfund transfers from SPR and other - FY 2015	0	49,925	49,925	40,046	1,389	0	0
11b Interfund transfers from SPR and other - FY 2016	0	0	0	45,111	0	0	0
12 Central Services Cost Allocation from Federal Funds	1,466	2,363	2,363	2,363	2,363	2,363	2,363
13a Transfer from TIF/PILOT/Other	23,555	14,122	14,122	12,799	13,112	14,203	15,419
13b Transfer from Capital Fund Paygo	34,027	0	1,999	0	0	0	0
14 Revenue Proposals	0	2,722	3,721	9,248	9,153	9,141	9,128
15 Total Local Fund Resources	6,966,633	7,072,336	7,333,814	7,285,860	7,398,956	7,619,700	7,905,100
16							
17 Expenditures (by Appropriation Title)							
18 Governmental Direction and Support	642,724	687,151	745,509	728,310	740,733	755,254	770,069
19 Economic Development and Regulation	177,750	258,154	295,837	266,913	215,158	219,235	223,392
20 Public Safety and Justice	1,007,241	1,101,509	1,178,147	1,149,736	1,151,982	1,175,889	1,200,305
21 Public Education System	1,840,525	1,887,478	1,898,425	1,986,876	2,015,351	2,054,796	2,094,961
22 Human Support Services	1,769,285	1,778,468	1,794,254	1,814,796	1,845,826	1,887,853	1,923,700
23 Public Works	467,037	514,566	514,406	510,423	526,650	543,522	560,853
24 Financing and Other - Selected Agencies	21,558	46,607	63,433	46,191	65,022	55,356	56,395
25 Bond Issuance Costs (ZBO)	5,638	6,000	6,000	6,000	6,000	6,000	6,000
26 Debt Service (DSO, ZAO, SMO, ELO)	594,127	658,065	637,932	666,223	738,996	818,473	917,129
27 Subtotal, Operating Expenditures	6,525,884	6,937,998	7,133,942	7,175,468	7,305,719	7,516,379	7,752,803

(Continued on next page)

Table 2-2 (continued)

FY 2017 - FY 2020 General Fund - Local Funds Component

(\$ thousands)

	FY 2015 Actual	FY 2016 Approved	FY 2016 Revised	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
28 Paygo Capital (PA0)	98,238	21,449	30,784	75,705	48,500	53,888	102,325
29 Transfer to Trust Fund for Post-Employment Benefits (RH0)	91,400	95,400	29,000	31,000	33,200	35,600	38,200
30 Repay Contingency Reserve Fund (SV0)	0	0	59,202	0	0	0	0
31b Transfer to Convention Center (EZ0)	4,000	8,115	8,365	3,186	3,242	3,299	3,356
32 Operating Impact of CIP	0	0	0	0	7,795	10,034	7,558
33 Total Local Fund Expenditures and Transfers	6,719,522	7,062,962	7,261,292	7,285,360	7,398,457	7,619,200	7,904,242
34 Operating Margin Before Reservations	247,110	9,373	72,521	500	500	500	858
35 Reserved for Subsequent Years' Expenditures	0	0	72,021	0	0	0	0
36 Operating Margin After Reservations	247,110	9,373	500	500	500	500	858

(Numbers may not add due to rounding)

The following table details the sources of fund balance from FY 2015 that are used in FY 2016 and FY 2017, as shown in line 9 of the Local funds financial plan (table 2-2). These amounts come from the FY 2015 Comprehensive Annual Financial Report (CAFR). Some are displayed as specific lines in CAFR table N60a (Note 11), while others are within broader categories displayed in that table.

Table 2-2a

Details on Fund Balance Use from FY 2015 (line 9 of Local funds component)

(\$ thousands)

Fund Balance Use from FY 2015	FY 2016 Approved	FY 2016 Revised	FY 2017 Proposed
FY 2016 Budget	67,660	67,660	
FY 2015/16 Supplemental Budget	28,288	28,288	
Section 101 (Firefighters' settlement)		47,000	
Section 101 (Department of Corrections)		16,650	
Set aside in FY 2015 fund balance for FY 2016 use		21,000	
Commodity Cost Reserve (FY 2014 value, reserved for budget use in FY 2015 CAFR)	25,091	25,091	
Commodity Cost Reserve (FY 2015 value)			19,477
Local carryover (multiple agencies)		56,442	
Contingency Reserve (multiple agencies)		95,533	
WMATA operations fund			21,700
Total	121,039	357,664	41,177

(Numbers may not add due to rounding)

Table 2-3

FY 2017 - FY 2020 General Fund - Dedicated Taxes Component

(\$ thousands)

	FY 2015 Actual	FY 2016 Approved	FY 2016 Revised	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
1 Revenues							
3a Deed Recordation and Deed Transfer to HPTF for debt service	7,829	7,832	7,832	7,835	7,832	7,839	7,839
3b Healthcare Provider Tax transfer to Nursing Facility Quality of Care Fund	12,854	15,117	14,591	14,883	15,181	15,485	15,794
3c General Sales Taxes, Insurance Premiums, and Carefirst Contribution transfers to Healthy DC Fund	44,805	34,342	45,642	46,727	48,080	49,025	49,988
3d ICF-IDD Assessment transfer to Stevie Sellows Fund	5,032	5,519	5,478	5,519	5,629	5,742	5,866
3e Inpatient Hospital Bed Tax and Provider Fee transfer to Hospital Fund	0	0	17,100	0	0	0	0
3f General Sales Taxes transfer to WMATA - Parking Taxes	67,446	66,664	66,664	66,670	66,670	66,670	66,670
3g General Sales Taxes transfer to Convention Center	116,448	116,939	113,971	119,100	117,909	121,093	123,733
3h Motor Fuel Tax transfer to Highway Trust Fund	25,256	22,504	25,004	24,754	24,506	24,261	24,018
3i General Sales Taxes transfer to ABRA	1,170	1,170	1,170	1,170	1,170	1,170	1,170
3j General Sales Taxes transfer to Healthy Schools Fund	4,266	4,266	4,266	4,266	4,266	4,266	4,266
3k Public Space Rental transfer to DDOT Enterprise Fund from advertising on bike sharing stations	0	500	0	0	0	0	0
3l Health Benefit Exchange Assessment	0	29,614	0	0	0	0	0
3m Miscellaneous	181	0	0	0	0	0	0
7 Subtotal, Dedicated Taxes	285,287	304,467	301,718	290,924	291,243	295,551	299,344
9 Fund Balance Use from FY 2015	0	40	40	0	0	0	0
10 Fund Balance Use from FY 2016	0	0	0	16	0	0	0
14 Revenue Proposals	0	16,410	0	17,109	0	0	0
15 Total Dedicated Taxes	285,287	320,917	301,758	308,050	291,243	295,551	299,344
16							

(Continued on next page)

Table 2-3 (Continued)

FY 2017 - FY 2020 General Fund - Dedicated Taxes Component

(\$ thousands)

	FY 2015 Actual	FY 2016 Approved	FY 2016 Revised	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
17 Expenditures (by Appropriation Title)							
18 Governmental Direction and Support	0	0	0	0	0	0	0
19 Economic Development and Regulation	925	1,170	1,170	1,170	1,170	1,170	1,170
20 Public Safety and Justice	0	0	0	0	0	0	0
21 Public Education System	4,848	4,306	4,306	4,282	4,266	4,266	4,266
22 Human Support Services	62,779	100,959	71,345	81,907	68,890	70,252	71,648
23 Public Works	71,648	66,664	66,664	66,670	66,670	66,670	66,670
24 Financing and Other - Selected Agencies	0	0	0	0	0	0	0
26 Debt Service (DT0)	7,829	7,832	7,832	7,835	7,832	7,839	7,839
27 Subtotal, Operating Expenditures	148,029	180,931	151,317	161,865	148,828	150,197	151,593
31a Transfer to Highway Trust Fund (KZ0)	25,256	22,504	22,504	24,754	24,506	24,261	24,018
31b Transfer to Convention Center (EZ0)	116,448	116,939	116,939	119,100	117,909	121,093	123,733
33 Total Dedicated Taxes Expenditures and Transfers	289,733	320,374	290,760	305,718	291,243	295,551	299,344
34 Operating Margin	(4,446)	543	10,998	2,331	0	0	0

(Numbers may not add due to rounding)

Table 2-4

FY 2017 - FY 2020 General Fund - Special Purpose Revenue Component

(\$ thousands)

	FY 2015 Actual	FY 2016 Approved	FY 2016 Revised	FY 2017 Proposed	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
1 Revenues							
5 Special Purpose (O-type) Revenues	524,826	533,496	516,692	546,907	538,742	547,337	550,570
7 Subtotal, Special Purpose Revenue Funds	524,826	533,496	516,692	546,907	538,742	547,337	550,570
9 Fund Balance Use from FY 2015	60,410	49,996	94,313	0	0	0	0
10 Fund Balance Use from FY 2016	0	0	0	59,120	0	0	0
10a Certified Resources not used	0	(9,682)	(2,151)	(7,181)	0	0	0
13a Transfer from TIF/PILOT/Other	0	10,000	0	0	0	0	0
14 Revenue Proposals	0	3,537	0	339	343	348	353
15 Total Special Purpose Revenue Funds	585,236	587,347	608,855	599,185	539,085	547,685	550,923
16							
17 Expenditures (by Appropriation Title)							
18 Governmental Direction and Support	32,152	69,645	69,645	70,402	70,660	72,125	72,539
19 Economic Development and Regulation	141,405	180,713	190,549	206,157	173,809	180,168	182,199
20 Public Safety and Justice	38,157	56,676	56,676	48,666	39,455	39,455	39,455
21 Public Education System	7,755	16,669	16,862	16,480	16,573	16,711	16,854
22 Human Support Services	25,422	34,319	38,789	36,332	35,737	36,152	36,573
23 Public Works	114,361	154,662	165,684	163,099	152,231	152,231	152,231
24 Financing and Other - Selected Agencies	21,100	18,532	13,211	3,142	0	0	0
25 Debt Service (DSO)	29,918	5,114	5,114	5,319	5,531	5,753	5,983
27 Subtotal, Operating Expenditures	410,270	536,331	556,529	549,596	493,996	502,596	505,835
28 Paygo Capital (PAO)	38,007	51,017	52,326	49,589	40,589	39,089	37,589
31a Transfer to Highway Trust Fund (KZ0)	14,954	0	0	0	4,500	6,000	7,500
33 Total Special Purpose Revenue Expenditures and Transfers	463,230	587,347	608,855	599,185	539,085	547,685	550,923
34 Operating Margin	122,005	0	0	0	0	0	0

(Numbers may not add due to rounding)

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 2-5 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 Payments.** Funding contributed by the federal government for specific projects. These funds are restricted in use by the federal government.
- F3. Private Grants.** Revenues received from private grants.
- F4. Subtotal, Federal and Private Resources.** This line is the sum of lines F1 through F3.
- F5. Fund Balance Use.** In Table 2-5, this line shows \$8.7 million of fund balance use in FY 2015 as certified in the District's Comprehensive Annual Financial Report (CAFR), Exhibit 2-d.
- F6. Transfer to General Fund.** This line represents funds used to pay for indirect costs, as shown on line 12 in Tables 2-1 and 2-2.
- F7. Total Federal and Private Resources.** This is the sum of lines F4 through F6.
- F8.** Line intentionally left blank.
- F9-F16. Expenditures by Appropriation Title.** These items reflect agency expenditures by appropriation title.
- F17. Debt Service.** This line includes Repayment of Debt and other debt service agencies.
- F18. Total Federal and Private Expenditures.**
- F19. Operating Margin.** This is the difference between Total Federal and Private Resources (line F7) and Total Federal and Private Expenditures (line F18).

Table 2-5

FY 2017 - FY 2020 Federal and Private Resources Financial Plan

(\$ thousands)

	FY 2015	FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues	Actual	Approved	Revised	Proposed	Projected	Projected	Projected
F1 Federal Grants	2,723,610	3,160,022	3,270,304	3,278,748	3,337,157	3,396,615	3,457,141
F2 Federal Payments	66,850	100,900	108,177	131,930	134,323	136,760	139,241
F3 Private Grants	2,141	1,501	4,144	1,321	1,347	1,373	1,399
F4 Subtotal, Federal & Private Resources	2,792,601	3,262,422	3,382,626	3,411,999	3,472,826	3,534,747	3,597,782
F5 Fund Balance Use	8,716	0	0	0	0	0	0
F6 Transfer to General Fund	(1,466)	(2,363)	(2,363)	(2,363)	(2,363)	(2,363)	(2,363)
F7 Total Federal & Private Resources	2,799,851	3,260,059	3,380,263	3,409,636	3,470,463	3,532,384	3,595,419
F8							
F9 Expenditures (by Appropriation Title)							
F10 Governmental Direction and Support	25,042	29,667	35,120	30,226	30,823	31,433	32,054
F11 Economic Development and Regulation	66,572	100,718	100,013	93,240	94,979	96,751	98,557
F12 Public Safety and Justice	91,721	150,405	154,667	159,554	162,442	165,383	168,377
F13 Public Education System	276,284	324,839	352,670	363,612	370,163	376,833	383,623
F14 Human Support Services	2,259,452	2,588,645	2,668,217	2,670,214	2,717,588	2,765,806	2,814,885
F15 Public Works	25,899	34,524	38,214	39,632	40,381	41,145	41,924
F16 Financing and Other - Selected Agencies	19,009	13,000	13,000	34,895	35,506	36,127	36,759
F17 Debt Service (DSO)	18,440	18,262	18,361	18,262	18,582	18,907	19,238
F18 Total Federal & Private Expenditures	2,782,418	3,260,059	3,380,263	3,409,636	3,470,463	3,532,384	3,595,419
F19 Operating Margin	17,433	0	0	0	0	0	0

(Numbers may not add due to rounding)

General Fund

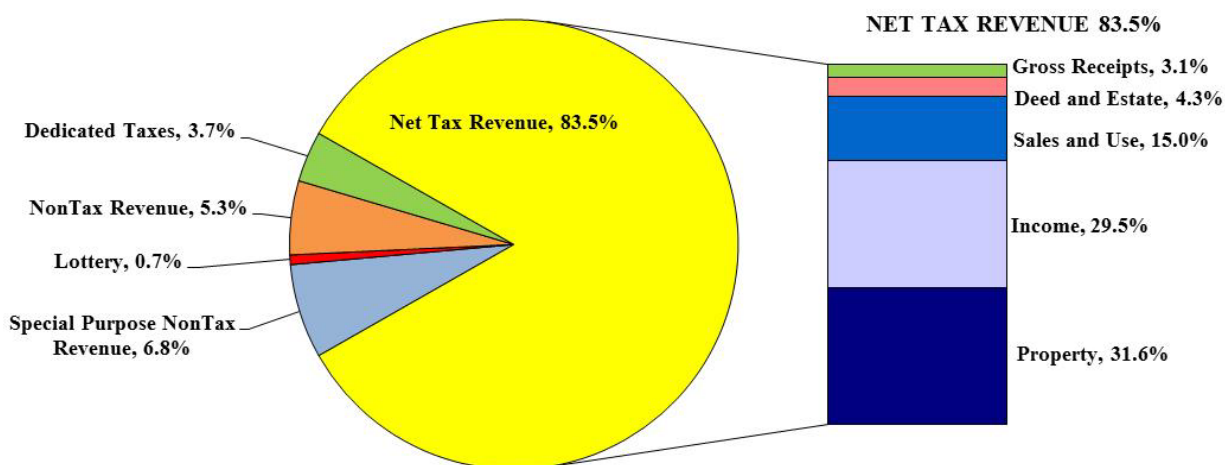
A fund is a fiscal and accounting entity with a self-balancing set of accounts that the District uses to keep track of specific sources of funding and spending for a particular purpose. An appropriated fund is a collection of appropriated revenues and expenditures set up by congressional authority. The General Fund, referenced above, is the principal operating fund of the District, which is used to account for all financial resources except those required to be accounted for in another fund. The General Fund consists of three appropriated funds, Local, Dedicated Taxes, and Special Purpose Revenue (O-type or other) funds.

The Local fund is funded by tax and non-tax revenues that are not earmarked for a particular purpose and are allocated to fund District programs during the annual budget process. The Dedicated Tax fund is funded by tax revenues dedicated by law to a particular agency for a particular purpose. The Special Purpose Revenue fund is 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.

An intra-District Fund is an accounting mechanism set up to track payments for services provided by one District agency to another District agency, similar to an internal service fund. 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.

Revenue

TOTAL GENERAL FUND REVENUE - FISCAL YEAR 2017



This chapter presents the revenue outlook for the District of Columbia's General Fund for FY 2016 to FY 2020. The chapter is divided into five broad sections:

- **Economic Outlook:** Underlying condition of the District's economy with analysis of key variables that drive the revenue estimate.
- **Baseline Revenues:** Local, dedicated and special purpose revenues before proposals that affect revenues.
- **Policy Proposals:** Summary of all proposals that have not been incorporated in the baseline revenues.
- **Detailed Tables:** Additional tables showing dedicated taxes, non-tax revenue, special purpose revenue and current tax rates.
- **Tax Expenditures:** Estimates of the revenue foregone due to tax expenditures.

Revenue is derived from both tax and non-tax sources. Non-tax sources consist of fees, fines, assessments, and reimbursements, while tax sources are levies on broad measures of citizens' ability to pay (e.g., income, consumption, wealth). Some tax revenues are dedicated to special uses and are not available for general budgeting; these are called dedicated taxes. Similarly, some non-tax sources are dedicated to the agency that collects the revenues and are known as special purpose revenues.

SUMMARY

The FY 2016 baseline estimate of \$6.90 billion in total Local fund revenue, which excludes dedicated taxes and special purpose revenue, is \$6.2 million (0.1%) lower than FY 2015 revenue. (See Table 3-1.) FY 2015 results were driven by extraordinary gains in capital gains, deed recordation and transfer taxes, and a one-time settlement of \$73.6 million from online travel companies. These one-time gains, which added over \$300 million to FY 2015 revenues, or nearly 4 percent, are not expected to recur. The \$7.13 billion estimate for FY 2017 is an increase of \$228.2 million (3.3%) from FY 2016.

Including dedicated and special purpose revenues and policy initiatives, total FY 2016 general fund revenue in the financial plan is \$7.72 billion, \$5.9 million more than in FY 2015 and \$7.99 billion in FY 2017, \$269.6 million more than FY 2016.

Various policy initiatives increase general fund revenue in FY 2017 by \$26.7 million. The policy initiatives are summarized in Table 3-12 and are discussed in the context of the specific revenue item for each proposal.

Table 3-1

General Fund Revenues, FY 2015-2020

(Dollars in Thousands)

Type of Revenue	FY 2015 Actual	FY 2016 Revised	FY 2017 Original	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Local Fund - Baseline	6,904,232	6,898,020	7,126,200	7,353,144	7,586,759	7,818,115
<i>Level Change</i>		-6,212	228,179	226,944	233,615	231,356
<i>% Change Annual</i>		-0.1%	3.3%	3.2%	3.2%	3.0%
Taxes	6,432,090	6,420,938	6,647,921	6,889,583	7,122,357	7,365,755
General Purpose Non-Tax Revenues	416,557	422,082	422,779	407,561	407,902	395,360
Transfer from Lottery	55,586	55,000	55,500	56,000	56,500	57,000
Dedicated/Special Purpose - Baseline	810,037	818,411	836,832	829,985	842,888	849,914
<i>Level Change</i>		8,374	18,421	-6,847	12,903	7,027
<i>% Change Annual</i>		1.0%	2.3%	-0.8%	1.6%	0.8%
Dedicated Taxes	285,211	301,718	290,924	291,243	295,551	299,344
Special Purpose (O-Type) Revenues	524,826	516,692	545,907	538,742	547,337	550,570
Total Revenue - Baseline	7,714,269	7,716,431	7,963,031	8,183,129	8,429,647	8,668,030
<i>Level Change</i>		2,162	246,600	220,098	246,518	238,383
<i>% Change Annual</i>		0.0%	3.2%	2.8%	3.0%	2.8%
Revenue Policy Proposals		3,721	26,696	9,496	9,489	9,481
Total Revenue with Proposals	7,714,269	7,720,152	7,989,727	8,192,625	8,439,136	8,677,510
<i>Level Change</i>		5,883	269,575	202,898	246,510	238,375
<i>% Change Annual</i>		0.1%	3.5%	2.5%	3.0%	2.8%
Addendum: Dedicated tax revenue to enterprise funds	199,540	180,522	175,090	183,256	188,791	196,989

THE ECONOMIC OUTLOOK

Against a background of continued moderate growth in the national economy, our current economic forecast for D.C. assumes that the District's economy will also continue to grow much as it has over the past two years, adding both jobs and people over the period of the financial plan. Measures to restrain federal spending are expected, however, to be in effect over the period of the financial plan.

Over the past year, employment located in D.C. has increased, and commercial office vacancy rates and rents have stabilized. Employment growth forecast for FY 2016 and beyond is almost all in D.C.'s private sector.

Population growth has been a major factor in increasing the District's income and sales tax bases, and is also a major driving force behind rising home values. In the last five years (2010 to 2015) the District's population has grown by 67,102 (11.1%), an increase that has averaged more than 1,000 net new residents per month over this period. Natural increase (births minus deaths) accounted for about 35 percent of the population growth from 2014 to 2015.

Federal Spending

Approximately 25 percent of employed D.C. residents work for the federal government. Federal civilian employment accounts for about 26 percent of all jobs located in the District of Columbia and 32 percent of the wages and salaries that are generated in the city. Federal contracting also accounts for additional jobs and income. Because the federal government is such a dominant presence in the District's economy, trends in federal spending have a major impact on the District of Columbia's economy and revenues.

Current federal budget and fiscal policies allow for some additional spending growth for FY 2016 and FY 2017. According to the Congressional Budget Office, however, federal domestic discretionary outlays in FY 2018 are expected to be less than 0.5 percent more than in FY 2016. It is assumed in this budget that no additional restraints on federal spending will be enacted in the next several years.

National Economy

The national economy continues at a pace of moderate growth with low inflation. Real GDP grew at an annual rate of 2.6 percent in FY 2015, jobs are increasing, and the unemployment rate is falling. The outlook for FY 2016 and FY 2017, however, is for somewhat slower growth in the national economy and continued uncertainty in financial markets.

- The U.S. economy added 2.9 million jobs (2.1%) from December 2014 to December 2015.
- The U.S. unemployment rate (seasonally adjusted) was 5.0 percent in December 2015, down from 5.6 percent a year earlier.
- U.S. Personal Income in the December 2015 quarter was 4.6 percent above a year ago.
- The S&P 500 stock market index became quite volatile in early 2016. The average for January 2016 was 5.2 percent below the level of three months earlier, and 5.4 percent below a year ago.
- Employment in the Washington metropolitan area has increased significantly during the past year. In the three-month period ending December, wage and salary jobs in the region grew by 67,100 (2.1%) compared to a year earlier. The District of Columbia accounted for about 15 percent of the increase in area employment.
- The D.C. metropolitan area unemployment rate was 3.8 percent in December (not seasonally adjusted), down from 4.4 percent a year earlier.
- In January 2016, the consensus forecast of 50 economists contributing to the Blue Chip Economic Indicators is that national real GDP growth in FY 2016 and FY 2017 would be below that of FY 2015. Growth is expected to slow to 2.3 percent in FY 2016 before returning to a 2.5 percent rate in FY 2017. Nominal growth is expected to be 3.9 percent in FY 2016 (up from 3.6 percent in FY 2015), and 4.6 percent in FY 2017.

The District of Columbia Economy

Recent trends in the D.C. economy include continued moderate growth in jobs and income, increased population and housing units, modest increase in the number of home sales, and higher single family home prices.

- In the three months ending December 2015, there were 9,667 (1.3%) more wage and salary jobs located in the District than a year earlier. Federal government jobs in December were up by 833 from a year earlier, and private sector jobs increased by 9,633 (1.8%).
- District resident employment in the three months ending December 2015 increased by 10,132 (2.9%) compared to a year earlier.
- The December unemployment rate fell to 6.6 percent (seasonally adjusted), a decrease from 7.7 percent a year ago.
- Wages earned in the District of Columbia grew 5.1 percent in FY 2015, compared to the prior year.
- D.C. Personal Income was 4.2 percent higher.
- Home sales in FY 2015 were higher than in 2014. Single family sales for the three-month period ending December 2015 were up 4.3 percent from a year ago, with a 10.1 percent increase in the average selling price. Condominium sales, however, were down 1.6 percent, and the average price was 5.7 percent lower. The value of all home sales settled contracts for the three-month period ending December 2015 was 6.0 percent more than a year ago.
- According to CoStar, leased commercial office space in December 2015 was up 0.4 percent from a year ago, while the vacancy rate rose over the past year from 9.9 percent in the fourth quarter of 2014 to 10.1 percent in the third quarter of 2015. Average rents were 1.5 percent higher in the December quarter than a year earlier.
- Hotel room-days sold for the three months ending December 2015 were 0.2 percent above the prior year, and hotel room revenues were up 1.2 percent.

Economic Forecast for D.C.

The economic forecasting services IHS Global Insight and Moody's Analytics (formerly Economy.com) both expect that job growth in the District of Columbia will be slower in FY 2016 and FY 2017 than it was in FY 2015. They also agree that (1) the federal sector will play a smaller role in the economy, with employment flat or slowly shrinking over the next few years, (2) professional and business services will be the largest sources of job growth, (3) employment growth in the education and health sector will be much slower in the years ahead, (4) the stock market will grow slowly over the next several years, and (5) the annual increase in the District's population will begin to slow down.

Advisory Groups

In January and early February 2016 we sought advice from three advisory groups that meet at least once a year to provide insights into current developments and expectations for the next several years. The Business Advisory Group discussed leading business sectors in the District and the connections between D.C.'s economy and the larger regional and national economies. The Real Estate Advisory Group discussed both commercial and residential real estate markets. The Revenue Advisory Group discussed economic trends, federal fiscal policy and revenue trends with representatives from the Congressional Budget Office, officials from surrounding states and local jurisdictions and others familiar with national trends and revenue estimation issues. The information received at these meetings is a critical factor impacting our revenue estimates.

Highlights from the discussions include:

- Changes occurring in the District's economy favor the city continuing to be a place that attracts both residents and businesses.
- The federal sector remains the major underpinning of the District's economy, but will no longer be a source of support for significant growth.
- A challenge for the District of Columbia is to continue to attract and retain professional and similar

higher-wage employment; accomplishing this depends not on federal government spending but on competing successfully in regional, national and even global markets.

- Overall demand for office space will remain fairly low by historical standards due to federal lease cutbacks, limited growth in office-using jobs and tenants seeking fewer square feet per employee. However, the office market has stabilized in terms of vacancy and rental rates, and new supply and demand are fairly balanced.
- Premier real estate in the District of Columbia remains attractive to foreign investors, some of the new purchasers will be more inclined to hold their investments for longer periods of time than has often been true in the past.
- Population will continue to grow. New apartment construction is keeping up with demand, but condominium supply will be constrained for several years.
- The District is continuing to attract a growing variety of retail businesses.
- An expected rise in interest rates over the next couple of years may slow down the volume (if not the prices) of housing sales. Market conditions favor a continuing rise in the demand for housing.

Economic Assumptions for the Revenue Estimate

The economic assumptions for the FY 2017 Budget and Financial Plan (See Table 3-2.) take into consideration expectations of moderate growth in the national economy, continued federal spending constraints, employment and income gains over the past year, forecasts from IHS Global Insight and Moody's Analytics, and comments from the Advisory Groups. Highlights include:

- **D.C.'s Gross Domestic Product.** Growth rates in D.C. Gross Domestic Product (GDP-DC), a measure of economic activity in D.C., in FY 2016 and FY 2017, respectively, are projected to be 3.7 percent and 4.7 percent. Real GDP-DC, adjusted for inflation, is expected to grow 2.0 percent in FY 2016 and 2.6 percent in FY 2017.
- **D.C.'s Personal Income.** The growth rate in Personal Income, which is mostly wages, salaries, and benefits, but which also includes investment income and transfer payments, is expected to be 4.0 percent in FY 2016, and 4.2 percent in FY 2017. Increases in the number of persons and households residing in D.C. contribute to the District's higher Personal Income levels.
- **Jobs located in D.C.** The number of jobs in the District in FY 2016 is expected to show a net increase of 9,600 (1.3%) and 6,400 (0.8%) in FY 2017.
- **Resident employment.** In FY 2016, the D.C. labor force is expected to increase by 5,900 (1.5%) and rise by 5,100 (1.3%) in FY 2017. Resident employment is expected to rise by 8,900 (2.5%) in FY 2016. For FY 2017, it is forecast to rise by 5,200 (1.4%) as the unemployment rate falls to 6.4 percent in that year.
- **Home sales and prices.** The number of housing sales (the combined total of single family and condominium units) is projected to rise by 2.0 percent in FY 2016, with prices increasing by 4.5 percent. Sales then increase by 0.2 percent in FY 2017, with a 4.7 percent rise in average prices.
- **Inflation.** The Financial Plan assumes that the D.C. Consumer Price Index will rise 1.1 percent in FY 2016 and 2.3 percent in FY 2017. The rate in FY 2015 was 0.3 percent.
- **Households and population.** The Financial Plan assumes estimated households in FY 2016 of 299,300 up 4,500 (1.5%) from FY 2015, and 303,200 in FY 2017 (an increase of 3,900 or 1.3%). Population rises by 11,100 in FY 2016 to 681,700; in FY 2017 it reaches 691,600.

Looking further ahead to FY 2018 through FY 2019, the expectation for the Budget and Financial Plan is that this will be a period of continued moderate economic growth, both nationally and in the District of Columbia, with the District's economy continuing to be affected by restraints in federal expenditures. Growth in nominal GDP-DC is expected to average about 4.2 percent per year during the FY 2018 through FY 2020 period, and Personal Income will increase at about 4.5 percent per year; close to 5,000 additional jobs will be added each year. Inflation is expected to rise to 2.5 percent per year by FY 2020, and interest rates also rise (to a 4.1 percent rate for 10-year Treasury securities in FY 2020). The stock market is expected to grow at a steady, moderate pace

(a gain of about 14.5 percent over the 3-year period). In the years 2008 through 2020, 8,252 new housing starts are anticipated, and an additional 8,600 households are expected. During this period, the number of housing sales is expected to remain steady, while average prices rise each year at a rate about 0.5 percent above the rate of growth in Personal Income.

Risks

There are a number of risks to this forecast, on both the up side and the down side.

On the down side, events in the national or international arenas that could affect revenues include a slowing down—or reversal—of national economic growth (the current expansion will be a fairly long seven-year duration by June 2016). Also, additional drops in the stock market beyond what occurred early in 2016, other financial market problems, and national security concerns would also adversely affect District revenues. The District always remains vulnerable to things like disruptions to oil supplies or impacts arising from uncertainties in the Middle East, the Eurozone, or elsewhere. Expected efforts by the Federal Reserve to continue raising interest rates in the coming year or two introduce an element of uncertainty in financial markets that could affect real estate and other elements of D.C.'s tax base. It should be noted that two important revenue sources, deed transfer taxes and personal income taxes on capital gains realizations, respond quickly to changing market dynamics and can therefore be quite volatile.

As noted earlier, a major downside risk is that the District may be more adversely affected by cutbacks in federal spending and the federal presence in the District than what has already been incorporated in this estimate. On the other hand, agreements in Congress to raise spending levels above those currently authorized could have a positive impact on the District's economy.

Continued population growth of the magnitude included in this forecast assumes that net in-migration continues to be the largest driver of that growth. This expectation will not be met if the District becomes less able to attract new residents and retain existing ones.

On the up side, risks that could result in revenues that are higher than forecast include:

- Higher personal income growth than our baseline consensus forecast due to stronger overall economic growth or stronger capital gains realizations.
- Higher assessed property values due to new construction coming on the assessment rolls and/or lower capitalization rates.
- Growing interest on the part of individuals and employers in locating in D.C. could result in an economy stronger than assumed in this revenue forecast.

Table 3-2

Estimated Key Variables for the D.C. Economy for the Forecast Period, Fiscal Years 2014-2020

	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate	FY 2019 Estimate	FY 2020 Estimate
Gross State Product (nominal, billions of \$)	115.49	120.48	124.96	130.86	136.80	142.32	148.15
	4.0%	4.3%	3.7%	4.7%	4.5%	4.0%	4.1%
Personal Income (billions of \$)	45.63	47.52	49.45	51.54	53.98	56.39	58.82
	2.7%	4.2%	4.0%	4.2%	4.7%	4.5%	4.3%
Wages and Salaries of DC Residents (billions of \$)	22.3	23.4	24.4	25.4	26.4	27.5	28.6
	3.0%	4.6%	4.5%	4.0%	4.2%	3.9%	4.0%
Population (thousands)	658.7	670.6	681.7	691.6	700.1	707.4	714.0
	1.7%	1.8%	1.7%	1.4%	1.2%	1.1%	0.9%
Households (thousands)	290.1	294.8	299.3	303.2	306.4	309.4	311.8
	1.7%	1.6%	1.5%	1.3%	1.1%	1.0%	0.8%
At-Place Employment (thousands)	751.5	762.8	772.4	778.8	783.9	788.7	792.8
	0.8%	1.5%	1.3%	0.8%	0.7%	0.6%	0.5%
Civilian Labor Force (thousands)	374.3	384.9	390.8	395.9	400.1	403.9	407.2
	0.2%	2.8%	1.5%	1.3%	1.1%	1.0%	0.8%
Resident Employment (thousands)	344.8	356.5	365.4	370.6	374.9	378.5	381.9
	1.0%	3.4%	2.5%	1.4%	1.2%	1.0%	0.9%
Unemployment Rate (%)	7.9	7.4	6.5	6.4	6.3	6.3	6.2
Housing Starts	4,327	4,233	3,988	3,006	2,814	2,742	2,696
Housing Stock (thousands)	312.0	316.2	320.3	323.9	326.3	329.4	330.7
	1.6%	1.4%	1.3%	1.1%	0.7%	0.9%	0.4%
Sale of Housing Units	7,616	7,929	8,088	8,104	8,104	8,104	8,104
	2.0%	4.1%	2.0%	0.2%	0.0%	0.0%	0.0%
Average Housing Price (thousands of \$)	736.4	767.9	802.8	840.8	884.9	928.7	973.4
	3.3%	4.3%	4.5%	4.7%	5.2%	5.0%	4.8%
Washington Area CPI (% change from prior year)	1.6	0.3	1.1	2.3	2.5	2.5	2.5
Interest Rate on 10-year Treasury Notes (%)	2.7	2.2	2.6	3.2	3.8	4.0	4.1
Change in S&P 500 Index of Common Stock (%)*	13.6%	2.0%	0.5%	3.5%	2.7%	4.2%	7.0%

*Change in S&P 500 Index of Common Stock 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 2015 is the percent change from CY 2014.4 to CY 2015.4)

Note: Estimated by the D.C. Office of Revenue Analysis based on forecasts of the D.C. and national economies prepared by IHS Global Insight (February 2016) and Moody's Analytics (Economy.com) (January 2016); forecasts of the national economy prepared by the Congressional Budget Office (January 2016) and Blue Chip Economic Indicators (February 2016); BLS labor market information from December 2015; the Census Bureau estimates of the D.C. population (2015); Bureau of Economic Analysis estimates of D.C. Personal Income (September 2015); Metropolitan Regional Information System (MRIS) D.C. home sales data (December 2015), accessed in part through the Greater Capital Area Association of Realtors (GCAAR); CoStar information on commercial office buildings and residential property in D.C. (December 2015); and Delta Associates information on commercial office buildings and apartments in DC (December 2015).

GENERAL FUND REVENUE

The General fund, used to finance government operations, is composed of three funds: Local, Dedicated, and Special Purpose. Table 3-3 reports estimated Local fund revenue by major revenue source for the period FY 2016 to FY 2020, along with actual FY 2015 revenues. Tables 3-13 and 3-14, at the end of this chapter, provide information on year-to-year percentage and absolute changes for the major revenue sources.

The Local fund includes both tax revenue and non-tax revenue. The following section highlights the components and discusses the transfers from the Local fund to Dedicated funds. Special Purpose funds are discussed at the end.

Table 3-3

General Fund, Local Revenue by Source, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Real Property	2,194,500	2,357,202	2,456,722	2,532,880	2,610,285	2,693,814
Transfer to TIF/Pilot	(40,180)	(46,394)	(39,619)	(40,966)	(42,359)	(43,926)
Real Property (net)	2,154,320	2,310,808	2,417,103	2,491,914	2,567,926	2,649,888
Personal Property	57,225	58,370	60,529	62,345	64,527	66,269
Public Space Rental	36,122	37,242	38,247	39,471	40,734	41,997
Total Property (net)	2,247,667	2,406,419	2,515,879	2,593,731	2,673,188	2,758,154
General Sales	1,315,295	1,290,847	1,344,385	1,399,256	1,450,895	1,504,626
Transfer to Convention Center Fund	(116,448)	(113,971)	(119,100)	(117,909)	(121,093)	(123,733)
Transfer to TIF	(37,554)	(29,603)	(28,095)	(30,734)	(31,895)	(33,075)
Transfer to Ballpark Revenue Fund	(14,904)	(17,900)	(18,509)	(19,212)	(19,788)	(20,382)
Transfer to Healthy DC and Health Care Expansion Fund	(106)	(250)	(427)	(854)	(854)	(854)
Transfer to WMATA Subsidy (parking tax)	(67,446)	(66,664)	(66,670)	(66,670)	(66,670)	(66,670)
Transfer to Healthy Schools Fund	(4,265)	(4,266)	(4,266)	(4,266)	(4,266)	(4,266)
Transfer to ABRA Program	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)
General Sales (net)	1,073,402	1,057,023	1,106,148	1,158,441	1,205,160	1,254,476
Alcohol	6,244	6,369	6,618	6,903	7,180	7,451
Cigarette	31,492	30,623	29,398	28,310	27,461	26,637
Motor Vehicle	46,607	47,725	49,589	51,724	53,799	55,832
Motor Fuel Tax	25,256	25,004	24,754	24,506	24,261	24,018
Transfer to Highway Trust Fund	(25,256)	(25,004)	(24,754)	(24,506)	(24,261)	(24,018)
Total Sales (net)	1,157,744	1,141,740	1,191,753	1,245,378	1,293,599	1,344,396
Individual Income	1,868,037	1,856,982	1,930,426	2,010,439	2,093,150	2,167,639
Corporate Franchise	308,027	287,766	284,516	295,427	302,298	317,278
Unincorporated Business Franchise	139,778	133,159	133,135	138,085	141,199	146,553
Total Income	2,315,843	2,277,908	2,348,077	2,443,951	2,536,648	2,631,471

(Continued on next page)

Table 3-3 (continued)

General Fund, Local Revenue by Source, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Public Utility	145,852	146,582	147,315	148,051	148,791	149,535
<i>Transfer to Ballpark Revenue Fund</i>	<i>(8,681)</i>	<i>(8,768)</i>	<i>(8,856)</i>	<i>(8,944)</i>	<i>(9,034)</i>	<i>(11,016)</i>
Public Utility (net)	137,171	137,814	138,459	139,107	139,758	138,519
Toll Telecommunications	56,205	58,003	60,033	61,774	63,875	66,046
<i>Transfer to Ballpark Revenue Fund</i>	<i>(2,681)</i>	<i>(2,232)</i>	<i>(2,311)</i>	<i>(2,387)</i>	<i>(2,467)</i>	<i>(2,550)</i>
Toll Telecommunications (net)	53,524	55,771	57,723	59,388	61,408	63,497
Insurance Premiums	104,507	102,642	97,918	100,862	102,805	104,787
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>	<i>(44,805)</i>	<i>(45,392)</i>	<i>(46,300)</i>	<i>(47,226)</i>	<i>(48,171)</i>	<i>(49,134)</i>
Insurance Premiums (net)	59,702	57,250	51,618	53,636	54,635	55,653
Healthcare Provider Tax	12,854	14,591	14,883	15,181	15,485	15,794
<i>Transfer to Nursing Facility Quality of Care Fund</i>	<i>(12,854)</i>	<i>(14,591)</i>	<i>(14,883)</i>	<i>(15,181)</i>	<i>(15,485)</i>	<i>(15,794)</i>
Ballpark Fee	34,942	31,800	32,754	33,737	34,749	35,791
<i>Transfer to Ballpark Revenue Fund</i>	<i>(34,942)</i>	<i>(31,800)</i>	<i>(32,754)</i>	<i>(33,737)</i>	<i>(34,749)</i>	<i>(35,791)</i>
Hospital Bed Tax and Hospital Provider Fee	-	17,100	-	-	-	-
<i>Transfer to Hospital Fund and Hospital Provider Fee Fund</i>	-	<i>(17,100)</i>	-	-	-	-
ICF-IDD Assessment	5,032	5,478	5,519	5,629	5,742	5,866
<i>Transfer to Stevie Sellows Quality Improvement Fund</i>	<i>(5,032)</i>	<i>(5,478)</i>	<i>(5,519)</i>	<i>(5,629)</i>	<i>(5,742)</i>	<i>(5,866)</i>
Total Gross Receipts (net)	250,397	250,835	247,800	252,131	255,800	257,669
Estate	48,274	34,521	29,519	30,919	32,262	33,286
Deed Recordation	257,865	200,687	205,303	211,667	215,901	222,594
<i>Transfer to HPTF/Bond Repayment/West End</i>	<i>(38,680)</i>	<i>(30,103)</i>	<i>(30,795)</i>	<i>(32,441)</i>	<i>(33,013)</i>	<i>(34,017)</i>
Deed Recordation (net)	219,185	170,584	174,508	179,226	182,888	188,577
Deed Transfer	198,315	143,697	146,571	151,115	155,497	160,473
<i>Transfer to HPTF/Bond Repayment/West End</i>	<i>(29,747)</i>	<i>(21,555)</i>	<i>(21,986)</i>	<i>(22,667)</i>	<i>(23,325)</i>	<i>(24,071)</i>
Deed Transfer (net)	168,568	122,143	124,585	128,448	132,173	136,402
Economic Interests	24,412	16,789	15,800	15,800	15,800	15,800
Total Other Taxes (net)	460,439	344,037	344,412	354,393	363,123	374,064
TOTAL TAXES NET OF DEDICATED TAXES	6,432,090	6,420,938	6,647,921	6,889,583	7,122,357	7,365,755
Licenses and Permits	88,788	85,960	90,074	83,360	89,235	85,111
Fines and Forfeits	117,199	151,536	146,045	139,636	132,180	125,762
Charges for Services	94,399	78,365	80,512	78,661	80,811	78,811
Miscellaneous	116,171	106,221	106,148	105,904	105,676	105,676
TOTAL NON-TAX	416,557	422,082	422,779	407,561	407,902	395,360
Lottery	55,586	55,000	55,500	56,000	56,500	57,000
TOTAL LOCAL FUND REVENUE NET OF DEDICATED TAXES	6,904,232	6,898,020	7,126,200	7,353,144	7,586,759	7,818,115

Property Taxes

Table 3-4

Property Tax Revenue, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Real Property	2,194,500	2,357,202	2,456,722	2,532,880	2,610,285	2,693,814
<i>Transfer to TIF/Pilot</i>	<i>(40,180)</i>	<i>(46,394)</i>	<i>(39,619)</i>	<i>(40,966)</i>	<i>(42,359)</i>	<i>(43,926)</i>
Real Property (net)	2,154,320	2,310,808	2,417,103	2,491,914	2,567,926	2,649,888
Personal Property	57,225	58,370	60,529	62,345	64,527	66,269
Public Space Rental	36,122	37,242	38,247	39,471	40,734	41,997
Total Property Taxes (net)	2,247,667	2,406,419	2,515,879	2,593,731	2,673,188	2,758,154
Policy Proposals	-	-	(237)	(248)	(260)	(273)

Real Property Tax

In FY 2015, \$2.194 billion was collected before dedicated distributions; an 8.9 percent increase from FY 2014. The increase in collections was driven primarily by a 9.1 percent increase in the growth rate of commercial property (Class 2) collections compared to 2014 collections. Residential property (Class 1) tax collections in FY 2014 increased by 6.8 percent. Commercial property tax collections have an out-sized impact on total real property tax collections because the residential tax rate is \$0.85 per \$100 of assessment value while the major commercial tax rate of \$1.85 per \$100 of assessment value is more than double the residential rate. The total assessment value of all commercial properties in the District is about the same as the total assessment value of all residential properties. Consequently, Class 1 tax collections account for approximately 32 percent of total real property tax collections, and Class 2 collections account for approximately 66 percent of total real property tax collections.

Residential Property. D.C.'s residential market continued to show solid improvement with average residential prices increasing by 4.3 percent in 2015 and a record number of sales above the \$1 million threshold. This strong pace of appreciation is expected to continue throughout the forecast period with home prices rising by nearly 4.5 percent on average. As a result, Class 1 property tax revenue growth is expected to average around 4.5 percent annually from 2016 to 2020.

Commercial Property. Sales in commercial property markets soared in 2015 with deed recordation and transfer taxes reaching new highs that exceeded the 2007 pre-recession peak. The record sales in 2015 are reflected in strong projected increases in Class 2 property taxes in 2017 of nearly 4.5 percent. This strength is not expected to recur throughout the forecast period. Already, uncertainty in capital markets and increasing credit spreads have dampened sales volume and continued price appreciation in 2016, which will be reflected in 2018 assessments. As a result, the forecast for 2018 through 2020 is more moderate with Class 2 property growth averaging just 3 percent.

Taking these factors into consideration, overall real property tax collections are expected to average 3.1 percent from FY 2017 – FY 2020.

General Obligation Bonds. In addition to providing revenue for government services, real property taxes support the District's general obligation bonds used for capital investment. For FY 2016, the percentage of real property tax collections dedicated to the repayment of principal and interest on the District's General Obligation Bonds is 15.5 percent.

Transfer to Tax Increment Financing (TIF) Fund. In FY 2016, a net amount of \$46.4 million of real property tax collections will be dedicated to the repayment of Tax Increment Financing and PILOT bonds. This amount will be \$39.6 million in FY 2017 and increase to an estimated \$43.9 million in FY 2020, due to continuing development progress at previously authorized TIF projects, expected increased assessments for existing TIF properties, and TIF transfers that may be required for potential new debt issuances.

Personal Property Tax

In FY 2015, gross total personal property tax collections totaled \$57.2 million. Based on national and regional economic indicators, which suggest a gradual increase in the level of business activity and a subsequent increase in the total level of new business investment, gross collections are expected to grow by approximately 3.0 percent on average annually throughout the forecast period reaching \$66.2 million in FY 2020.

Public Space Rental

In FY 2015 revenue from public space rentals amounted to \$36.1 million. Collections are expected to increase by 3.1 percent annually to \$42.0 million in FY 2020 in line with overall growth in local economic indicators.

Property Tax Policy Proposals:

- Supermarket Tax Credit

General Sales and Use Taxes

In FY 2015, revenue from gross sales and use taxes was \$1.32 billion, compared to FY 2014 gross sales and use tax revenue of \$1.17 billion, an increase of \$143.2 million or 12.2 percent. The revenue includes a one-time revenue source of \$73.6 million from settlement proceeds following a court decision regarding sales taxes collected by online travel companies. If the one-time funds are deducted, the revenue of \$1.24 billion results in a growth rate of 5.9 percent. As a result of improving economic conditions, revenues grew more vigorously over the FY 2014 to FY 2015 period than over the FY 2013 to FY 2014 period when growth was 3 percent.

The \$1.29 billion revenue forecast from gross sales and use taxes in FY 2016 anticipates a slight moderation in the growth rate to 4 percent (excluding the one-time revenue source of FY 2015). The growth rate in FY 2017 is forecast to be slightly higher at 4.1 percent. Growth rates, excluding policy proposals, from FY 2018 to FY 2020 are estimated to be between 4.1 percent and 3.7 percent annually, which is in line with forecasted growth in personal income.

Table 3-5

General Sales and Use Tax Revenue, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
General Sales	1,315,295	1,290,847	1,344,385	1,399,256	1,450,895	1,504,626
Transfer to Convention Center Fund	(116,448)	(113,971)	(119,100)	(117,909)	(121,093)	(123,733)
Transfer to TIF	(37,554)	(29,603)	(28,095)	(30,734)	(31,895)	(33,075)
Transfer to Ballpark Revenue Fund	(14,904)	(17,900)	(18,509)	(19,212)	(19,788)	(20,382)
Transfer to Healthy DC and Health Care Expansion Fund	(106)	(250)	(427)	(854)	(854)	(854)
Transfer to WMATA Subsidy (parking tax)	(67,446)	(66,664)	(66,670)	(66,670)	(66,670)	(66,670)
Transfer to Healthy Schools Fund	(4,265)	(4,266)	(4,266)	(4,266)	(4,266)	(4,266)
Transfer to ABRA Program	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)	(1,170)
General Sales Taxes (net)	1,073,402	1,057,023	1,106,148	1,158,441	1,205,160	1,254,476
Policy Proposals	-	-	584	500	500	500

Table 3-6

Estimated Sales Tax Base, Collections and Transfers by Sales Tax Type, FY 2015

(Dollars in Millions)

	Retail	Medical Marijuana	Liquor	Restaurants	Hotel	Parking	Transfers	Total
Base	8,368.8	1.8	580.6	3,789.1	1,765.3	374.7		
Rate	5.75%	6.0%	10.0%	10.0%	14.5%	18.0%		
General Sales Tax Collections (gross)	481.2	0.1	58.1	378.9	256.0	67.4		1,241.7 **
Transfer to Convention Center Fund				37.9	78.6			116.4
Transfer to TIF							37.6	37.6
Transfer to WMATA Subsidy (parking tax)							67.4	67.4
Transfer to Ballpark Revenue Fund							14.9	14.9
Transfer to Healthy DC Fund							0.1	0.1
Transfer to Healthy Schools Fund							4.3	4.3
Transfer to ABRA Program							1.2	1.2
General Sales Taxes to Local Fund	481.2	0.0	58.1	341.0	177.4	67.4	(125.4)	999.8 **

Note: **Does not include legal settlement of \$73.6 million included in gross sales tax in CAFR.

Total transfers from sales and use tax revenue are estimated to be \$233.8 million in FY 2016. In FY 2017, the amount of transfers from sales and use taxes is estimated to be \$238.2 million, 17.7 percent of sales tax revenue. The sum of transfers is projected to be \$250 million or 16.6 percent of gross sales tax revenue in FY 2020.

Transfer to Convention Center Fund: The formula financing the Convention Center Fund includes only taxes directly linked to the hospitality sector. The hotel tax rate is 14.5 percent. Of this tax, 4.45 percent is dedicated to the Convention Center Fund and 10.05 percent goes to the District's General Fund. The 10 percent sales tax rate applied mainly to restaurants and bars is also the tax rate applied to rental cars, prepaid telephone cards, tickets for events and merchandise sold at both the Baseball Stadium and the Verizon Center. Except for sales at the Baseball Stadium and the Verizon Center, the 10 percent rate includes 9 percent for the General Fund and 1 percent dedicated to the Convention Center Fund. There is also a 10 percent sales tax rate on alcoholic beverages not sold for immediate consumption. Revenue from this category at 10 percent does not go to the Convention Center Fund.

Transfer to Tax Increment Financing. 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. In 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 became subject to a tax of 10 percent (compared to the prior rate of 5.75 percent). The revenue collected from the increased rate at that time (10 percent less 5.75 percent or 4.25 percent) goes to a separate fund and is used to make principal and interest payments on the loan.

In FY 2015, there were eight projects included in the TIF program: Gallery Place, The Mandarin Oriental Hotel, Verizon Center, City Market at O Street, Fort Lincoln Retail, Special Retail and Great Streets, Convention Center Hotel, and the Waterfront Park Maintenance Fund. There are nine projects anticipated in FY 2016 and beyond. The projects are: Gallery Place, The Mandarin Oriental Hotel, Verizon Center, Fort Lincoln Retail, City Market at O Street, Special Retail and Great Streets (includes six projects), Convention Center Hotel, Waterfront Park Maintenance Fund, and Skyland. The TIF program previously included the SW Waterfront/The Wharf project, which has been re-categorized to the PILOT program. In order to provide additional security to selected TIF projects, the District created the Downtown TIF Area. Incremental revenue from the Downtown TIF Area is only used in the event project increment is not sufficient to cover debt service. Only those revenues required to address projected TIF project shortfalls are included in the TIF budget.

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 merchandise sold at the stadium and taxes on food and beverages sold in the stadium.

Transfer to Healthy D.C.. Effective in FY 2012, any revenues from the sales tax on medical marijuana are transferred to the Healthy D.C. and Health Care Expansion Fund. The transfer amount is estimated to be \$427,000 in FY 2017.

Transfer to WMATA. Beginning in FY 2012 all parking sales tax revenue is used to help meet the District's funding responsibility for the Washington Metropolitan Area Transit Authority (WMATA). Effective FY 2012, the sales tax rate on parking was raised from 12 percent to 18 percent.

Transfer to Healthy Schools. Effective in FY 2012, soft-drinks (non-alcoholic beverages not containing milk, or milk substitutes, non-carbonated fruit or vegetable juice, coffee, cocoa or tea) are no longer exempt from sales tax. \$4.266 million raised annually from taxing soft drinks goes to the Healthy Schools Fund.

Transfer to ABRA. Effective in FY 2012, the sales tax rate on alcoholic beverages for off-premise consumption was increased to 10 percent. Initially, \$460,000 of the revenue raised annually was dedicated to fund the Reimbursable Detail Subsidy Program in the Alcoholic Beverage Regulation Administration (ABRA). Effective in FY 2014, the transfer to ABRA was increased to \$1.170 million annually.

General Sales and Use Tax Policy Proposals:

- Compliance Initiatives at Office of Tax and Revenue
- Extension of Inaugural Week Time Period

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.

Table 3-7

Selective Sales and Excise Tax Revenue, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Alcohol	6,244	6,369	6,618	6,903	7,180	7,451
Cigarette	31,492	30,623	29,398	28,310	27,461	26,637
Motor Vehicle	46,607	47,725	49,589	51,724	53,799	55,832
Motor Fuel Tax	25,256	25,004	24,754	24,506	24,261	24,018
<i>Transfer to Highway Trust Fund</i>	<i>(25,256)</i>	<i>(25,004)</i>	<i>(24,754)</i>	<i>(24,506)</i>	<i>(24,261)</i>	<i>(24,018)</i>
Total Selective Sales and Excise Taxes (net)	84,343	84,717	85,605	86,937	88,439	89,920
Policy Proposals	-	-	-	-	-	-

Alcoholic Beverage

In FY 2015, revenue from the alcoholic beverage tax was \$6.2 million, a 0.2 percent increase over revenue in FY 2014. This was lower than the 5.9 percent growth in FY 2014 and 15 percent growth rate in FY 2013. We estimate growth of 3.9 percent in FY 2017 to \$6.6 million. The growth rate is projected to be 4.3 percent in FY 2018. The growth rate is estimated to moderate slightly to 4.0 percent in FY 2019 and 3.8 percent in FY 2020.

Cigarette

Revenue in FY 2015 was \$31.5 million, a 5.2 percent decrease from FY 2014. Cigarette tax collections are expected to decrease by 4.0 percent in FY 2017 to \$29.4 million. The growth rate for FY 2018 through FY 2020 is estimated to be between a negative 3.7 and 3.0 percent annually, reflecting continued decrease in tobacco consumption.

Motor Vehicle

Motor vehicle excise tax revenue totaled \$46.6 million in FY 2015, which is a negative 2.0 percent growth rate over FY 2014. Revenue is projected to grow at a rate of 3.9 percent to \$49.6 million in FY 2017, and by 4.3 percent to \$51.7 million in FY 2018. The growth rate is projected to be slightly lower in FY 2019 at 4.0 percent and lower still in FY 2020 at 3.8 percent, giving projected revenue of \$53.8 million and \$55.8 million respectively.

Motor Fuel

Collections for the motor vehicle fuel tax in FY 2015 were \$25.3 million. In spite of increases in the local population, continuing increases in fuel efficiencies are expected to result in fuel tax revenues declining about 1.0 percent a year – from a projected FY 2016 level of \$25.0 million to \$24.0 million in FY 2020.

Transfer to Highway Trust Fund: Motor fuel excise tax revenues are dedicated to the Highway Trust Fund (HTF). The HTF 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 (39 percent) of streets and highways and 229 bridges in the District are eligible.

Income Tax

Table 3-8

Income Tax Revenue, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Individual Income	1,868,037	1,856,982	1,930,426	2,010,439	2,093,150	2,167,639
Corporate Franchise	308,027	287,766	284,516	295,427	302,298	317,278
Unincorporated Business Franchise	139,778	133,159	133,135	138,085	141,199	146,553
Total Income Taxes	2,315,843	2,277,908	2,348,077	2,443,951	2,536,648	2,631,471
Policy Proposals	-	3,721	8,943	8,943	8,943	8,943

Individual Income Tax

In FY 2015, individual income tax revenue was \$1,868.0 million, an increase of 11.2 percent from FY 2014. This double-digit rate of growth was driven in large part by a 50 percent increase in revenue from the volatile non-withholding component of the individual income tax related to capital gains and the stock market. The other component of income tax revenue, withholding, is closely associated with the wages and salaries of D.C. residents and accounts for two thirds of all income tax revenue. Withholding grew by a slower rate of 5.5 percent (as compared to 5.9 percent in FY 2014).

The large increase in capital gains is not expected to recur in FY 2016 given the current volatility of the financial markets as well as global economic uncertainty. Tax proposals, which reduced tax rates, will also cause withholding growth to be lower in FY 2016, resulting in overall individual income taxes to decline in the current fiscal year. These are discussed in further detail below. For the out years from FY 2017 to FY 2020, growth in revenue resumes at an average rate of 3.9 percent reflective of anticipated growth in the withholding component, as well as the expectation that the stock market's performance will not deteriorate and/or improve leading to a favorable performance in the non-withholding component.

There were a number of policy proposals that were enacted in Tax Year 2016 that will impact individual income tax revenues in FY 2016. There is a reduction in the tax rate for the middle income tax bracket (\$40,000 - \$60,000) to 6.5 percent. In addition, a new income bracket was established whereby taxable income between \$350,000 and \$1 million is taxed at 8.75 percent, while income greater than \$1 million will continue to be taxed at 8.95 percent.

Business Franchise

Business income tax revenue rebounded by 7.8 percent in FY 2015 after declining by 8.3 percent in the previous fiscal year. Tax proposals enacted in FY 2015 and further tax proposals that will become effective in 2017, which reduce the business franchise tax rate from 9.975 percent to 9.0 percent, result in declining growth of 6.0 percent

in FY 2016 followed by declining growth of 0.8 percent in FY 2017. Thereafter, growth in this revenue source resumes at an average rate of 3.6 percent from FY 2018 to FY 2020.

Income Tax Policy Proposals:

- Compliance Initiatives at Office of Tax and Revenue
- Delay FAS 109 Deductions by Five Years

Gross Receipts

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 nonresidential use where 1.0 percent of the 11 percent is dedicated to financing the baseball stadium), a tax of 2.0 percent on the gross receipts of insurance companies, various health care related taxes that are dedicated to specific purposes, and a gross receipts tax on companies for baseball stadium funding.

Table 3-9

Gross Receipts Tax Revenue, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Public Utility	145,852	146,582	147,315	148,051	148,791	149,535
<i>Transfer to Ballpark Revenue Fund</i>	<i>(8,681)</i>	<i>(8,768)</i>	<i>(8,856)</i>	<i>(8,944)</i>	<i>(9,034)</i>	<i>(11,016)</i>
Public Utility (net)	137,171	137,814	138,459	139,107	139,758	138,519
Toll Telecommunications	56,205	58,003	60,033	61,774	63,875	66,046
<i>Transfer to Ballpark Revenue Fund</i>	<i>(2,681)</i>	<i>(2,232)</i>	<i>(2,311)</i>	<i>(2,387)</i>	<i>(2,467)</i>	<i>(2,550)</i>
Toll Telecommunications (net)	53,524	55,771	57,723	59,388	61,408	63,497
Insurance Premiums	104,507	102,642	97,918	100,862	102,805	104,787
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>	<i>(44,805)</i>	<i>(45,392)</i>	<i>(46,300)</i>	<i>(47,226)</i>	<i>(48,171)</i>	<i>(49,134)</i>
Insurance Premiums (net)	59,702	57,250	51,618	53,636	54,635	55,653
Healthcare Provider Tax	12,854	14,591	14,883	15,181	15,485	15,794
<i>Transfer to Nursing Facility Quality of Care Fund</i>	<i>(12,854)</i>	<i>(14,591)</i>	<i>(14,883)</i>	<i>(15,181)</i>	<i>(15,485)</i>	<i>(15,794)</i>
Ballpark Fee	34,942	31,800	32,754	33,737	34,749	35,791
<i>Transfer to Ballpark Revenue Fund</i>	<i>(34,942)</i>	<i>(31,800)</i>	<i>(32,754)</i>	<i>(33,737)</i>	<i>(34,749)</i>	<i>(35,791)</i>
Hospital Bed Tax and Hospital Provider Fee	-	17,100	-	-	-	-
<i>Transfer to Hospital Fund and Hospital Provider Fee Fund</i>	-	<i>(17,100)</i>	-	-	-	-
ICF-IDD Assessment	5,032	5,478	5,519	5,629	5,742	5,866
<i>Transfer to Stevie Sellows Quality Improvement Fund</i>	<i>(5,032)</i>	<i>(5,478)</i>	<i>(5,519)</i>	<i>(5,629)</i>	<i>(5,742)</i>	<i>(5,866)</i>
Total Gross Receipts Taxes (net)	250,397	250,835	247,800	252,131	255,800	257,669
Policy Proposals	-	-	(42)	(42)	(42)	(42)

Public Utility Tax

This tax is directly related to energy use, so tax revenue collections are closely linked to weather extremes and fuel cost. (See tax rates in Table 3-18 at the end of the chapter.) Gross revenue from the Public Utility Tax (before the transfer to the Ballpark Fund) is estimated to be \$146.6 million in FY 2016 and \$147.3 million in FY 2017. It is expected to grow at an average rate of 0.5 percent for FY 2018 through FY 2020.

Transfer to Ballpark Fund: There is a surcharge on nonresidential rates that finances the baseball stadium. In FY 2015, \$8.7 million was collected and transferred. In FY 2016 and FY 2017, \$8.8 million and \$8.9 million, respectively, are expected to be transferred to the Ballpark Fund.

Toll Telecommunication Tax

The gross revenue from the Toll Telecommunications Tax (before the 1 percent transfer of the gross receipts of non-residential customers for baseball stadium funding) is estimated to be approximately \$58.0 million in FY 2016 and \$60.0 million in FY 2017. It is forecast to have an average growth of 3.2 percent for the period FY 2018 to FY 2020.

Transfer to Ballpark Fund. There is a surcharge on nonresidential rates that finances the baseball stadium. In FY 2015, \$2.7 million was collected and transferred. The transfer is expected to decline in FY 2016 to \$2.2 million before rebounding by 3.5 percent in FY 2017. In FY 2018 the transfer is estimated to be approximately \$2.4 million, \$2.5 million in FY 2019 and in FY 2020 it is expected to be around \$2.6 million.

Insurance Premiums Tax

In FY 2015, revenue collected from the Insurance Premiums Tax, before the transfer to the Healthy D.C. and Health Care Expansion Fund was \$104.5 million; net revenue (after the transfer) was \$59.7 million. Revenue (after transfer to the Healthy D.C. Fund) from Insurance Premiums Tax collections is estimated to be \$57.3 million in FY 2016 and \$51.6 million in FY 2017 before an anticipated increase to \$53.6 million in FY 2018 followed by estimated revenue of \$54.6 million in FY 2019 and \$55.7 million in FY 2020.

Transfer to Healthy D.C. Fund: Of the insurance premiums taxes generated by policies with health maintenance organizations (HMO), 75 percent is distributed to the Healthy D.C. Fund for the purpose of providing affordable health insurance to eligible individuals.

Healthcare Provider Tax (Transferred to Nursing Facility Quality of Care Fund)

The Healthcare Provider Tax is an assessment per licensed bed that is paid by each nursing facility in the District. Revenues from the assessments are dedicated to the Nursing Facility Quality of Care Fund, which is used to fund quality of care initiatives. In FY 2015 the revenue from the Healthcare Provider Tax was \$12.9 million. Revenue for FY 2017 is estimated to be \$14.9 million. It is projected to grow slightly in FY 2018 through FY 2020 from \$15.2 million to \$15.8 million.

Ballpark Fee (Transferred to Ballpark Fund)

The Ballpark Fee is a gross receipts fee that is a multi-tiered fee levied on businesses within the District with over \$5 million in gross receipts. The fees are due in a single payment on June 15th annually. Revenue from the Ballpark Fee was \$34.9 million in FY 2015. Revenue is estimated to increase from \$32.8 million in FY 2017 to \$35.8 million in FY 2020.

The Inpatient Hospital Bed Tax (Transferred to Hospital Fund)

The Medicaid Hospital Inpatient Rate Supplement Act of 2015 authorized the District to tax hospitals' net inpatient revenue for one year beginning October 1, 2015 at a rate of 0.52 percent. The tax sunsets after FY 2016.

Medicaid Hospital Outpatient Tax (Transferred to Hospital Provider Fee Fund)

The Medicaid Hospital Outpatient Supplemental Payment Act of 2015 authorized the District to tax hospitals' outpatient gross patient revenue for one year beginning October 1, 2015 at a rate of 0.16 percent. The tax sunsets after FY 2016.

ICF-IDD Assessment (Transferred to Stevie Sellows Fund)

Each institution providing care to the developmentally disabled in the District of Columbia pays an assessment of 5.5 percent of gross revenue in quarterly installments. These assessments are transferred to the Stevie Sellows Quality Improvement Fund. The fund was established to fund quality of care improvements in a qualified ICF-IDD (Intermediate Care Facility for Persons with Intellectual or Developmental Disabilities). The assessment generated \$5.0 million in FY 2015. For FY 2017 through FY 2020 revenue is expected to increase slightly in each year, starting at \$5.5 million and growing to \$5.9 million.

Gross Receipts Taxes Policy Proposals:

- Tax Medicaid Hospital Outpatient Revenue and Transfer All Revenue to the Hospital Provider Fee Fund
- Tax Medicaid Hospital Inpatient Revenue and Transfer All Revenue to the Hospital Fund
- Insurance Premiums Exemption

Other Taxes

Table 3-10

Other Tax Revenue, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Estate	48,274	34,521	29,519	30,919	32,262	33,286
Deed Recordation	257,865	200,687	205,303	211,667	215,901	222,594
<i>Transfer to HPTF</i>	<i>(38,680)</i>	<i>(30,103)</i>	<i>(30,795)</i>	<i>(32,441)</i>	<i>(33,013)</i>	<i>(34,017)</i>
Deed Recordation (net)	219,185	170,584	174,508	179,226	182,888	188,577
Deed Transfer	198,315	143,697	146,571	151,115	155,497	160,473
<i>Transfer to HPTF</i>	<i>(29,747)</i>	<i>(21,555)</i>	<i>(21,986)</i>	<i>(22,667)</i>	<i>(23,325)</i>	<i>(24,071)</i>
Deed Transfer (net)	168,568	122,143	124,585	128,448	132,173	136,402
Economic Interests	24,412	16,789	15,800	15,800	15,800	15,800
Total Other Taxes (net)	460,439	344,037	344,412	354,393	363,123	374,064
Policy Proposals	-	-	-	-	-	-

Estate Tax

The District's estate tax is decoupled from the federal tax. Unlike the federal government, which exempts estates valued at less than \$5.25 million, estates in the District valued at more than \$1 million are subject to tax. Starting in 2017 this threshold will be raised to \$2 million. As a result, this inherently unpredictable tax is forecast to decline from \$34.5 million in FY 2016 to \$29.5 million in FY 2017. Thereafter growth resumes by about 4.1 percent annually to \$33.3 million in FY 2020.

Deed and Economic Interest Taxes

In FY 2015, deed recordation and transfer taxes, including economic interest, totaled \$480.6 million eclipsing the prior record set in 2007. This exceptional result was driven in large part by the unprecedented volume of sales of trophy commercial properties valued more than \$200 million. This pace is not expected to recur throughout the forecast period as year to date revenues have already declined more than 25 percent. We anticipate this revenue source to be more in line with long term non-recessionary trends at \$361.2 million in 2016 and \$367.7 million in 2017 and then growing to \$398.9 million by 2020.

Transfer to Housing Production Trust Fund (HPTF) /West End Library: 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. A small portion is dedicated to the West End Library Fund. The total transferred amount is \$51.7 million in FY 2016 growing to \$58.1 million in 2020.

Nontax Revenue and Lottery

Local non-tax revenue consists of Licenses and Permits, Fines and Forfeitures, Charges for Services, and Miscellaneous categories, which include payments in lieu of taxes (PILOTS), revenues from long-outstanding traffic fines collected through the Central Collection Unit (CCU), proceeds from unclaimed properties, and other revenue sources.

Table 3-11

General Purpose Non-Tax Revenue and Lottery Transfer, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Licenses and Permits	88,788	85,960	90,074	83,360	89,235	85,111
Fines and Forfeits	117,199	151,536	146,045	139,636	132,180	125,762
Charges for Services	94,399	78,365	80,512	78,661	80,811	78,811
Miscellaneous	116,171	106,221	106,148	105,904	105,676	105,676
TOTAL NON-TAX	416,557	422,082	422,779	407,561	407,902	395,360
Lottery	55,586	55,000	55,500	56,000	56,500	57,000
Policy Proposals	-	-	-	-	-	-

Note: Table 3-15 (presented later in this chapter) provides a detailed listing of non-tax revenue by source.

Total non-tax revenue for FY 2015 was down 0.6 percent from FY 2014 (down to \$416.6 million from \$419.2 million, a difference of \$2.7 million). This decrease is mainly due to lower than anticipated revenue collections from traffic fines.

Total non-tax revenue for FY 2016 is projected to increase by 1.3 percent from FY 2015 (revised up to \$422.1 million in FY 2016 from \$416.6 million in FY 2015) mainly due to a projected increase in traffic fine collections. Revenue from licenses and permits, and charges for services is slightly revised down from the FY 2015 level, by 3.2 percent and 17 percent respectively, due to the effect of bi-annual revenue streams such as corporation recordation and insurance license fees. Miscellaneous revenue is projected to be down by 8.6 percent. This is due to the impact of one time settlement revenue that inflated FY 2015 Miscellaneous revenue numbers. This revenue category is also impacted by various year-end accounting entries and adjustments in the form of prior year cost recoveries which are very volatile.

Transfers from the District's Lottery and Charitable Games Control Board (DCLB) are expected to remain at \$55 million in FY 2016 increasing to \$55.5 million (up by 0.9%) in FY 2017 as sales pick up due to increases in instant lottery ticket supplies.

Presently, there are more than 150 general-purpose, non-tax revenue sources that provide operating support to District government agencies and programs. These revenue sources are listed in Table 3-15. A September 2015 D.C. Office of Revenue Analysis report (District of Columbia Non-Tax Revenue Report) provides detailed background information and relevant data about these general-purpose, non-tax revenues. The report is available under "Studies" in the "Reports" section of the Office of the Chief Financial Officer web site:

http://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/Non-Tax%20Revenue%20Report%20_September%202015.pdf.

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 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 2017 the District is anticipating approximately \$545.9 million in revenue and use of fund balance of \$59.1 million for a total of \$605.0 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 2018 – FY 2020. Table 3-17 (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. Table 3-12 shows proposed policy initiatives affecting Special Purpose Revenue funds and their estimated revenue impact.

Special Purpose Non-Tax Policy Proposals:

- Department on Disability Services Housing Support
- Department of Parks and Recreation Fee Increases

POLICY PROPOSALS

Following are changes that are included in the FY 2017 Budget Support Act of 2016 (BSA) along with other changes that affect revenue since the most recent revenue estimate. Full information on all of the proposals included in the BSA can be found in the OCFO fiscal impact statement.

Property Tax Changes:

- **BSA Subtitle (VII)(D), Supermarket Tax Incentives Clarification Act of 2016.** Expands the eligibility area for the existing Supermarket tax credit which provides real and personal property tax exemptions to supermarkets in qualifying areas.

Sales and Use Tax Changes:

- **Clean Hands Administrative Initiative.** The Office of Tax and Revenue (OTR) Clean Hands Administrative Initiative includes in the Clean Hands certification system a check for missing sales tax returns. To obtain certification, taxpayers would be required to file the missing returns and pay what they owe, so that their overall tax liability is under \$100.
- **BSA Subtitle (II)(B), Inaugural Celebration Amendment Act of 2016.** Designates January 14 through January 22 as the 2017 Inaugural Week period, which will now cover nine days as opposed to seven. During the Inaugural Week period, a licensee may sell or serve alcoholic beverages until 4 a.m. and operate 24 hours a day provided the licensee meets certain requirements.

Individual Income Tax Changes:

- **Clean Hands Administrative Initiative.** The Office of Tax and Revenue (OTR) Clean Hands Administrative Initiative includes in the Clean Hands certification system a check for missing withholding tax returns. To obtain certification, taxpayers would be required to file the missing returns and pay what they owe, so that their overall tax liability is under \$100.

Corporate Income Tax Changes:

- **BSA Subtitle (VII)(C), Combined Reporting Amendment Act of 2016.** Delays five years, from January 1, 2016 to January 1, 2021, the effective date after which combined reporting filers can claim their reported FAS 109 deductions.

Gross Receipts Tax Changes:

- **BSA Subtitle (I)(F), District of Columbia Captive Insurance Agency Budget Technical Amendment Act of 2016.** Exempts from taxation insurance products, such as property and personal property insurance, purchased by the District government. To claim the exemption, the District's broker must submit a statement identifying the portion of an insurance coverage allocated to the District government.

Dedicated Tax Revenue Changes:

- **BSA Subtitle (V)(H), Medicaid Hospital Outpatient Supplemental Payment Act of 2016.** Authorizes the District to tax hospitals' outpatient gross patient revenue for one year beginning October 1, 2016. This tax revenue is transferred to the Hospital Provider Fee Fund.
- **BSA Subtitle (V)(I), Medicaid Hospital Inpatient Rate Supplement Act of 2016.** Authorizes the District to tax hospitals' inpatient net patient revenue for one year beginning October 1, 2016. This tax revenue is transferred to the Hospital Fund.

Special Purpose Fund Non-Tax Revenue Changes:

- **BSA Subtitle (V)(C), Contribution to Cost of Supports Fund Act of 2016.** Establishes a new special purpose fund to hold contributions the Department on Disability Services (DDS) shall collect from persons with intellectual and developmental disabilities who are Medicaid-eligible but not eligible for the maximum Supplement Security Income or Social Security Disability Insurance payments, or are not Medicaid-eligible but otherwise have been found eligible to receive services from the Developmental Disabilities Administration.
- **Department of Parks and Recreation Fee Increases.** The Department of Parks and Recreation has issued rulemaking to update permit fees and fee-based-use permits for events such as lessons offered by third parties for which participants pay a fee.

ADDITIONAL INFORMATION ON D.C. REVENUES

The following tables provide additional detail on District taxes. Additional information on District of Columbia taxes and its economy is available on the OCFO website under "Reports and Publications" (<http://cfo.dc.gov/page/reports-and-publications>). These include:

- Tax Facts
- District of Columbia Data Book: Revenue and Economy.
- Economic Indicators and Review of District of Columbia Economic and Revenue Trends.
- Special Reports on non-tax revenue, tax expenditures, and special purpose funds.

Table 3-12

Policy Proposals Impacting General Fund Revenues, Fiscal Years 2016-2020

(Dollars in Thousands)

Revenue Source	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Local Fund Revenue (February 2016 Estimates)	6,898,020	7,126,200	7,353,144	7,586,759	7,818,115
plus Local Fund Policy Proposals	3,721	9,248	9,153	9,141	9,128
PROPERTY TAX	0	(237)	(248)	(260)	(273)
Supermarket Tax Credit	0	(237)	(248)	(260)	(273)
SALES / USE TAXES	0	584	500	500	500
Compliance Initiatives at OTR	0	500	500	500	500
Extension of Inaugural Week Time Period	0	84	0	0	0
EXCISE TAXES	0	0	0	0	0
None	0	0	0	0	0
INCOME TAXES					
Individual Income Tax	0	1,500	1,500	1,500	1,500
Compliance Initiatives at OTR	0	1,500	1,500	1,500	1,500
Business Income Taxes	3,721	7,443	7,443	7,443	7,443
Delay FAS 109 Deductions by Five Years	3,721	7,443	7,443	7,443	7,443
GROSS RECEIPTS	0	(42)	(42)	(42)	(42)
Insurance Premiums Exemption	0	(42)	(42)	(42)	(42)
DEED RECORDATION AND TRANSFER/ECONOMIC INTEREST TAXES	0	0	0	0	0
None	0	0	0	0	0
NONTAX	0	0	0	0	0
None	0	0	0	0	0
Local Fund Revenue with Policy Proposals	6,901,741	7,135,448	7,362,297	7,595,900	7,827,243
Dedicated Revenue	301,718	290,924	291,243	295,551	299,344
plus Dedicated Revenue Policy Proposals	0	17,109	0	0	0
Hospital Fund - Medicaid Hospital Inpatient Fee	0	10,400	0	0	0
Hospital Provider Fee Fund - Medicaid Hospital Outpatient Fee	0	6,709	0	0	0
Dedicated Revenue With Policy Proposals	301,718	308,033	291,243	295,551	299,344
Special Purpose (O-Type) Revenue	516,692	545,907	538,742	547,337	550,570
plus Special Purpose Policy Proposals	0	339	343	348	353
DPR Fee Increases	0	139	143	148	153
DDS Housing Support	0	200	200	200	200
Special Purpose Revenue with Policy Proposals	516,692	546,246	539,085	547,685	550,923
All Proposals	3,721	26,696	9,496	9,489	9,481
General Fund Revenue with Policy Proposals	7,720,152	7,989,727	8,192,625	8,439,136	8,677,510

Table 3-13

Percentage Changes from Prior Fiscal Year in General Fund, Local Revenue by Source, Fiscal Years 2015-2020

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Real Property	8.9%	7.4%	4.2%	3.1%	3.1%	3.2%
<i>Transfer to TIF/Pilot</i>	33.3%	15.5%	-14.6%	3.4%	3.4%	3.7%
Real Property (net)	8.5%	7.3%	4.6%	3.1%	3.1%	3.2%
Personal Property	3.3%	2.0%	3.7%	3.0%	3.5%	2.7%
Public Space Rental	7.2%	3.1%	2.7%	3.2%	3.2%	3.1%
Total Property (net)	8.3%	7.1%	4.5%	3.1%	3.1%	3.2%
General Sales	12.2%	-1.9%	4.1%	4.1%	3.7%	3.7%
<i>Transfer to Convention Center Fund</i>	10.4%	-2.1%	4.5%	-1.0%	2.7%	2.2%
<i>Transfer to TIF</i>	76.8%	-21.2%	-5.1%	9.4%	3.8%	3.7%
<i>Transfer to Ballpark Revenue Fund</i>	-8.7%	20.1%	3.4%	3.8%	3.0%	3.0%
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>	0.0%	135.8%	70.8%	100.0%	0.0%	0.0%
<i>Transfer to WMATA Subsidy (parking tax)</i>	3.2%	-1.2%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to Healthy Schools Fund</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to ABRA Program</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
General Sales (net)	12.0%	-1.5%	4.6%	4.7%	4.0%	4.1%
Alcohol	0.2%	2.0%	3.9%	4.3%	4.0%	3.8%
Cigarette	-5.2%	-2.8%	-4.0%	-3.7%	-3.0%	-3.0%
Motor Vehicle	-2.0%	2.4%	3.9%	4.3%	4.0%	3.8%
Motor Fuel Tax	10.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
<i>Transfer to Highway Trust Fund</i>	10.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
Total Sales (net)	10.8%	-1.4%	4.4%	4.5%	3.9%	3.9%
Individual Income	11.2%	-0.6%	4.0%	4.1%	4.1%	3.6%
Corporate Franchise	9.9%	-6.6%	-1.1%	3.8%	2.3%	5.0%
Unincorporated Business Franchise	3.2%	-4.7%	0.0%	3.7%	2.3%	3.8%
Total Income	10.6%	-1.6%	3.1%	4.1%	3.8%	3.7%
Public Utility	0.1%	0.5%	0.5%	0.5%	0.5%	0.5%
<i>Transfer to Ballpark Revenue Fund</i>	0.9%	1.0%	1.0%	1.0%	1.0%	21.9%
Public Utility (net)	0.1%	0.5%	0.5%	0.5%	0.5%	-0.9%
Toll Telecommunications	7.0%	3.2%	3.5%	2.9%	3.4%	3.4%
<i>Transfer to Ballpark Revenue Fund</i>	23.4%	-16.7%	3.5%	3.3%	3.4%	3.4%
Toll Telecommunications (net)	6.3%	4.2%	3.5%	2.9%	3.4%	3.4%
Insurance Premiums	7.5%	-1.8%	-4.6%	3.0%	1.9%	1.9%
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>	29.1%	1.3%	2.0%	2.0%	2.0%	2.0%
Insurance Premiums (net)	-4.5%	-4.1%	-9.8%	3.9%	1.9%	1.9%
Healthcare Provider Tax	-6.7%	13.5%	2.0%	2.0%	2.0%	2.0%
<i>Transfer to Nursing Facility Quality of Care Fund</i>	-6.7%	13.5%	2.0%	2.0%	2.0%	2.0%
Ballpark Fee	2.4%	-9.0%	3.0%	3.0%	3.0%	3.0%
<i>Transfer to Ballpark Revenue Fund</i>	2.4%	-9.0%	3.0%	3.0%	3.0%	3.0%
Hospital Bed Tax and Hospital Provider Fee	-100.0%	-	-	-	-	-
<i>Transfer to Hospital Fund and Hospital Provider Fee Fund</i>	-100.0%	-	-	-	-	-

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Table 3-13 (continued)

Percentage Changes from Prior Fiscal Year in General Fund, Local Revenue by Source, Fiscal Years 2015-2020

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
ICF-IDD Assessment	1.9%	8.9%	0.8%	2.0%	2.0%	2.2%
<i>Transfer to Stevie Sellows Quality Improvement Fund</i>	1.9%	8.9%	0.8%	2.0%	2.0%	2.2%
Care First Contribution	-100.0%	-	-	-	-	-
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>	-100.0%	-	-	-	-	-
Total Gross Receipts (net)	0.2%	0.2%	-1.2%	1.7%	1.5%	0.7%
Estate	50.3%	-28.5%	-14.5%	4.7%	4.3%	3.2%
Deed Recordation	23.9%	-22.2%	2.3%	3.1%	2.0%	3.1%
<i>Transfer to HPTF/Bond Repayment/West End</i>	23.9%	-22.2%	2.3%	5.3%	1.8%	3.0%
Deed Recordation (net)	23.9%	-22.2%	2.3%	2.7%	2.0%	3.1%
Deed Transfer	30.6%	-27.5%	2.0%	3.1%	2.9%	3.2%
<i>Transfer to HPTF/Bond Repayment/West End</i>	30.6%	-27.5%	2.0%	3.1%	2.9%	3.2%
Deed Transfer (net)	30.6%	-27.5%	2.0%	3.1%	2.9%	3.2%
Co-op Recordation	-100.0%	-	-	-	-	-
Economic Interests	-6.0%	-31.2%	-5.9%	0.0%	0.0%	0.0%
Total Other Taxes (net)	24.7%	-25.3%	0.1%	2.9%	2.5%	3.0%
TOTAL TAXES NET OF DEDICATED TAXES	10.3%	-0.2%	3.5%	3.6%	3.4%	3.4%
Licenses and Permits	12.1%	-3.2%	4.8%	-7.5%	7.0%	-4.6%
Fines and Forfeits	-14.3%	29.3%	-3.6%	-4.4%	-5.3%	-4.9%
Charges for Services	21.0%	-17.0%	2.7%	-2.3%	2.7%	-2.5%
Miscellaneous	-7.2%	-8.6%	-0.1%	-0.2%	-0.2%	0.0%
TOTAL NON-TAX	-0.6%	1.3%	0.2%	-3.6%	0.1%	-3.1%
Lottery	1.1%	-1.1%	0.9%	0.9%	0.9%	0.9%
TOTAL LOCAL FUND REVENUE NET OF DEDICATED TAXES	9.5%	-0.1%	3.3%	3.2%	3.2%	3.0%

Table 3-14

Changes from Prior Fiscal Year in General Fund, Local Revenue by Source, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
Real Property	178,939	162,702	99,520	76,158	77,405	83,529
Transfer to TIF/Pilot	10,045	6,214	(6,775)	1,347	1,393	1,567
Real Property (net)	168,894	156,488	106,295	74,811	76,012	81,962
Personal Property	1,812	1,145	2,160	1,816	2,182	1,742
Public Space Rental	2,425	1,120	1,006	1,224	1,263	1,263
Total Property (net)	173,131	158,753	109,460	77,851	79,457	84,967
General Sales	143,236	(24,448)	53,538	54,871	51,639	53,731
<i>Transfer to Convention Center Fund</i>	<i>10,997</i>	<i>(2,477)</i>	<i>5,129</i>	<i>(1,191)</i>	<i>3,184</i>	<i>2,640</i>
<i>Transfer to TIF</i>	<i>16,315</i>	<i>(7,951)</i>	<i>(1,508)</i>	<i>2,639</i>	<i>1,161</i>	<i>1,180</i>
<i>Transfer to Ballpark Revenue Fund</i>	<i>(1,415)</i>	<i>2,996</i>	<i>609</i>	<i>703</i>	<i>576</i>	<i>594</i>
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>	<i>-</i>	<i>144</i>	<i>177</i>	<i>427</i>	<i>-</i>	<i>-</i>
<i>Transfer to WMATA Subsidy (parking tax)</i>	<i>2,096</i>	<i>(782)</i>	<i>6</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Transfer to Healthy Schools Fund</i>	<i>(1)</i>	<i>1</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Transfer to ABRA Program</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
General Sales (net)	115,244	(16,378)	49,125	52,293	46,719	49,317
Alcohol	10	125	249	285	277	271
Cigarette	(1,713)	(869)	(1,225)	(1,088)	(849)	(824)
Motor Vehicle	(971)	1,119	1,864	2,135	2,074	2,034
Motor Fuel Tax	2,295	(253)	(250)	(248)	(245)	(243)
Transfer to Highway Trust Fund	2,295	(253)	(250)	(248)	(245)	(243)
Total Sales (net)	112,569	(16,004)	50,013	53,624	48,221	50,798
Individual Income	188,864	(11,055)	73,444	80,013	82,711	74,489
Corporate Franchise	27,841	(20,261)	(3,250)	10,911	6,872	14,980
Unincorporated Business Franchise	4,383	(6,619)	(24)	4,950	3,114	5,354
Total Income	221,089	(37,935)	70,169	95,874	92,697	94,823
Public Utility	179	729	733	737	740	744
<i>Transfer to Ballpark Revenue Fund</i>	<i>78</i>	<i>87</i>	<i>88</i>	<i>89</i>	<i>89</i>	<i>1,982</i>
Public Utility (net)	101	642	645	648	651	(1,238)
Toll Telecommunications	3,685	1,799	2,030	1,741	2,100	2,172
<i>Transfer to Ballpark Revenue Fund</i>	<i>508</i>	<i>(448)</i>	<i>78</i>	<i>76</i>	<i>80</i>	<i>83</i>
Toll Telecommunications (net)	3,177	2,247	1,952	1,665	2,020	2,089
Insurance Premiums	7,315	(1,865)	(4,724)	2,944	1,943	1,982
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>	<i>10,110</i>	<i>587</i>	<i>908</i>	<i>926</i>	<i>945</i>	<i>963</i>
Insurance Premiums (net)	(2,795)	(2,452)	(5,632)	2,018	998	1,018
Healthcare Provider Tax	(920)	1,737	292	298	304	310
<i>Transfer to Nursing Facility Quality of Care Fund</i>	<i>(920)</i>	<i>1,737</i>	<i>292</i>	<i>298</i>	<i>304</i>	<i>310</i>
Ballpark Fee	809	(3,142)	954	983	1,012	1,042
<i>Transfer to Ballpark Revenue Fund</i>	<i>809</i>	<i>(3,142)</i>	<i>954</i>	<i>983</i>	<i>1,012</i>	<i>1,042</i>
Hospital Bed Tax and Hospital Provider Fee	(31,935)	17,100	(17,100)	-	-	-
<i>Transfer to Hospital Fund and Hospital Provider Fee Fund</i>	<i>(31,935)</i>	<i>17,100</i>	<i>(17,100)</i>	<i>-</i>	<i>-</i>	<i>-</i>

(Continued on next page)

Table 3-14 (cont)

Changes from Prior Fiscal Year in General Fund, Local Revenue by Source, Fiscal Years 2015-2020

(Dollars in Thousands)

Revenue Source	FY 2015 Actual	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
ICF-IDD Assessment	94	446	41	110	113	124
<i>Transfer to Stevie Sellows Quality Improvement Fund</i>	<i>94</i>	<i>446</i>	<i>41</i>	<i>110</i>	<i>113</i>	<i>124</i>
Care First Contribution	(5,000)	-	-	-	-	-
<i>Transfer to Healthy DC and Health Care Expansion Fund</i>	<i>(5,000)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total Gross Receipts (net)	483	438	(3,035)	4,331	3,670	1,869
Estate	16,151	(13,753)	(5,002)	1,401	1,343	1,023
Deed Recordation	49,685	(57,178)	4,616	6,364	4,233	6,693
<i>Transfer to HPTF/Bond Repayment/West End</i>	<i>7,453</i>	<i>(8,577)</i>	<i>692</i>	<i>1,646</i>	<i>572</i>	<i>1,004</i>
Deed Recordation (net)	42,232	(48,601)	3,923	4,719	3,661	5,689
Deed Transfer	46,435	(54,618)	2,874	4,544	4,382	4,976
<i>Transfer to HPTF/Bond Repayment/West End</i>	<i>6,965</i>	<i>(8,193)</i>	<i>431</i>	<i>682</i>	<i>657</i>	<i>746</i>
Deed Transfer (net)	39,470	(46,425)	2,443	3,862	3,725	4,230
Co-op Recordation	(5,201)	-	-	-	-	-
Economic Interests	(1,558)	(7,623)	(989)	-	-	-
Total Other Taxes (net)	91,094	(116,402)	375	9,981	8,729	10,942
TOTAL TAXES NET OF DEDICATED TAXES	598,366	(11,151)	226,982	241,662	232,774	243,398
Licenses and Permits	9,578	(2,828)	4,114	(6,714)	5,875	(4,124)
Fines and Forfeits	(19,595)	34,337	(5,491)	(6,409)	(7,456)	(6,418)
Charges for Services	16,415	(16,034)	2,147	(1,851)	2,150	(2,000)
Miscellaneous	(9,049)	(9,950)	(73)	(244)	(228)	-
TOTAL NON-TAX	(2,651)	5,525	697	(15,218)	341	(12,542)
Lottery	619	(586)	500	500	500	500
TOTAL LOCAL FUND REVENUE NET OF DEDICATED TAXES	596,333	(6,212)	228,179	226,944	233,615	231,356

Table 3-15

General Purpose Non-Tax Revenue by Source, Fiscal Years 2015-2020

(Dollars in Thousands)

Comp. Object Code	Agency	Object Title	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
BUSINESS LICENSES AND PERMITS								
2004	Public Service Commission	Gas License	4	4	4	5	5	5
2003	Public Service Commission	Electric License	11	11	11	12	12	12
3001	Depart of Insurance, Securities and Banking	Insurance Licenses	14,802	12,900	16,653	13,800	18,360	14,800
3010	D.C. Taxicab Commission	Busines License	85	-	-	-	-	-
3012	Dept. of Consumer and Regulatory Affairs	Building Structures and Equipment	29,250	31,674	31,510	27,898	29,041	28,381
3013	Dept. of Consumer and Regulatory Affairs	Certificate of Occupancy Fee	398	400	400	400	400	364
3014	Dept. of Consumer and Regulatory Affairs	Refrigeration and Plumbing Permit	5,969	4,500	4,000	4,000	4,000	4,000
3015	Dept. of Consumer and Regulatory Affairs	Electrical Permit	2,829	2,600	2,600	2,600	2,600	2,600
3025	Dept. of Consumer and Regulatory Affairs	Capacity Placard Permit	1	1	1	1	1	1
3026	Dept. of Consumer and Regulatory Affairs	Demolition Permit	378	360	360	360	360	360
3028	Dept. of Consumer and Regulatory Affairs	Fence Permit	18	18	18	18	18	18
3029	Dept. of Consumer and Regulatory Affairs	Foundation Permit	38	30	30	30	30	30
3030	Dept. of Consumer and Regulatory Affairs	Garage Permit	3	3	5	4	3	3
3031	Dept. of Consumer and Regulatory Affairs	Miscellaneous Permit	139	95	95	95	95	95
3034	Dept. of Consumer and Regulatory Affairs	Raze Permit	287	310	310	310	310	310
3035	Dept. of Consumer and Regulatory Affairs	Retaining Wall Permit	125	95	95	95	95	95
3036	Dept. of Consumer and Regulatory Affairs	Shed Permit	2	2	2	2	2	2
3037	Dept. of Consumer and Regulatory Affairs	Sheeting and Shoring Permit	82	55	55	55	55	55
3038	Dept. of Consumer and Regulatory Affairs	Sign Permit	72	70	70	70	70	70
3039	Dept. of Consumer and Regulatory Affairs	Special Sign Permit	30	25	25	25	25	25
3040	Dept. of Consumer and Regulatory Affairs	Swimming Pool Permit	12	10	10	10	10	10
3041	Dept. of Consumer and Regulatory Affairs	Tenant Layout Permit	15	15	15	15	15	15
3042	Dept. of Consumer and Regulatory Affairs	Postcard Permit	205	140	140	140	140	140
3044	Dept. of Consumer and Regulatory Affairs	Public Space Sidewalk Cafe Permit	82	80	80	80	80	80
9201	Department of Behavioral Health	Other License Fees	8	8	7	7	8	8
Total Business License and Permits			54,845	53,406	56,496	50,032	55,735	51,479
NONBUSINESS LICENSES AND PERMITS								
3101	Department of Motor Vehicles	Drivers License-First Time/Renewals	3,754	3,648	4,335	4,335	4,335	4,335
3105	Department of Motor Vehicles	Cancel Road Test Fee	41	35	35	35	35	35
3106	Department of Motor Vehicles	Change of Address Fee	2	2	2	2	2	2
3107	Department of Motor Vehicles	Drivers License-Knowledge Test	442	315	315	315	315	315
3108	Department of Motor Vehicles	Drivers License-Road Test	125	105	105	105	105	105
3120	Metropolitan Police Department	Boat Registration	171	165	165	165	165	165
3141	Department of Motor Vehicles	Reciprocity Permit-Military/Congressional	617	565	565	565	565	565
3144	Department of Motor Vehicles	Digital Certificate Fee	3	3	3	3	3	3
3145	Department of Motor Vehicles	Personalized Tags - RSC 9100	93	81	81	81	81	81
3147	Department of Motor Vehicles	Dctc Issuances - RSC 9100	686	712	712	712	712	712
3148	Department of Motor Vehicles	Temporary Dealer Tags	12	7	7	7	7	7
3149	Department of Motor Vehicles	Transfer of Tags - RSC 9100	49	40	40	40	40	40
3151	Department of Motor Vehicles	Motor Vehicle Registration	27,994	26,874	27,211	26,961	27,133	27,265
3153	Department of Motor Vehicles	Record Searches - RSC 9100	(4)	0	0	0	0	0
3160	Department of Motor Vehicles	Associated Fee for One (1) Year	7	1	1	1	1	1
3161	Department of Motor Vehicles	Associated Fee for Thirty (30) Days	1	1	1	1	1	1
Total Nonbusiness License and Permits			33,943	32,554	33,578	33,328	33,500	33,632

(Continued on next page)

Table 3-15 (Continued)

General Purpose Non-Tax Revenue by Source, Fiscal Years 2015-2020

(Dollars in Thousands)

Comp. Object Code	Agency	Object Title	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
FINES AND FORFEITURES								
5001	Metropolitan Police Department	Red Light Revenue and Others	(3,015)	11,312	10,364	9,946	9,548	9,172
5012	Metropolitan Police Department	Photo Radar O/T Reimbursements	53,233	71,621	69,472	65,999	62,699	59,564
5060	Metropolitan Police Department	Fines and Forfeitures - Other	18	15	15	15	15	15
5010	Department of Motor Vehicles	Traffic Fines - RSC 1501	64,940	66,799	64,405	61,887	58,129	55,222
5020	Department of Public Works	Sale of Abandoned Property	28	28	28	28	28	28
5030	Department of Public Works	Booting Fees - RSC1504	90	65	65	65	65	65
5040	Department of Public Works	Towing Fees - RSC 1505	196	160	160	160	160	160
5050	Department of Public Works	Impoundment Fees - Rsc 1506	337	246	246	246	246	246
3304	Department of Transportation	Adjudication Hearing-Traffic Control	123	120	120	120	120	120
5000	Taxi Cab Commission	Hackers Fines	84	80	80	80	80	80
5060	Alcoholic Beverage Regulation Admin.	Fines and Forfeitures - Other	602	527	527	527	527	527
5060	Depart of Insurance, Securities and Banking	Fines	563	563	563	563	563	563
Total Fines and Forfeitures			117,199	151,536	146,045	139,636	132,180	125,762
MISCELLANEOUS								
5700	Office of the Chief Financial Officer	Disposition of Unclaimed Property	1,971					
5701	Office of the Chief Financial Officer	Unclaimed Property National Audit 01	19,507	27,000	27,000	27,000	27,000	27,000
6111	Office of the Chief Financial Officer	Other Revenue-CCU Collection	3,014	22,878	22,282	21,703	21,142	20,810
5600	Office of the Chief Financial Officer and Others	Interest Income	(566)	130	130	130	130	130
2538	DC Public Library	Library Book Fines	185	178	183	188	193	198
2002	Dept. of Housing and Comm. Development	Appr HPAP Repay	650	650	650	650	650	650
3317	Department of Transportation	Child Safety Seat Program	9	12	12	12	12	12
6111	Department of Transportation	Other Revenue	14	18	18	18	18	18
3318	Department of Transportation	Citizen Light and Traffic Control Project	23	44	44	44	44	44
6105	Department of Transportation	Other Revenue - Freedom of Information	5	5	5	5	5	5
6107	Department of Public Works	Other Revenue - Fleet Auto Auction	988	1,282	1,282	1,282	1,282	1,282
6106	Depart of Insurance, Securities and Banking	Service Fees	1	1	1	1	1	1
6106	Department of Corrections	Other Revenues	115	100	100	100	100	100
6106	Dept. of Consumer and Regulatory Affairs	Other Revenue	233	233	233	233	233	233
6107	Dept. of Consumer and Regulatory Affairs	Civil Infraction Fees	1,007	1000	1000	1000	1000	1000
6103	Office of Finance and Resource Mgmt.	Reimbursements	9	1	1	1	1	1
6106	Fire and Emergency Medical Services	Other Revenues	429	428	428	428	428	428
6111	Fire and Emergency Medical Services	Other Revenues-Other	42	1	1	1	1	1
6106	Metropolitan Police Department	Other Revenues	167	50	50	50	50	50
6100	Metropolitan Police Department	Surplus Vehicle Revenue	942	942	942	942	942	942
6101	Metropolitan Police Department	Subrogation Revenue	189	190	190	190	190	190
5700	Metropolitan Police Department	Sale of Unclaimed Property	13	13	13	13	13	13
6106	Office of Administrative Hearings	Other Revenues	22	0	0	0	0	0
6106	Office of the Attorney General	Other/ Revenue	24,781	1	1	1	1	1
6106	Office of the Chief Medical Examiner	Other Revenues	246	246	246	246	246	246
6111	Office of the Chief Technology Officer	Other Revenue-Other	1	1	1	1	1	1
6106	Office of Zoning	Other Revenues	776	1,200	1,200	1,200	1,200	1,200

(Continued on next page)

Table 3-15 (Continued)

General Purpose Non-Tax Revenue by Source, Fiscal Years 2015-2020

(Dollars in Thousands)

Comp. Object Code	Agency	Object Title	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
MISCELLANEOUS (Continued)								
6109	Public Service Commission	Cocot Registration	25	15	15	15	15	15
6111	Department of General Services	Other Revenue - Other	578	578	578	578	578	578
6106	Deputy Mayor for Public Safety and Justice	Other Revenue - Other	15	25	25	25	25	25
6111	Deputy Mayor for Planning and Econ Dev	Other Revenue - Other	0	0	0	0	0	0
6111	District Department of the Environment	Other Revenue	1,390	1,400	1,400	1,400	1,400	1,400
6112	District Department of the Environment	DDOE Freedom of Information	4	6	6	6	6	6
6111	District of Columbia Public Schools	Other Revenue - Other	14,333	-	-	-	-	-
6111	Office of Campaign Finance	Other Revenue - Other	2	5	5	5	5	5
6111	Office of Contracting and Procurement	Other Revenue - Other	2,149	2,248	2,348	2,348	2,348	2,348
6111	Office of Risk Management	Other Revenue - Other	83	18	18	18	18	18
6106	Office of the Chief Financial Officer	Other Revenues	520	2000	2000	2000	2000	2000
6111	Office of the Chief Financial Officer	Other Revenue - Other	26,518	27,334	27,334	27,334	27,334	27,334
611/6016	Various Agency One-Time Revenue	Other Revenue - Other	444	344	449	460	462	457
5300	Office of the Chief Financial Officer	Pay-In-Lieu-Tax Private	15,337	15,644	15,957	16,276	16,602	16,934
Total Miscellaneous			116,171	106,221	106,148	105,904	105,676	105,676
CHARGES FOR SERVICES								
3200	Public Service Commission	TELECO Registration	3	2	2	2	2	2
3201	Dept. of Consumer and Regulatory Affairs	Home Occupation License	92	90	90	90	90	90
3202	Dept. of Consumer and Regulatory Affairs	Boiler Inspection Permit	135	115	115	115	115	115
3203	Dept. of Consumer and Regulatory Affairs	Welding Certificate	19	7	7	7	7	7
3204	Dept. of Consumer and Regulatory Affairs	Elevator Inspection License	646	600	600	600	600	600
3206	Dept. of Consumer and Regulatory Affairs	Commission Certificate	2	6	6	6	6	6
3206	Metropolitan Police Department	Fingerprints, Photos	481	450	450	450	450	450
3207	Department of Corrections	Other Service Charges	9	25	25	25	25	25
3207	Department of Motor Vehicles	Reinstatement/ Insurance Lapse Fees	1,364	1,216	1,216	1,216	1,216	1,216
3208	Department of Motor Vehicles	Reproduction of Reports	3,352	2,500	2,500	2,500	2,500	2,500
3208	Dept. of Consumer and Regulatory Affairs	Reproduction of Reports	49	55	55	55	55	55
3208	Metropolitan Police Department	Reproduction of Reports	72	68	68	68	68	68
3209	Fire and Emergency Medical Services	Emergency Ambulance	29,886	25,000	25,000	25,000	25,000	25,000
3210	Metropolitan Police Department	Transcription of Records	248	240	240	240	240	240
3211	Metropolitan Police Department	Firearm User Fee	96	100	100	100	100	100
3215	Department of Motor Vehicles	Motor Vehicle Titles - Rsc 1259	2,286	2,280	2,280	2,280	2,280	2,280
3219	Dept. of Consumer and Regulatory Affairs	Wharves and Markets	432	400	400	400	400	400
3220	Dept. of Consumer and Regulatory Affairs	Surveyor Fees	407	400	400	400	400	400
3221	Department of Motor Vehicles	Recordation Fee - Rsc 1275	694	707	707	707	707	707
3221	Office of the Chief Financial Officer	Deed Recordation Fee	6,039	6,600	6,600	6,600	6,600	6,600
3222	Dept. of Consumer and Regulatory Affairs	Corporate Recordation Fee	15,171	13,000	15,000	13,000	15,000	13,000
3223	Department of General Services	Parking Permits and Fees	2,128	2,100	2,100	2,100	2,100	2,100
3223	Department of Motor Vehicles	Residential Parking Permits and Fees	4,886	4,470	4,470	4,470	4,470	4,470
3228	Dept. of Consumer and Regulatory Affairs	Condo/Coop Registration Fee	1	1	1	1	1	1

(Continued on next page)

Table 3-15 (Continued)

General Purpose Non-Tax Revenue by Source, Fiscal Years 2015-2020

(Dollars in Thousands)

Comp. Object Code	Agency	Object Title	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected
CHARGES FOR SERVICES (Continued)								
3234	Department of Motor Vehicles	Other Charges for Services	111	100	100	100	100	100
3234	DC Public Library	Other Charges for Services - Other	4	3	3	3	3	3
3234	Dept. of Consumer and Regulatory Affairs	Other Charges for Services - Other	70	60	60	60	60	60
3234	Office of the Tenant Advocate	Other Charges for Services - Other	2,322	2,200	2,200	2,200	2,200	2,200
3236	Dept. of Consumer and Regulatory Affairs	Re-Inspection Fees	5	2	2	2	2	2
3237	Department of Motor Vehicles	Business - Insurance Lapse Fee	-	1	1	1	1	1
3240	Dept. of Consumer and Regulatory Affairs	Suppression Systems for Hoods and Ducts	12	10	10	10	10	10
3241	Dept. of Consumer and Regulatory Affairs	Modification and Variance Requests	66	60	60	60	60	60
3242	Dept. of Consumer and Regulatory Affairs	Designation of a New Address	13	10	10	10	10	10
3246	Dept. of Consumer and Regulatory Affairs	Building Plats(Up To 3 Usual Shaped Lots	208	175	175	175	175	175
3249	Dept. of Consumer and Regulatory Affairs	Street and Alley Closing or Revisions	64	50	50	50	50	50
3250	Dept. of Consumer and Regulatory Affairs	Subdiv of Land Plats (> 3 Usual Lots)	166	150	150	150	150	150
3251	Dept. of Consumer and Regulatory Affairs	Private Surveyor Plan-Filing Wall Exam	27	25	25	25	25	25
3251	Office of the Chief Financial Officer	Tax Certificates	100	105	105	105	105	105
3251	Office of the Chief Financial Officer	Right-Of-Way Revenue	7,648	-	-	-	-	-
3254	Dept. of Consumer and Regulatory Affairs	Optional Expedited Building Plats	19	18	18	18	18	18
3255	Dept. of Consumer and Regulatory Affairs	Optional Electronic Building Plats	4	5	5	5	5	5
3258	Dept. of Consumer and Regulatory Affairs	Certificate of Inclusionary Zoning	16	10	10	10	10	10
3259	Dept. of Consumer and Regulatory Affairs	EISF Review Fees	317	217	217	217	217	217
9001	DC Public Library	Washington Photo Repo	1	1	1	1	1	1
9012	DC Public Library	Bookstore - On Line Sales	16	21	21	21	21	21
3320	Department of General Services	Rentals - Other	14,711	14,710	14,857	15,006	15,156	15,156
Total Charges for Services			94,399	78,365	80,512	78,661	80,811	78,811

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Table 3-16: Dedicated Tax Fund Revenue

Table 3-16, which follows, reports the certified revenues and fund balance use for the District’s Dedicated Tax funds. The revenues reported in this table are those Office of Revenue Analysis (ORA) projections based on current law. They do not include any policy proposals affecting revenues or fund balances included in this FY 2017 Proposed Budget and Financial Plan. Any such policy changes are reported earlier in this chapter in Table 3-12 (Policy Proposals Impacting General Fund Revenues).

The first column in Table 3-16 reports each fund’s available fund balance at the end of FY 2015. Certain funds, by legislation, can retain and carry over to succeeding fiscal years revenue received during the fiscal year that exceeds the fund’s expenditures. This retained fund balance is an available resource for those funds in future fiscal years. In the case of other funds, the legislation that created the fund did not specify that the fund could retain its revenue. Therefore, at the end of the fiscal year, that excess revenue is transferred to the Local fund. The amounts shown in the “FY 2015 End of Year Fund Balance” column were calculated by the Office of Financial Operations and Systems (OFOS) during the preparation of the District’s Fiscal Year 2015 Comprehensive Annual Financial Report (CAFR).

The next three columns show, for FY 2016, projected revenue under current law and fund balance use by fund. The “Certified Resources” column is the total of the “Certified Revenues” and the “Certified Fund Balance Use Columns.”

The next three columns of the table report, for FY 2017, projected revenue under current law, projected fund balance use by fund, and total certified resources.

The final three columns report the amount of projected revenue under current law for FY 2018, FY 2019, and FY 2020. Fund balance use is not projected over this three-year period due to the uncertainty of the amount of available fund balances that far into the future.

For each fund, the table reports the tax revenue source(s) from which the dedication is made.

The Dedicated Tax funds in Table 3-16 are divided into two sections. Those Dedicated Tax funds that are part of General Fund revenue are reported in the first section of the table. These funds are categorized in the District’s accounting system within Appropriated Fund 0110 (Dedicated Taxes). The second section of the table includes three Dedicated Tax funds that are categorized within Appropriated Fund 0610 (Enterprise and Other Funds – Dedicated Tax).

A December 2015 D.C. Office of Revenue Analysis report (District of Columbia Dedicated Taxes Report) describes in some detail the Dedicated Tax funds listed in Table 3-16. It is available under “Studies” in the “Reports” section of the Office of the Chief Financial Officer web site:

<http://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/2015%20Dedicated%20Taxes%20Report.pdf>.

Table 3-16
Dedicated Tax Revenue Funds by Source of Revenue, Fiscal Years 2016-2020

	FY 2015									
	End of Year Fund Balance	FY 2016 Certified Revenues	FY 2016 Certified Fund Balance Use	FY 2016 Certified Resources	FY 2017 Certified Revenues	FY 2017 Certified Fund Balance Use	FY 2017 Certified Resources	FY 2018 Certified Revenues	FY 2019 Certified Revenues	FY 2020 Certified Revenues
TOTAL DEDICATED TAX REVENUE		482,240,653	12,789,704	495,030,357	466,014,115	18,171,302	484,185,417	474,499,329	484,341,681	496,333,006
Convention Center Fund (EZ0 0110)	0	113,971,000	0	113,971,000	119,100,000	0	119,100,000	117,909,000	121,093,000	123,733,000
Sales Tax		113,971,000			119,100,000			117,909,000	121,093,000	123,733,000
Healthy Schools Fund (GD0 0111)	3,752,019	4,266,000	39,560	4,305,560	4,266,000	16,274	4,282,274	4,266,000	4,266,000	4,266,000
Sales Tax		4,266,000			4,266,000			4,266,000	4,266,000	4,266,000
Repayment of Revenue Bonds (DT0 0110)	0	7,832,389	0	7,832,389	7,835,339	0	7,835,339	7,832,389	7,838,539	7,839,039
Deed Recordation Tax		4,564,263			4,571,576			4,610,763	4,593,278	4,590,639
Deed Transfer Tax		3,268,126			3,263,763			3,221,626	3,245,261	3,248,400
Nursing Facility Quality of Care Fund (HT0 0110)	900,000	14,591,000	0	14,591,000	14,883,000	0	14,883,000	15,181,000	15,485,000	15,794,000
Healthcare Provider Tax		14,591,000			14,883,000			15,181,000	15,485,000	15,794,000
Healthy DC Fund (HT0 0111)	11,508,762	45,642,000	0	45,642,000	46,727,000	0	46,727,000	48,080,000	49,025,000	49,988,000
Sales Tax		250,000			427,000			854,000	854,000	854,000
Insurance Premiums Tax		45,392,000			46,300,000			47,226,000	48,171,000	49,134,000
Stevie Sellows Quality Improvement Fund (HT0 0112)	165,573	5,478,000	0	5,478,000	5,519,000	0	5,519,000	5,629,000	5,742,000	5,866,000
ICF-IDD Assessment		5,478,000			5,519,000			5,629,000	5,742,000	5,866,000
WMATA (KE0 0110)	6,209,591	66,664,000	0	66,664,000	66,670,000	0	66,670,000	66,670,000	66,670,000	66,670,000
Sales Tax (parking)		66,664,000			66,670,000			66,670,000	66,670,000	66,670,000
Highway Trust Fund (KZ0 0110)	0	25,004,000	0	25,004,000	24,754,000	0	24,754,000	24,506,000	24,261,000	24,018,000
Motor Fuel Tax		25,004,000			24,754,000			24,506,000	24,261,000	24,018,000

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Dedicated Tax Revenue Funds by Source of Revenue, Fiscal Years 2016-2020												
	FY 2015											
	End of Year Fund Balance	FY 2016 Certified Revenues	FY 2016 Certified Fund Balance Use	FY 2016 Certified Resources	FY 2017 Certified Revenues	FY 2017 Certified Fund Balance Use	FY 2017 Certified Resources	FY 2018 Certified Revenues	FY 2019 Certified Revenues	FY 2020 Certified Revenues		
ABRA (LOO 0110)	881,555	1,170,000	0	1,170,000	1,170,000	0	1,170,000	1,170,000	1,170,000	1,170,000		
Sales Tax		1,170,000			1,170,000			1,170,000	1,170,000	1,170,000		
Medicaid Hospital Inpatient Fee (HTO 0114)	0	10,400,000	0	10,400,000	0	0	0	0	0	0		
Hospital Fund		10,400,000			-			-	-	-		
Medicaid Hospital Outpatient Fee (HTO 0115)	0	6,700,000	0	6,700,000	0	0	0	0	0	0		
Hospital Provider Fee Fund		6,700,000			-			-	-	-		
Sub Total - GENERAL FUND	23,417,501	301,718,389	39,560	301,757,949	290,924,339	16,274	290,940,613	291,243,389	295,550,539	299,344,039		
Ballpark Fund (BK0 0610)	0	60,700,000	0	60,700,000	62,430,000	0	62,430,000	64,280,000	66,038,000	69,739,000		
Sales Tax		17,900,000			18,509,000			19,212,000	19,788,000	20,382,000		
Public Utility Tax		8,768,000			8,856,000			8,944,000	9,034,000	11,016,000		
Toll Telecommunications Tax		2,232,000			2,311,000			2,387,000	2,467,000	2,550,000		
Ballpark Fee		31,800,000			32,754,000			33,737,000	34,749,000	35,791,000		
Housing Production Trust Fund (UZ0 0610)	185,496,000	43,825,264	0	43,825,264	44,945,776	0	44,945,776	47,275,940	48,499,142	50,248,967		
Deed Recordation Tax		25,538,824			26,223,882			27,830,354	28,419,842	29,426,419		
Deed Transfer Tax		18,286,439			18,721,894			19,445,586	20,079,300	20,822,547		
Tax Increment Financing/PILOT (TX0/TY0 0610)	185,177,000	75,997,000	12,750,144	88,747,144	67,714,000	18,155,028	85,869,028	71,700,000	74,254,000	77,001,000		
Real Property Tax		46,394,000			39,619,000			40,966,000	42,359,000	43,926,000		
Sales Tax		29,603,000			28,095,000			30,734,000	31,895,000	33,075,000		
Sub Total - ENTERPRISE FUND	370,673,000	180,522,264	12,750,144	193,272,408	175,089,776	18,155,028	193,244,804	183,255,940	188,791,142	196,988,967		

Table 3-17: Special Purpose (O-type) Revenue Funds

Table 3-17, which follows, reports the certified revenues and fund balance use for the District’s Special Purpose (O-type) Revenue funds. The revenues reported in this table are District agency projections based on current law. They do not include any policy proposals affecting revenues or fund balances included in this FY 2017 Proposed Budget and Financial Plan. Any such policy changes are reported earlier in this chapter in Table 3-12 (Policy Proposals Impacting General Fund Revenues).

The first column in Table 3-17 reports each fund’s available fund balance at the end of FY 2015. Certain funds, by legislation, can retain and carry over to succeeding fiscal years revenue received during the fiscal year that exceeds the fund’s expenditures. This retained fund balance is an available resource for those funds in future fiscal years. In the case of other funds, the legislation that created the fund did not specify that the fund could retain its revenue. Therefore, at the end of the fiscal year, that excess revenue is transferred to the Local fund. The amounts shown in the “FY 2015 End of Year Fund Balance” column were calculated by the Office of Financial Operations and Systems (OFOS) during the preparation of the District’s Fiscal Year 2015 Comprehensive Annual Financial Report (CAFR).

The next three columns show, for FY 2016, projected revenue under current law and fund balance use by fund. The “Certified Resources” column is the total of the “Certified Revenues” and the “Certified Fund Balance Use Columns.” The total certified resources column does not account for any legislated revenue transfers from the fund.

The next three columns of the table report, for FY 2017, projected revenue under current law, projected fund balance use by fund, and total certified resources.

The final three columns report the amount of projected revenue under current law for FY 2018, FY 2019, and FY 2020. Fund balance use is not projected over this three-year period due to the uncertainty of the amount of available fund balances that far into the future.

A February 2015 D.C. Office of Revenue Analysis report (District of Columbia Special Purpose Revenue Funds Report) describes in some detail the Special Purpose Revenue funds listed in Table 3-17. It is available under “Studies” in the “Reports” section of the Office of the Chief Financial Officer web site: [http://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/Special-Purpose%20Report%202015 . pdf](http://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/Special-Purpose%20Report%202015.pdf).

Table 3-17

Special Purpose (O-type) Fund Revenue, by Fund, Fiscal Years 2016-2020

	FY 2015 End of Year Fund Balance	FY 2016		FY 2016		FY 2017		FY 2017		FY 2018		FY 2019		FY 2020	
		Certified Revenues	Balance Use	Certified Resources	Revenues	Certified Revenues	Balance Use	Certified Resources	Revenues	Certified Revenues	Balance Use	Certified Resources	Revenues	Certified Revenues	
A. Governmental Direction and Support															
Office of the City Administrator (AEO)	0	337,565	0	337,565	337,565	337,565	0	337,565	330,000	330,000	330,000	330,000	330,000	330,000	330,000
	0602	Independent Agencies	0	337,565	0	337,565	337,565	337,565	330,000	330,000	330,000	330,000	330,000	330,000	330,000
Board of Ethics and Government Accountability (AGO)	223,315	150,000	0	150,000	150,000	150,000	0	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
	0601	Board of Ethics and Accountability Fund (Fines)	78,690	60,000	0	60,000	60,000	0	60,000	60,000	60,000	60,000	60,000	60,000	60,000
	0602	Lobbying Registration Fee Fund	144,625	90,000	0	90,000	90,000	0	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Department of General Services (AM0)	471,172	6,199,839	124,000	6,323,839	7,476,144	7,476,144	85,000	7,561,144	7,476,144	7,476,144	7,476,144	7,476,144	7,476,144	7,476,144	7,476,144
	1150	Utility Payments for Non-DC Agencies	0	2,861,425	0	2,861,425	3,565,744	0	3,565,744	3,565,744	3,565,744	3,565,744	3,565,744	3,565,744	3,565,744
	1440	RFK and DC Armory Maintenance Fund	0	2,428,659	0	2,428,659	3,000,000	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
	1460	Eastern Market Enterprise Fund	471,172	839,355	124,000	963,355	840,000	85,000	925,000	840,000	840,000	840,000	840,000	840,000	840,000
	1500	Facilities Service Request Fund	0	70,400	0	70,400	70,400	0	70,400	70,400	70,400	70,400	70,400	70,400	70,400
Office of Finance and Resource Management (AS0)	0	301,142	0	301,142	407,440	407,440	0	407,440	447,679	447,679	447,679	493,486	493,486	542,834	542,834
	1150	Utilities Payment for Non-DC Agencies	0	301,142	0	301,142	407,440	0	407,440	447,679	447,679	493,486	493,486	542,834	542,834
Office of the Chief Financial Officer (AT0)	24,320,874	44,306,223	500,000	44,806,223	43,365,020	43,365,020	500,000	43,865,020	43,366,417	43,675,517	43,675,517	43,925,517	43,925,517	43,925,517	43,925,517
	0602	Payroll Service Fees	0	380,267	0	380,267	380,267	0	380,267	380,300	390,000	390,000	390,000	390,000	390,000
	0603	Service Contracts	0	1,525,100	0	1,525,100	1,525,100	0	1,525,100	1,525,300	1,525,500	1,525,500	1,525,500	1,525,500	1,525,500
	0605	Dishonored Check Fees	0	125,000	0	125,000	125,000	0	125,000	125,000	125,000	125,000	125,000	125,000	125,000
	0606	Recorder of Deeds Surcharge	4,160,728	2,000,000	500,000	2,500,000	2,000,000	500,000	2,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
	0608	Drug Pre Trust	0	10,000	0	10,000	10,000	0	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	0610	Bank Fees	0	5,000,000	0	5,000,000	5,000,000	0	5,000,000	5,000,000	5,250,000	5,250,000	5,500,000	5,500,000	5,500,000
	0611	Tax Collection Fees	0	13,684,036	0	13,684,036	13,684,036	0	13,684,036	13,685,000	13,685,000	13,685,000	13,685,000	13,685,000	13,685,000
	0613	Unclaimed Property Contingency Fund	0	3,750,600	0	3,750,600	3,750,600	0	3,750,600	3,750,800	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000
	0614	Defined Contribution Plan Administration	0	750,000	0	750,000	750,000	0	750,000	750,000	750,000	750,000	750,000	750,000	750,000
	0619	DC Lottery Reimbursement	0	1,765,000	0	1,765,000	1,765,000	0	1,765,000	1,765,000	1,765,000	1,765,000	1,765,000	1,765,000	1,765,000
	0626	Tobacco Fund Reimbursement	0	285,000	0	285,000	285,000	0	285,000	285,000	285,000	285,000	285,000	285,000	285,000
6115	OFT Central Collections Unit (CCU) O Type	20,160,146	15,031,220	0	15,031,220	14,090,017	0	14,090,017	14,090,017	14,090,017	14,090,017	14,090,017	14,090,017	14,090,017	14,090,017
Office of the Secretary (BA0)	0	1,500,000	0	1,500,000	1,000,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	1243	Distribution Fees	0	1,500,000	0	1,500,000	1,000,000	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

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Special Purpose (0-type) Fund Revenue, by Fund, Fiscal Years 2016-2020	
Table 3-17 (continued)	

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Table 3-17 (continued)

Special Purpose (O-type) Fund Revenue, by Fund, Fiscal Years 2016-2020

	FY 2015 End of Year Fund Balance	FY 2016 Certified Revenues	FY 2016 Certified Fund Balance Use	FY 2016 Certified Resources	FY 2017 Certified Revenues	FY 2017 Certified Fund Balance Use	FY 2017 Certified Resources	FY 2018 Certified Revenues	FY 2019 Certified Revenues	FY 2020 Certified Revenues
B. Economic Development and Regulation										
Office of Planning (BD0)	243,939	55,000	45,000	100,000	100,000	75,000	175,000	100,000	100,000	100,000
2001 Historic Landmark and Historic District Filing Fees	243,939	55,000	45,000	100,000	100,000	75,000	175,000	100,000	100,000	100,000
Commission on the Arts and Humanities (BX0)	439,621	0	239,621	239,621	0	200,000	200,000	75,000	75,000	7,500
0600 Special Purpose Revenue	439,621	0	239,621	239,621	0	200,000	200,000	75,000	75,000	7,500
Department of Employment Services (CF0)	39,296,870	27,413,684	12,017,813	39,431,497	27,550,793	18,154,335	45,705,128	27,390,000	30,234,500	32,386,225
0600 Special Purpose Revenue Fund	21,735	0	0	0	0	0	0	0	0	0
0610 Workers' Compensation Special Fund	4,654,761	4,500,000	0	4,500,000	4,500,000	0	4,500,000	4,500,000	4,500,000	4,500,000
0611 Workers' Compensation Administration Fund	13,627,550	9,913,684	6,234,351	16,148,035	10,020,000	7,846,089	17,866,089	10,000,000	13,000,000	15,000,000
0612 UI Interest/Penalties	2,569,102	2,500,000	0	2,500,000	2,625,000	0	2,625,000	2,890,000	3,034,500	3,186,225
0624 UI Administrative Assessment	18,423,721	10,500,000	5,783,462	16,283,462	10,405,793	10,308,245	20,714,039	10,000,000	9,700,000	9,700,000
Office of Cable TV, Film, Music, and Entertainment (CI0)	10,536,314	10,196,225	10,166,316	20,362,541	10,434,496	0	10,434,496	12,895,000	12,895,000	12,895,000
0600 Special Purpose Revenue	10,536,314	10,101,225	10,166,316	20,267,541	10,339,496	0	10,339,496	12,800,000	12,800,000	12,800,000
0610 Production Support	0	95,000	0	95,000	95,000	0	95,000	95,000	95,000	95,000
Dept. of Consumer and Regulatory Affairs (CR0)	23,605,111	26,489,785	5,471,506	31,961,291	28,854,644	7,324,567	36,179,211	27,180,000	28,885,000	27,180,000
6006 Nuisance Abatement	3,529,127	5,000,000	735,585	5,735,585	4,700,000	2,748,680	7,448,680	5,000,000	4,800,000	5,000,000
6008 Real Estate Guarantee and Education Fund	3,930,626	841,826	0	841,826	1,860,000	0	1,860,000	700,000	1,900,000	700,000
6009 Real Estate Appraisal Fee	0	217,826	0	217,826	107,000	0	107,000	230,000	110,000	230,000
6010 OPLA - Special Account	2,249,060	4,500,000	0	4,500,000	3,122,420	2,288,396	5,410,816	4,500,000	3,000,000	4,500,000
6012 Boxing Commission Revolving Account	0	180,133	0	180,133	95,000	0	95,000	100,000	100,000	100,000
6013 Basic Business License Fund	5,908,926	11,000,000	3,950,000	14,950,000	12,500,000	1,690,594	14,190,594	11,000,000	12,500,000	11,000,000
6020 Board of Engineers Fund	907,194	750,000	35,921	785,921	170,224	174,070	344,294	750,000	175,000	750,000
6030 Green Building Fund	2,862,677	1,500,000	750,000	2,250,000	1,800,000	422,827	2,222,827	1,500,000	1,800,000	1,500,000
6040 Corporate Recordation Fund	2,232,879	2,500,000	0	2,500,000	3,000,000	0	3,000,000	2,500,000	3,000,000	2,500,000
6045 Vending Regulations Fund	1,984,622	0	0	0	1,500,000	0	1,500,000	900,000	1,500,000	900,000

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Special Purpose (0-type) Fund Revenue, by Fund, Fiscal Years 2016-2020

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Table 3-17 (continued)

Special Purpose (O-type) Fund Revenue, by Fund, Fiscal Years 2016-2020

	FY 2015		FY 2016		FY 2016		FY 2016		FY 2017		FY 2017		FY 2017		FY 2018		FY 2019		FY 2020	
	End of		FY 2016		FY 2016		FY 2016		FY 2017		FY 2017		FY 2017		FY 2018		FY 2019		FY 2020	
	Year Fund	Balance	Certified	Revenues	Certified Fund	Balance Use	Resources	Certified	Revenues	Certified Fund	Balance Use	Resources	Certified	Revenues	Certified Fund	Balance Use	Resources	Certified	Revenues	Certified Fund
C. Public Safety and Justice																				
Metropolitan Police Department (FA0)																				
1555	Reimbursable from Other Governments	2,015,782	0	7,770,000	1,000,000	0	8,770,000	7,833,978	330,000	0	8,163,978	8,163,978	2,100,000	8,070,000	2,100,000	8,070,000	2,100,000	8,070,000	2,100,000	8,070,000
1614	Miscellaneous	0	0	5,000,000	0	0	5,000,000	5,300,000	0	0	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000
7278	Asset Forfeiture	2,015,782	0	670,000	1,000,000	0	1,670,000	670,000	330,000	0	330,000	1,000,000	670,000	670,000	670,000	670,000	670,000	670,000	670,000	670,000
Fire and Emergency Medical Services Dept. (FB0)																				
1200	Automated Ext Defib Reg Fee Fund	0	0	1,025,000	0	0	1,025,000	1,025,000	0	0	1,025,000	1,025,000	1,025,000	1,025,000	1,025,000	1,025,000	1,025,000	1,025,000	1,025,000	1,025,000
1613	Other Revenue (CPR Training)	0	0	2,500	0	0	2,500	2,500	0	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
6100	Special Events	0	0	1,000,000	0	0	1,000,000	1,000,000	0	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Department of Corrections (FLO)																				
0600	Corrections Trustee Reimbursement	3,704,569	2,679,711	18,911,970	1,551,228	1,401,681	20,463,198	18,373,594	1,794,379	1,278,030	1,794,379	20,167,973	18,310,000	18,310,000	18,310,000	18,310,000	18,310,000	18,310,000	18,310,000	18,310,000
0601	Concession Income	0	0	1,100,000	0	0	1,100,000	1,100,000	0	0	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
0602	Welfare Account	761,940	30,000	30,000	33,198	63,198	63,198	33,507	400,000	400,000	400,000	433,507	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
0605	Correction Reimbursement - Juveniles	262,919	183,651	183,651	116,349	116,349	300,000	183,651	116,349	116,349	116,349	300,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000
Office of Justice Grants Administration (F00)																				
0620	Crime Victims Assistance Fund	5,579,025	4,554,502	1,000,000	1,034,475	351,476	2,034,475	500,000	1,297,516	955,993	1,297,516	1,797,516	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
0621	Dom. Violence Shelter and Transition Housing Fund	1,024,523	0	0	682,999	682,999	682,999	0	341,523	341,523	341,523	341,523	0	0	0	0	0	0	0	0
Office of Unified Communications (UC0)																				
1630	911 and 311 Assessments	11,869,442	9,334,925	11,550,000	6,000,000	6,000,000	17,550,000	11,550,000	6,417,028	3,332,828	6,417,028	17,967,028	11,550,000	11,550,000	11,550,000	11,550,000	11,550,000	11,550,000	11,550,000	11,550,000
1631	Prepaid Wireless 911 Charges	2,534,518	0	550,000	0	0	550,000	550,000	3,084,200	3,084,200	3,084,200	3,634,200	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Sub-total: Public Safety and Justice		23,168,819	40,256,970	40,256,970	9,585,703	9,585,703	49,842,673	39,282,572	9,838,923	9,838,923	49,121,495	39,455,000	39,455,000	39,455,000	39,455,000	39,455,000	39,455,000	39,455,000	39,455,000	39,455,000

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Table 3-17 (continued)
Special Purpose (O-type) Fund Revenue, by Fund, Fiscal Years 2016-2020

FY 2015		D. Public Education System													
End of		FY 2016		FY 2016		FY 2017		FY 2017		FY 2018		FY 2019		FY 2020	
Year Fund	Balance	Certified	Revenues	Balance Use	Resources	Certified	Revenues	Balance Use	Resources	Certified	Revenues	Certified	Revenues	Certified	Revenues
District of Columbia Public Library (CEO)															
1,681,046		477,000		103,000	580,000	1,183,000		127,000	1,310,000	1,190,000		1,190,000		1,190,000	
5,863		0		0	0	0		0	0	0		0		0	
7,318		0		0	0	0		0	0	0		0		0	
1,107,442		0		0	0	0		0	0	0		0		0	
1,790		0		0	0	0		0	0	0		0		0	
348,474		140,000		0	140,000	140,000		20,000	160,000	140,000		140,000		140,000	
210,160		297,000		103,000	400,000	993,000		107,000	1,100,000	1,000,000		1,000,000		1,000,000	
0		40,000		0	40,000	50,000		0	50,000	50,000		50,000		50,000	
District of Columbia Public Schools (GA0)															
403,260		6,053,624		0	6,053,624	6,186,259		0	6,186,259	6,321,883		6,460,493		6,603,414	
311,837		851,980		0	851,980	877,447		0	877,447	903,770		930,884		958,810	
0		401,049		0	401,049	409,070		0	409,070	417,251		425,596		434,108	
0		596,597		0	596,597	608,529		0	608,529	620,699		633,113		645,776	
0		644,303		0	644,303	656,693		0	656,693	669,084		681,474		695,104	
0		30,546		0	30,546	33,295		0	33,295	36,292		39,558		43,118	
0		149,369		0	149,369	153,850		0	153,850	158,465		163,219		168,116	
0		249,421		0	249,421	254,409		0	254,409	259,497		264,687		269,981	
91,423		3,130,359		0	3,130,359	3,192,966		0	3,192,966	3,256,825		3,321,962		3,388,401	
Public Charter School Board (GB0)															
0		8,000,000		0	8,000,000	8,013,987		0	8,013,987	8,013,987		8,013,987		8,013,987	
0		8,000,000		0	8,000,000	8,013,987		0	8,013,987	8,013,987		8,013,987		8,013,987	
Office of the State Superintendent of Education (GDO)															
4,070,723		1,047,018		111,252	1,158,270	1,047,018		0	1,047,018	1,047,000		1,047,000		1,047,000	
0		152,000		0	152,000	152,000		0	152,000	152,000		152,000		152,000	
3,308,794		0		0	0	0		0	0	0		0		0	
567,800		520,000		0	520,000	520,000		0	520,000	520,000		520,000		520,000	
194,128		100,000		111,252	211,252	100,000		0	100,000	100,000		100,000		100,000	
0		275,018		0	275,018	275,018		0	275,018	275,000		275,000		275,000	
Sub-total: Public Education System		15,577,642		214,252	15,791,894	16,430,264		127,000	16,557,264	16,572,870		16,711,480		16,854,401	

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Table 3-17 (continued)

Special Purpose (O-type) Fund Revenue, by Fund, Fiscal Years 2016-2020

	FY 2015									
	End of		FY 2016		FY 2016		FY 2017		FY 2017	
	Year Fund	Balance	Certified	Revenues	Certified Fund	Balance Use	Certified	Revenues	Certified Fund	Balance Use
E. Human Support Services										
Department of Parks and Recreation (HAO)										
0602 Enterprise Fund Account	1,675,415	1,675,415	2,200,000	2,200,000	717,811	717,811	2,917,811	2,917,811	2,600,000	2,600,000
Department of Health (HCO)										
0605 SHPDA Fees	569,632	569,632	518,008	518,008	340,000	340,000	858,008	858,008	528,369	528,369
0632 Pharmacy Protection	4,383,885	4,383,885	1,802,465	1,802,465	800,000	800,000	2,602,465	2,602,465	3,597,751	3,597,751
0633 Radiation Protection	0	0	118,605	118,605	0	0	118,605	118,605	589,603	589,603
0641 Other Medical Licenses and Fees	0	0	224,617	224,617	0	0	224,617	224,617	494,773	494,773
0643 Board of Medicine	4,958,015	4,958,015	8,160,525	8,160,525	1,800,000	1,800,000	9,960,525	9,960,525	9,333,626	9,333,626
0644 Spay and Neutering Fund	20,028	20,028	0	0	0	0	0	0	0	0
0655 SHPDA Admission Fee	135,053	135,053	525,312	525,312	135,053	135,053	660,365	660,365	535,798	535,798
0656 EMS Fees	0	0	59,000	59,000	0	0	59,000	59,000	60,180	60,180
0661 ICF/MR Fees and Fines	244,086	244,086	31,212	31,212	90,000	90,000	121,212	121,212	86,149	86,149
0662 Civic Monetary Penalties	720,184	720,184	0	0	0	0	0	0	0	0
0673 DOH - Regulatory Enforcement Fund	150,132	150,132	0	0	0	0	0	0	0	0
Department of Health Care Finance (HTO)										
0631 Medicaid Collections - 3rd Party Liability	695,389	695,389	2,489,429	2,489,429	0	0	2,489,429	2,489,429	3,548,921	3,548,921
0632 Bill of Rights - Grievance and Appeals	314,173	314,173	1,683,943	1,683,943	0	0	1,683,943	1,683,943	2,500,000	2,500,000
0633 Medicaid Recovery Audit Contractor	381,074	381,074	749,305	749,305	0	0	749,305	749,305	992,740	992,740
0634 Assessment Fund	142	142	0	0	0	0	0	0	0	0
Department of Human Services (JAO)										
0603 SSI Payback	2,555,814	2,555,814	3,200,000	3,200,000	0	0	3,200,000	3,200,000	1,975,000	1,975,000
0613 Food Stamps Collection - Fraud	0	0	200,000	200,000	0	0	200,000	200,000	200,000	200,000
0629 Agreement with Independent Agencies	0	0	2,000,000	2,000,000	0	0	2,000,000	2,000,000	775,000	775,000
Department on Disability Services (JMO)										
0610 Vocational Rehab. Service Reimbursement	1,545,515	1,545,515	7,363,257	7,363,257	0	0	7,363,257	7,363,257	7,163,257	7,163,257
0611 Cost of Care - Non-Medicaid Clients	0	0	350,000	350,000	0	0	350,000	350,000	350,000	350,000
0616 Randolph Shepherd Unassigned Facilities	0	0	1,600,000	1,600,000	0	0	1,600,000	1,600,000	1,400,000	1,400,000
Child and Family Services Agency (RLO)										
0601 H.U.M.I.N. - Human Res. - ES	0	0	1,200,000	1,200,000	0	0	1,200,000	1,200,000	1,200,000	1,200,000

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Table 3-17 (continued)

Special Purpose (O-type) Fund Revenue, by Fund, Fiscal Years 2016-2020

FY 2015 End of Year Fund Balance	FY 2016 Certified Revenues	FY 2016 Certified Fund Balance Use	FY 2016 Certified Resources	FY 2017 Certified Revenues	FY 2017 Certified Fund Balance Use	FY 2017 Certified Resources	FY 2018 Certified Revenues	FY 2019 Certified Revenues	FY 2020 Certified Revenues
E. Human Support Services (continued)									
Department of Behavioral Health (RMO)	0	4,250,548	0	4,250,548	4,269,856	0	4,290,000	4,310,000	4,330,000
0610 DMH Federal Beneficiary Reimbursement	0	3,790,548	0	3,790,548	3,809,856	0	3,830,000	3,850,000	3,870,000
0640 DMH Medicare and 3rd Party Reimbursement	0	300,000	0	300,000	300,000	0	300,000	300,000	300,000
0641 DMH Enterprise Fund	0	160,000	0	160,000	160,000	0	160,000	160,000	160,000
Office of Veterans Affairs (VAO)	13,130	3,200	1,800	5,000	5,000	0	5,000	5,000	5,000
0600 Office of Veterans Affairs Fund	13,130	3,200	1,800	5,000	5,000	0	5,000	5,000	5,000
Sub-total: Human Support Services	17,666,278	32,146,178	3,884,664	36,030,842	34,989,201	1,399,082	35,393,888	35,804,122	36,220,161
F. Public Works									
Department of Transportation (KAO)	13,991,156	20,707,000	9,066,668	29,773,668	22,699,610	1,718,000	20,949,870	20,949,870	20,949,870
6000 General "O" Type Revenue Sources	0	200,000	0	200,000	200,000	0	200,000	200,000	200,000
6140 Tree Fund (est. DC Act 14-614)	829,732	850,000	0	850,000	850,000	0	850,000	850,000	850,000
6425 Federal Transit Authority Grant Match	0	0	0	0	0	0	0	0	0
6555 Mall Tunnel Lighting	0	260,000	0	260,000	260,000	0	260,000	260,000	260,000
6901 DDOT Enterprise Fund - Non Tax Revenues	9,066,668	5,533,000	9,066,668	14,599,668	3,360,292	0	3,360,292	3,360,292	3,360,292
6903 Bicycle Sharing Fund	1,875,419	8,239,000	0	8,239,000	9,038,000	1,718,000	7,697,000	7,697,000	7,697,000
6905 Parking Meter Pay by Phone Transaction Fee	0	3,234,000	0	3,234,000	3,491,318	0	3,491,318	3,491,318	3,491,318
6909 Transportation Infrastructure Mitigation	2,219,337	1,891,000	0	1,891,000	5,000,000	0	5,000,000	5,000,000	5,000,000
6910 Vision Zero Pedestrian and Bicycle Safety	0	500,000	0	500,000	500,000	0	500,000	500,000	500,000
Washington Metropolitan Area Transit Authority (KEO)	610,350	46,863,000	0	46,863,000	53,600,000	0	53,600,000	53,600,000	53,600,000
0601 Parking Meter WMATA	610,350	42,963,000	0	42,963,000	49,700,000	0	49,700,000	49,700,000	49,700,000
6030 DC Circulator Bus System	0	3,900,000	0	3,900,000	3,900,000	0	3,900,000	3,900,000	3,900,000
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Table 3-17 (continued)

Special Purpose (O-type) Fund Revenue, by Fund, Fiscal Years 2016-2020

FY 2015		FY 2016		FY 2016		FY 2017		FY 2017		FY 2017		FY 2018		FY 2019		FY 2020	
End of		FY 2016		FY 2016		FY 2017		FY 2017		FY 2017		FY 2018		FY 2019		FY 2020	
Year Fund		Certified		Certified Fund		Certified		Certified Fund		Certified		Certified		Certified		Certified	
Balance		Revenues		Balance Use		Resources		Balance Use		Resources		Revenues		Revenues		Revenues	
F. Public Works (continued)																	
District Dept. of Energy and the Environment (KG0)		53,196,118	53,024,203	15,083,314	68,107,517	53,189,193	12,124,854	65,314,047	53,067,525	53,067,525	53,067,525	53,067,525	53,067,525	53,067,525	53,067,525	53,067,525	53,067,525
0602	Air Quality Construction Permits	86,125	116,000	51,518	167,518	116,000	34,548	150,548	116,000	116,000	116,000	116,000	116,000	116,000	116,000	116,000	116,000
0603	Fishing License	259,190	94,000	165,528	259,528	94,000	106,770	200,770	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000
0609	LUST Trust Fund	340,030	0	68,500	68,500	0	29,000	29,000	0	0	0	0	0	0	0	0	0
0634	Soil Erosion/Sediment Control	1,102,176	1,486,886	892,857	2,379,543	1,487,954	212,736	1,700,690	1,487,954	1,487,954	1,487,954	1,487,954	1,487,954	1,487,954	1,487,954	1,487,954	1,487,954
0645	Pesticide Product Registration	1,513,609	1,900,000	280,000	2,180,000	1,900,000	471,191	2,371,191	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
0646	Storm Water Fees	0	1,352,000	0	1,352,000	1,352,000	332,027	1,684,027	1,352,000	1,352,000	1,352,000	1,352,000	1,352,000	1,352,000	1,352,000	1,352,000	1,352,000
0654	Storm Water Permit Review	23,961,615	13,500,000	6,425,269	19,925,269	13,500,000	5,916,661	19,416,661	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000
0655	Storm Water In Lieu Fee	21,998	850,000	0	850,000	850,000	0	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000	850,000
0662	Renewable Energy Development Fund	6,307,941	8,000,000	0	8,000,000	8,000,000	0	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
0663	Clean Land Fund/Brownfield Revitalization	5,623,168	100,000	1,942,039	2,042,039	100,000	1,746,115	1,846,115	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
0667	Wetlands Fund	1,899,901	23,945	977,751	1,001,696	23,945	853,538	877,483	0	0	0	0	0	0	0	0	0
0670	Anacostia River Clean Up Fund	3,784,410	2,100,000	960,449	3,060,449	2,100,000	767,392	2,867,392	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
0680	Payments from Independent Agencies	0	0	0	0	99,796	0	99,796	0	0	0	0	0	0	0	0	0
6201	Economy II	0	26,000	0	26,000	26,000	0	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
6202	Residential Aid Discount (RAD)	2	115,313	0	115,313	115,325	0	115,325	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
6203	Residential Essential Services (RES)	2	115,313	0	115,313	115,325	0	115,325	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
6204	WASA Utility Discount Program	2	115,464	0	115,464	115,480	0	115,480	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
6400	DC Municipal Aggregation Program	192,507	145,674	192,507	338,181	99,249	0	99,249	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
6500	Benchmarking Enforcement Fund	0	0	0	0	107,548	0	107,548	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000	110,000
6700	Sustainable Energy Trust Fund	7,685,960	20,500,000	3,110,704	23,610,704	20,500,000	1,626,551	22,126,551	20,500,000	20,500,000	20,500,000	20,500,000	20,500,000	20,500,000	20,500,000	20,500,000	20,500,000
6800	Energy Assistance Trust Fund	414,705	2,286,571	13,429	2,300,000	2,286,571	28,325	2,314,896	2,286,571	2,286,571	2,286,571	2,286,571	2,286,571	2,286,571	2,286,571	2,286,571	2,286,571
6900	Special Energy Assessment Fund	2,778	197,237	2,763	200,000	200,000	0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Department of Public Works (KT0)		4,254,405	6,915,000	760,000	7,675,000	7,560,692	35,000	7,595,692	7,440,000	7,440,000	7,440,000	7,440,000	7,440,000	7,440,000	7,440,000	7,440,000	7,440,000
6000	General "O" Type Revenue Sources	0	275,000	0	275,000	500,000	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
6010	Super Can Program	200,000	115,000	160,000	275,000	115,000	35,000	150,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000	115,000
6072	District Recycle Program	0	325,000	0	325,000	325,000	0	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000
6082	Solid Waste Disposal Fee Fund	4,054,405	4,600,000	600,000	5,200,000	4,734,692	0	4,734,692	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
6591	Clean City Fund	0	1,600,000	0	1,600,000	1,886,000	0	1,886,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000

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Table 3-17 (continued)
Special Purpose (O-type) Fund Revenue, by Fund, Fiscal Years 2016-2020

FY 2015												
End of	FY 2016	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	
Year Fund	Certified	Certified Fund	Certified	Certified	Certified	Certified Fund	Certified	Resources	Certified	Certified	Certified	
Balance	Revenues	Revenues	Revenues	Resources	Revenues	Balance Use	Revenues	Resources	Revenues	Revenues	Revenues	
F. Public Works (continued)												
Department of Motor Vehicles (KV0)												
645,481	9,275,000	0	9,275,000	9,275,000	9,275,000	645,481	9,920,481	9,275,000	9,275,000	9,275,000	9,275,000	
6000	3,525,000	0	3,525,000	3,525,000	3,525,000	0	3,525,000	3,525,000	3,525,000	3,525,000	3,525,000	
6100	250,000	0	250,000	250,000	250,000	0	250,000	250,000	250,000	250,000	250,000	
6258	5,500,000	0	5,500,000	5,500,000	5,500,000	645,481	6,145,481	5,500,000	5,500,000	5,500,000	5,500,000	
D.C. Taxicab Commission (TC0)												
2,060,972	7,299,000	1,500,000	8,799,000	7,842,448	7,842,448	0	7,842,448	7,899,000	7,899,000	7,899,000	7,899,000	
0	99,000	0	99,000	99,000	99,000	0	99,000	99,000	99,000	99,000	99,000	
58,226	0	0	0	0	0	0	0	0	0	0	0	
2,002,745	7,200,000	1,500,000	8,700,000	7,743,448	7,743,448	0	7,743,448	7,800,000	7,800,000	7,800,000	7,800,000	
74,758,481	144,083,203	26,409,982	170,493,185	154,166,943	154,166,943	14,523,335	168,690,278	152,231,395	152,231,395	152,231,395	152,231,395	
G. Financing and Other												
0	5,114,000	0	5,114,000	5,319,000	5,319,000	0	5,319,000	5,531,000	5,753,000	5,983,000	5,983,000	
0	4,500,000	0	4,500,000	4,500,000	4,500,000	0	4,500,000	0	0	0	0	
0	1,500,000	0	1,500,000	0	0	0	0	0	0	0	0	
0	45,088,729	0	45,088,729	45,088,729	45,088,729	0	45,088,729	40,588,729	39,088,729	37,588,729	37,588,729	
28,458	0	0	0	0	0	0	0	4,500,000	6,000,000	7,500,000	7,500,000	
28,458	56,202,729	0	56,202,729	54,907,729	54,907,729	0	54,907,729	50,619,729	50,841,729	51,071,729	51,071,729	
District-Wide Total												
277,970,679	516,682,413	94,313,413	611,005,826	545,907,331	545,907,331	59,119,924	605,027,254	538,741,694	547,337,086	550,570,437	550,570,437	

Table 3-18

Summary of Major Taxes in the District of Columbia, Fiscal Year 2016

TAX	DESCRIPTION	RATE	FY 2015 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 four property classes:</p> <p>Class 1 – improved residential real property that is occupied and is used exclusively for non-transient residential dwelling purposes</p> <p>Class 2 – commercial property</p> <p>Class 3 – vacant real property</p> <p>Class 4 – blighted real 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 \$71,400 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 = \$5.00 per \$100 of assessed value</p> <p>Class 4 = \$10.00 per \$100 of assessed value</p>	<p>\$2,154,320</p> <p>Amount is net of \$40,180 Tax Increment Financing (TIF/PILOT) 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>Note: The first \$225,000 of taxable value is excluded from tax.</p>	<p>\$57,225</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>A five-tier rate structure is presently in effect:</p> <p>5.75% – General rate for tangible personal property and selected services</p> <p>6% – Medical Marijuana sales are taxed at a 6% rate and are dedicated to the Healthy DC Fund.</p> <p>10% – Restaurant meals, liquor for consumption off and on the premises, rental vehicles, prepaid telephone calling cards, merchandise sold at the baseball stadium, tickets sold for events at the Verizon Center, and merchandise sold at the Verizon Center.</p> <p>14.5% – Hotels (transient accommodations)</p> <p>18% – Parking motor vehicles in commercial lots</p> <p>Note: 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>Note: The 18% parking in commercial lots tax is dedicated to WMATA</p> <p>Note: Stadium-related sales tax revenue is dedicated to the Ballpark Revenue Fund.</p>	<p>\$1,073,402</p> <p>Amount is net of transfers to: the Convention Center (\$116,448), the Tax Increment Financing (TIF) Fund (\$37,554), the Ballpark Revenue Fund (\$14,904), WMATA (\$67,446), Healthy Schools Fund (\$4,265), ABRA (\$1,170) and the Healthy D.C. Fund (\$106)</p>

TAX	DESCRIPTION	RATE	FY 2015 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	\$6,244
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.	\$0.1455 per cigarette (\$2.91 per pack of 20 cigarettes and little cigars that weigh no more than 4.5 pounds per thousand). This includes a \$0.41 per pack surtax in lieu of a retail sales tax (for packs of 20 or fewer cigarettes). For more than 20 per pack, the surtax will be incrementally increased by \$0.02 per each cigarette above 20. \$0.75 per ounce on moist snuff (finely cut, ground, or powdered tobacco that is not intended to be smoked).	\$31,492
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.	\$46,607
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 \$40,000 < \$60,000 = \$2,200 + 7.0% of excess above \$40,000 \$60,000 < \$350,000 = \$3,600 + 8.5% of excess above \$60,000 More than \$350,000 = \$28,250 + 8.95% of excess above \$350,000 Note: Excludes Social Security income and maximum \$3,000 exclusion on military retired pay, pension income, or annuity income from DC or federal government.	\$1,868,037
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.	9.4% of taxable income \$250 minimum tax if gross receipts are \$1 million or less; \$1,000 minimum tax if gross receipts are over \$1 million	\$308,027

TAX	DESCRIPTION	RATE	FY 2015 REVENUE (\$ in thousands)
UNINCORPORATED BUSINESS FRANCHISE TAX	<p>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.</p> <p>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.</p> <p>DC Code Citation: Title 47, Chapter 18.</p>	<p>9.4% of taxable income</p> <p>\$250 minimum tax if gross receipts are \$1 million or less; \$1,000 minimum tax if gross receipts are over \$1 million</p>	\$139,778
PUBLIC UTILITY TAX	<p>The tax is imposed on the gross receipts of telephone, television, and radio companies, and on the units delivered to customers of natural gas, electricity, and heating oil.</p> <p><i>D.C. Code Citation: Title 47, Chapter 25.</i></p>	<p>Television, radio and telephone companies: 10% of gross charges – residential 11% of gross charges – nonresidential</p> <p>Heating oil utilities: \$0.17 per gallon – residential \$0.187 per gallon – nonresidential</p> <p>Natural gas utilities: \$0.0707 per therm – residential \$0.07777 per therm – nonresidential</p> <p>Electric distribution utilities: \$0.0070 per kilowatt hour – residential \$0.0077 per kilowatt hour – nonresidential</p> <p>Note: The additional surcharges on non-residential customers are dedicated to the Ballpark Revenue Fund.</p>	<p>\$137,171</p> <p>Amount is net of \$8,681 Ballpark Revenue Fund transfer.</p>
TOLL TELECOMMUNICATIONS TAX	<p>Tax on gross receipts of companies providing toll telecommunication service in the District, including wireless telecommunication providers.</p> <p><i>D.C. Code Citation: Title 47, Chapter 39.</i></p>	<p>10% of gross charges – residential 11% of gross charges – nonresidential</p> <p>Note: 1% of nonresidential telecommunications tax revenue is dedicated to the Ballpark Revenue Fund.</p>	<p>\$53,524</p> <p>Amount is net of \$2,681 Ballpark Revenue Fund transfer.</p>
INSURANCE PREMIUMS TAX	<p>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.</p> <p><i>D.C. Code Citation: Title 31; Title 47, Chapter 26.</i></p>	<p>2.0% on policy and membership fees and net premium receipts; 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).</p> <p>Note: The 2.0% premium tax on health insurers and 75% of the 2.0% premium tax from HMOs is currently dedicated to the Healthy DC Fund.</p>	<p>\$59,702</p> <p>Amount is net of \$44,805 Healthy DC Fund Transfer.</p>
ESTATE TAX	<p>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.</p> <p><i>DC Code Citation: Title 47, Chapter 37.</i></p>	<p>Tax due is determined by using the DC estate tax computation worksheet after computing the exempted amounts.</p>	\$48,274

TAX	DESCRIPTION	RATE	FY 2015 REVENUE (\$ in thousands)
DEED RECORDATION TAX	<p>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.</p> <p><i>D.C. Code Citation: Title 42, Chapter 11.</i></p>	<p>1.45% of consideration or fair market value</p> <p>Note: For residential properties under \$400,000, the rate is 1.1% of consideration or fair market value.</p> <p>Note: 15% of the deed recordation tax is dedicated to the Housing Production Trust Fund.</p>	<p>\$219,185</p> <p>Amount is net of transfers to: the Housing Production Trust Fund (\$38,680).</p>
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><i>D.C. Code Citation: Title 47, Chapter 9.</i></p>	<p>1.45% of consideration or fair market value</p> <p>Note: For residential properties under \$400,000, the rate is 1.1% of consideration or fair market value.</p> <p>Note: 15% of the deed transfer tax is dedicated to the Housing Production Trust Fund.</p>	<p>\$168,568</p> <p>Amount is net of transfers to: the Housing Production Trust Fund (\$29,747).</p>
CO-OP RECORDATION	<p>Every transfer of an interest in a cooperative housing association in connection with the grant, transfer, or assignment of a proprietary leasehold or other proprietary interest, in whole or in part, shall be a transfer of an economic interest, and subject to the Cooperative Recordation Tax.</p> <p><i>DC Code Citation: Title 42, Chapter 11.</i></p>	<p>2.9% of the consideration allocable to a deed that evidences a transfer of an economic interest in a cooperative housing association. For transfers of economic interests in cooperative housing associations where the consideration allocable to the real property is less than \$400,000, the rate of the tax is 2.2%.</p>	<p>\$5,813</p>
ECONOMIC INTEREST TAX	<p>This tax is triggered by either one of the following two elements:</p> <p>(1) 80% or more 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 gross receipts of the entity are derived from ownership or disposition of real property in DC.</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><i>DC Code Citation: Title 42, Chapter 11.</i></p>	<p>2.9% of consideration or fair market value</p>	<p>\$18,599</p>
PUBLIC SPACE RENTAL	<p>Tax on the commercial use of publicly owned property between the property line and the street.</p> <p><i>D.C. Code Citation: Title 10, Chapter 11.</i></p>	<p>Various rates exist for the following: Vault, Sidewalk (enclosed and unenclosed), Sidewalk Surface, and Fuel Oil Tank</p>	<p>\$36,122</p>

TAX	DESCRIPTION	RATE	FY 2015 REVENUE (\$ in thousands)
HEALTHCARE PROVIDER ASSESSMENT	Assessment on the net resident revenue of each nursing facility in the District. D.C. Code Citation: Title 47, Chapter 12C.	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. Note: All revenue from this assessment is dedicated to the Nursing Facility Quality of Care Fund.	\$0 Amount is net of \$12,854 Nursing Facility Quality of Care Fund transfer
BALLPARK FEE	A fee on annual District gross receipts. It is levied on District businesses with over \$5 million in gross receipts. D.C. Code Citation: Title 47, Chapter 27B.	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 Note: All revenue from this fee is dedicated to the Ballpark Revenue Fund.	\$0 Amount is net of \$34,942 Ballpark Revenue Fund transfer.
MOTOR VEHICLE FUEL TAX	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. DC Code Citation: Title 47, Chapter 23	\$0.235 per gallon Note: All revenue from this tax is dedicated to the Highway Trust Fund.	\$0 Amount is net of \$25,256 Highway Trust Fund transfer.
ICF-IDD ASSESSMENT	The tax is assessed on the gross revenue of each intermediate care facility for individuals with intellectual or developmental disabilities (ICF-IDD) in the District. DC Code Citation: Title 47, Chapter 12D	5.5% of gross revenue Note: All revenue from this tax is dedicated to the Stevie Sellows Quality Improvement Fund.	\$0 Amount is net of \$5,032 transfer to Stevie Sellows.

Source of General Fund Revenue Amounts: Government of the District of Columbia Comprehensive Annual Financial Report, Year Ended September 30, 2015

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Tax Expenditure Budget

FY 2016 - FY 2019

D.C. Law 13-161, the “Tax Expenditure Budget Review Act of 2000,”¹ requires the Chief Financial Officer to prepare a biennial tax expenditure budget that estimates the revenue loss to the District government resulting from tax expenditures during the current fiscal year and the next two fiscal years. The law defines “tax expenditures” as “the revenue losses attributable to provisions of federal law and the laws of the District of Columbia that allow, in whole or in part, a special exclusion, exemption, or deduction from taxes or which provide a special credit, a preferential rate of tax, or a deferral of tax liability.”²

This report, which estimates the revenue forgone due to tax expenditures in fiscal years 2016 through 2019,³ covers more than 200 separate tax provisions.

The Importance of Tax Expenditures

Tax expenditures are often described as “spending by another name,” or “disguised spending.” Policymakers use tax abatements, credits, deductions, deferrals, and exclusions to promote a wide range of policy goals in education, human services, public safety, economic development, environmental protection, and other areas. Instead of pursuing these objectives through direct spending, policymakers use tax reductions to favor particular activities (such as hiring new employees) or transfer resources to particular groups (such as the blind or elderly). For example, a program to expand access to higher education could offer tax deductions for college savings instead of increasing student loans or grants. Regardless of which approach the government uses, there is a real resource cost in terms of forgone revenue or direct expenditures.

Tax expenditures are frequently used as a policy tool in the District of Columbia. More than 100 tax expenditures result from federal tax provisions that are mirrored in the D.C. income tax. These are known as “federal conformity tax expenditures.” An example is the home mortgage interest deduction: the District follows the federal practice of allowing taxpayers to deduct home mortgage interest payments from their individual income tax liability. In addition, there are more than 100 tax preferences established by local law. Both types of tax expenditures (federal conformity and local) warrant regular scrutiny to make sure they are effective, efficient, and equitable, and to highlight the tradeoffs between tax expenditures and other programs.

Since the previous tax expenditure budget was published in 2014, policymakers have established five new local tax expenditures. These involve: (1) location incentives for Qualified High Technology Companies (2) urban farming and good security, (3) tax on unincorporated businesses, (4) deeds to property transferred to a named beneficiary of a revocable transfer on death, and (5) exemption on security interest instrument. Within the past two years, policymakers also repealed one of the local tax expenditure: first-time homebuyer credit for D.C. government employees.

Tax expenditures differ from direct expenditures in several respects. Direct spending programs in the District receive an annual appropriation, and the proposed funding levels are reviewed during the annual budget cycle. By contrast, tax expenditures remain in place unless policymakers act to modify or repeal them; in this respect, they are similar to entitlement programs. Direct spending programs are itemized on the expenditure side of the

¹ D.C. Law 13-161 took effect on October 4, 2000, and is codified in § 47-318 and § 47-318.01 of the D.C. Official Code.

² See D.C. Official Code § 47-318(6).

³ Although the law requires the tax expenditure budget to estimate the revenue loss for the current fiscal year and the subsequent two fiscal years, this report covers the current year and the subsequent *three* fiscal years in order to be consistent with the District’s four-year financial plan and budget.

budget, whereas revenues are shown in the budget as aggregate receipts without an itemization of tax expenditures.

The tax expenditure budget aims to subject tax preferences to the same scrutiny as direct appropriations. The itemization of tax expenditures provides policymakers with a more complete picture of how the government uses its resources and should help officials consider ways to reallocate resources more effectively. For example, if ineffective or outmoded tax expenditures were eliminated, policymakers could free up resources to expand high-priority direct spending programs or cut tax rates. This exercise is designed to provide policymakers with the information they need about tax expenditures to make sound fiscal policy decisions.

Structure of the Tax Expenditure Budget

The tax expenditure budget for FY 2016 – FY 2019 is presented in Table 3-19 at the end of this section. The table classifies each tax expenditure by the type of tax and provides the statutory authority, year of enactment, policy area, and estimated revenue loss for fiscal years 2016 through 2019. In addition, an expanded version of the tax expenditure budget which describes the purpose, structure, and eligibility criteria for each provision will be published by the Office of Revenue Analysis (ORA) and posted on the CFO's internet site at www.cfo.dc.gov.

All of the federal conformity expenditures flow through to the District's individual and business income taxes; the federal government does not impose property taxes or sales taxes. By conforming to the federal definition of adjusted gross income (with several exceptions), the District thereby adopts most of the exclusions and deductions from income that are part of the federal personal and corporate income tax systems. Most other states with an income tax follow a similar practice.

The provisions in the tax expenditure budget are classified by the following types:

- exclusions, which are items that are not considered part of a taxpayer's gross income for tax purposes, even though they increase his or her resources or wealth. Exclusions do not have to be reported on a tax return but still cause adjusted gross income to be lower than it otherwise would be. Employer contributions to health and retirement plans are examples.
- exemptions, which are per-person reductions in taxable income that taxpayers can claim because of their status or circumstances (such as being a senior citizen).
- adjustments, which are reductions in taxable income that are available to all tax filers who meet certain criteria, regardless of whether or not they itemize their deductions. Adjustments are also known as "above-the-line" deductions and are entered on the tax return.
- deductions, which are reductions to taxable income that must be itemized on the tax form. This option is not available to those who choose the standard deduction.
- subtractions, which are reductions from federal adjusted gross income that are used to derive District of Columbia adjusted gross income. Subtractions reflect income that is taxed by the federal government but not by the D.C. government.
- credits, which reduce tax liability directly instead of reducing the amount of income subject to taxation. Credits can be refundable (if the amount of the credit exceeds tax liability, the taxpayer gets the difference as a direct refund) or non-refundable (the amount of the credit cannot exceed tax liability).
- abatements, which are reductions in tax liability (typically real property tax liability) that are often applied on a percentage basis or through a negotiated process.

- deferrals, which delay the recognition of income to a future year or years. Because they shift the timing of tax payments, deferrals function like interest-free loans to the taxpayer.
- rebates, which are refunds provided to qualifying taxpayers as a separate payment (as contrasted with tax credits that are first applied as a reduction of tax liability).
- special rules, a category that is used for federal tax expenditures that involve blended tax rates or special accounting procedures and do not fit neatly into any other category.

Each tax expenditure was also classified by one of 17 policy or program areas, such as education, health, social policy, and transportation. The policy areas largely mirror the categories used by the Joint Committee on Taxation (JCT) of the U.S. Congress, in order to facilitate comparisons. Nevertheless, the categories were modified and expanded in several cases to make them more relevant to the District of Columbia. For example, the “business and commerce” category used by the JCT was changed to “economic development” to reflect a policy focus of particular importance in the District, and a “public safety” category was added (there are no public safety tax expenditures at the federal level).

The four policy areas with the largest number of federal conformity provisions are housing (30 tax expenditures), economic development (26), income security (15), education (12), and health (10). Nevertheless, the ordering of federal conformity tax expenditures by estimated revenue loss for each policy area (FY 2016) produces a different ranking. Income security provisions account for the largest estimated revenue loss due to the forgone revenue from employer-provided fringe benefits such as pension contributions, which are excluded from the employee’s taxable income (as are the earnings on those contributions). Health provisions rank second in revenue loss for federal conformity provisions, followed by housing and economic development. Many federal tax expenditures that are classified under economic development concern the definition or timing of different types of business income, expenses, reserves, and depreciation.

The four policy areas with the largest number of local tax expenditures are housing (30 tax expenditures), economic development (26), and social policy (15), and income security (12). Once again, the ordering of local tax expenditures by estimated revenue loss for each policy area produces a different ranking.⁴ The general law category (which includes constitutional and statutory mandates for tax policy) had the largest estimated revenue loss due to the forgone revenues from federal tax-exempt property in the District of Columbia, followed by economic development, social policy, and housing.

Important Caveats

A particular caution about the interpretation of the revenue loss estimates in the tax expenditure budget deserves emphasis. The forgone revenue estimate is intended to measure what is being “spent” through the tax system, or the amount of relief or subsidy provided through that provision. Nevertheless, the forgone revenue is *not* identical to the amount of revenue that could be gained by repealing the tax expenditure. There are three main reasons why:

- First, the estimates of revenue loss are “static” and therefore do not reflect behavioral changes that might occur if a tax expenditure were repealed. For example, if the District eliminated the local supplement to the federal earned income tax credit, people might reduce their hours of work and their income tax payments could also drop.
- Second, the revenue loss for each tax expenditure is estimated independently, which does not account for interaction effects among different tax provisions. For example, D.C. law establishes that taxpayers may not claim both the local supplement to the earned income tax credit and the D.C. low-income credit. If the local earned income credit were abolished, more taxpayers might then claim the low-income credit.
- Third, the D.C. government might not be able to collect the full amount owed for administrative reasons. For example, if the District disallowed for local income tax purposes an exemption or exclusion that is allowed

⁴ The estimated revenue loss in these calculations was for FY 2016.

on the federal income tax (a process known as “decoupling”), the District would probably not recoup all of the forgone revenue. The reason is that taxpayers would have to make a separate calculation on their District income taxes to add back the dollars that had been excluded, and compliance with this requirement would not be universal (nor would audits detect all violations).

Because of the factors described above, the total forgone revenue from tax expenditures is not equivalent to the sum of the individual estimates of forgone revenue. The U.S. Government Accountability Office states that: While sufficiently reliable as a gauge of general magnitude, the sum of the individual revenue loss estimates has important limitations in that any interactions between tax expenditures will not be reflected in the sum. Thus, the revenue loss from all or several tax expenditures together might be greater or less than the sum of the estimated revenue losses from the individual tax expenditures, and no measure of the size or the magnitude of these potential interactions or behavioral responses to all or several tax expenditures is available.⁵

Methodology

Summary statistics from the Office of Tax and Revenue (OTR) from D.C. tax returns were an important source of data for the tax expenditure budget and were particularly useful for estimating the forgone revenue from local income tax provisions. Unfortunately, in many instances tax expenditures cannot be estimated from available tax data because they involve income, property, or economic activity that is not taxed, and the relevant information is never reported to the tax office. Therefore, the Office of Revenue Analysis (ORA) often used data from federal sources (such as the Census Bureau and the Bureau of Economic Analysis) and D.C. government agencies to estimate the number of beneficiaries and the revenue lost from certain tax expenditures.

OTR generally lacks information on federal income tax expenditures because the amounts excluded are not reported and the amounts deducted are subtracted from federal adjusted gross income, which is the starting point for a D.C. income tax return. Therefore, ORA’s federal conformity estimates represent a District of Columbia portion of the nationwide tax expenditure estimates prepared by the JCT.⁶ ORA estimated the D.C. portion using two fractions: (1) a ratio representing the D.C. share of the relevant activity or population, such as D.C. taxable income divided by national taxable income, and (2) a ratio representing the D.C. average tax rate divided by the U.S. average tax rate.

Because of the methodological challenges and data issues, it is important to view the revenue estimates as indicating orders of magnitude rather than providing precise point estimates.

The following is a summary of key terms that are used in the summary table:

- too small: refers to a federal tax expenditure with forgone revenue that was less than \$50 million annually, according to the JCT. The revenue loss to the District from conforming to the federal policy would be very close to zero.
- sunset: means that there will be no revenue loss because the provision has expired.
- minimal: refers to a local tax expenditure for which precise data are lacking, but the forgone revenue is estimated to be less than \$50,000 per year.
- no estimate: refers to a local tax expenditure for which precise data are lacking, but for which the revenue loss might not be minimal. In addition, “no estimate” refers to cases in which calculations cannot be made because there are fewer than three claimants. In order to protect the confidentiality of individual tax records, U.S. Internal Revenue Service rules provide that, “No statistical tabulations may be released with cells containing data from fewer than three returns.”

⁵ U.S. Government Accountability Office, Government Performance and Accountability: Tax Expenditures Represent a Substantial Federal Commitment and Need to Be Reexamined (GAO-05-960, September 2005), p. 3.

⁶ In some cases, ORA used tax expenditure estimates from the U.S. Department of the Treasury when data from the Joint Committee on Taxation were not available.

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Table 3-19

District of Columbia Tax Expenditure Estimates for FY 2016-2019**Federal Conformity Estimates**
(Individual and Corporate Income Taxes)

					Revenue Forgone (\$ in thousands)			
No	Name of Tax Expenditure	Program Area	Year Enacted	Internal Revenue Code Section	FY 2016	FY 2017	FY 2018	FY 2019
Federal Exclusions								
1	Capital gains on assets transferred at death	Economic development	1921	1001, 1002, 1014, 1015, 1023, 1040, 1221, and 1222	\$27,441	\$28,086	\$27,548	\$27,548
2	Capital gains on assets transferred as a gift	Economic development	1921	1015	\$2,725	\$2,993	\$3,282	\$3,242
3	Cash accounting, other than agriculture	Economic development	1916	446 and 448	\$2,272	\$2,272	\$2,375	\$2,375
4	Credit union income	Economic development	1937	501(c)(14) and 12 USC 1768	\$2,440	\$2,542	\$2,745	\$2,949
5	Distribution from redemption of stock to pay taxes imposed at death	Economic development	1950	303	too small	too small	too small	too small
6	Gain on like-kind exchanges	Economic development	1921	1031	\$20,643	\$21,262	\$22,085	\$22,627
7	Imputed interest	Economic development	1964	163(e), 483, 1274, and 1274A	\$387	\$452	\$452	\$452
8	Interest on small-issue qualified private-activity bonds	Economic development	1968	103, 141, 144, and 146	\$515	\$515	\$515	\$515
9	Magazine, paperback, and record returns	Economic development	1978	458	too small	too small	too small	too small
10	Small business stock gains	Economic development	1993	1202	\$905	\$905	\$996	\$996
11	Discharge of certain student loan debt	Education	1984	108(f), 20 USC 1087(eel)(5) and 42 USC 2541-1(g)(3)	\$192	\$192	\$192	\$192
12	Earnings of Coverdell education savings accounts	Education	1998	530	\$96	\$96	\$192	\$192
13	Earnings of qualified tuition programs	Education	1997	529	\$1,154	\$1,346	\$1,538	\$1,827
14	Employer-provided education assistance	Education	1978	127	\$915	\$915	\$915	\$915
15	Employer-provided tuition reduction	Education	1984	117(d)	\$229	\$229	\$229	\$229
16	Interest on education savings bonds	Education	1988	135	\$19	\$19	\$19	\$19
17	Interest on state and local private-activity bonds issued to finance education facilities	Education	1986	103, 141, 142(k), 145, 146, and 501(c)(3)	\$4,641	\$4,895	\$5,156	\$5,156

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Federal Conformity Estimates (Individual and Corporate Income Taxes)

					Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	Internal Revenue Code Section	FY 2016	FY 2017	FY 2018	FY 2019
Federal Exclusions (cont.)								
18	Interest on state and local private-activity student loan bonds	Education	1965	103, 141, 144(b), and 146	\$776	\$776	\$903	\$903
19	Scholarship and fellowship income	Education	1954	117	\$2,788	\$2,884	\$3,076	\$3,172
20	Cafeteria plan benefits	Employment	1974	125	\$30,193	\$33,395	\$35,988	\$37,970
21	Employee awards	Employment	1986	74(c) and 274(j)	\$229	\$229	\$229	\$229
22	Employee stock ownership plans	Employment	1974	401(a)(28), 404(a)(9), 404(k), 415(c)(6), 512 (e), 1042, 4975(d)(3), 4978, and 4979A	\$724	\$724	\$804	\$804
23	Employer-paid meals and lodging (other than military)	Employment	1918	119 and 132(e)(2)	\$1,601	\$1,677	\$1,754	\$1,830
24	Housing allowance for ministers	Employment	1921	107 and 265	\$610	\$610	\$610	\$610
25	Miscellaneous fringe benefits	Employment	1984	117(d) and 132	\$5,871	\$5,947	\$6,100	\$6,405
26	Spread of acquisition of stock under incentive stock option plans and employee stock purchase plans	Employment	1981	422 and 423	-\$799	-\$799	-\$718	-\$718
27	Voluntary employees' beneficiary association income	Employment	1928	419, 419A, 501(a), 501(c)(9), and 4976	\$2,440	\$2,516	\$2,516	\$2,516
28	Interest on state and local private-activity bonds issued to support energy facilities	Energy	1980	103, 141, 142(f), and 146	too small	too small	too small	too small
29	Accrued interest on savings bonds	General fiscal assistance	1951	454(c)	\$839	\$839	\$839	\$839
30	Allocation of interest expenses attributable to tax-exempt bond interest by financial institutions (bonds interest for private nonprofit educational facilities)	General fiscal assistance	2009	141, 265(a), 265(b), and 291(e)	\$2,352	\$2,660	\$2,978	\$3,325
31	Interest on public-purpose state and local bonds	General fiscal assistance	1913	103, 141, and 146	\$20,505	\$22,579	\$25,060	\$28,077
32	Employer contributions for medical insurance premiums and medical care	Health	1918	105, 106, and 125	\$117,201	\$123,068	\$129,387	\$135,856
33	Interest on state and local private-activity bonds issued to support non-profit hospital construction	Health	1913	103, 141, 145(b), 145(c), 146, and 501(c)(3)	\$2,196	\$2,455	\$2,844	\$3,250

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Federal Conformity Estimates (Individual and Corporate Income Taxes)

No.	Name	Program Area	Year Enacted	Internal Revenue Code Section	Revenue Forgone (\$ in thousands)			
					FY 2016	FY 2017	FY 2018	FY 2019
	Federal Exclusions (cont)							
34	Medical care and TriCare medical insurance for military dependents, retirees, retiree dependents, and veterans	Health	1986	112 and 134	\$1,010	\$1,010	\$1,010	\$1,010
35	Medicare Part A -- hospital insurance benefits	Health	1970	N.A./administrative	\$15,306	\$16,059	\$17,063	\$17,899
36	Medicare Part B -- supplementary medical benefits	Health	1970	N.A./administrative	\$10,790	\$11,375	\$11,961	\$12,588
37	Medicare Part D -- prescription drug benefits	Health	2003	N.A./administrative	\$3,764	\$3,847	\$3,889	\$3,973
38	Capital gain on sale of principal residence	Housing	1997	121	\$36,835	\$38,868	\$41,141	\$43,533
39	Income from discharge of principal residence acquisition indebtedness	Housing	1954	108	sunset	sunset	sunset	sunset
40	Interest on state and local private-activity bonds issued to finance housing	Housing	1980	103, 141, 143, and 146	\$1,143	\$1,229	\$1,316	\$1,402
41	Compensatory damages for physical injury or sickness	Income security	1918	104(a)(2) - 104(a)(5)	\$1,279	\$1,279	\$1,279	\$1,279
42	Disaster mitigation payments	Income security	2005	139	too small	too small	too small	too small
43	Employer contributions for premiums on accident and disability insurance	Income security	1954	105 and 106	\$3,159	\$3,310	\$3,460	\$3,611
44	Employer contributions for premiums on group-term life insurance	Income security	1920	79	\$2,558	\$2,633	\$2,708	\$2,783
45	Employer pension contributions and earnings plans	Income security	1921	401-407, 410-418E, and 457	\$98,778	\$99,583	\$101,659	\$105,398
46	Income of trusts to finance supplemental unemployment benefits	Income security	1960	501(17)(A)	\$15	\$23	\$30	\$30
47	Investment income on life insurance and annuity contracts	Income security	1913	72, 101, 7702, and 7702A	\$38,095	\$38,813	\$39,896	\$40,853
48	Public assistance cash benefits	Income security	1933	N.A./administrative	\$3,684	\$3,772	\$3,684	\$3,684
49	Roth IRA earnings and distributions	Income security	1997	219, 408 and 408A	\$7,803	\$8,427	\$9,051	\$9,715
50	Social Security and Railroad Retirement benefits	Income security	1938	86	\$13,228	\$14,057	\$14,918	\$15,842

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Federal Conformity Estimates (Individual and Corporate Income Taxes)

No.	Name	Program Area	Year Enacted	Internal Revenue Code Section	Revenue Forgone (\$ in thousands)			
					FY 2016	FY 2017	FY 2018	FY 2019
51	Survivor annuities paid to families of public safety officers	Income security	1997	101(h)	too small	too small	too small	too small
52	Workers' compensation benefits	Income security	1918	104(a)(1)	\$2,182	\$2,257	\$2,407	\$2,558
53	Active income of controlled foreign corporations	International commerce	1909	11, 882, and 951-964	\$81,644	\$83,421	\$84,211	\$86,876
54	Allowances for federal employees working abroad	International commerce	1943	912	\$7,854	\$8,211	\$8,211	\$8,211
55	Income earned abroad by U.S. citizens	International commerce	1926	911	\$6,953	\$7,319	\$7,758	\$8,197
56	Inventory property sales source rule exception	International commerce	1921	861, 862, 863, and 865	\$3,060	\$3,060	\$3,060	\$3,060
57	Benefits, allowances, and certain pay for armed forces personnel	National defense	1925	112 and 134	\$3,497	\$3,713	\$3,820	\$3,982
58	Combat pay	National defense	1918	112	\$753	\$753	\$753	\$753
59	Military disability benefits	National defense	1942	104(a)(4), 104(a)(5) and 104(b)	\$161	\$161	\$161	\$161
60	Contributions in aid of construction for water and sewer utilities	Natural resources and environment	1996	118(c) and 118(d)	too small	too small	too small	too small
61	Earnings of certain environmental settlement funds	Natural resources and environment	2005	468B	too small	too small	too small	too small
62	Energy conservation subsidies provided by public utilities	Natural resources and environment	1992	136	too small	too small	too small	too small
63	Interest on state and local private-activity bonds issued to finance water, sewer, and hazardous-waste facilities	Natural resources and environment	1968	103, 141, 142, and 146	\$515	\$515	\$642	\$642
64	Employer-provided adoption assistance	Natural resources and environment	1996	23 and 137	\$305	\$305	\$305	\$305
65	Employer-provided dependent care	Social policy	1981	45F	too small	too small	too small	too small
66	Foster care payments	Social policy	1982	131	\$451	\$451	\$451	\$451
67	Employer-provided transportation assistance	Transportation	1992	132(f)	\$3,965	\$4,193	\$4,346	\$4,498
68	Interest on state and local private-activity bonds issued to finance airport, dock and mass commuting facilities	Transportation	1968	103, 141, 142, and 146	\$1,291	\$1,291	\$1,291	\$1,291

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Federal Conformity Estimates (Individual and Corporate Income Taxes)

					Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	Internal Revenue Code Section	FY 2016	FY 2017	FY 2018	FY 2019
	Federal Exclusions (cont)							
69	Interest on state and local private-activity bonds issued to finance highway projects and rail-truck transfer facilities	Transportation	2005	103, 141, 142(m), and 146	\$127	\$127	\$261	\$261
70	G.I. Bill education benefits	Veterans' benefits	1917	38 USC 5301	\$715	\$775	\$830	\$876
71	Veterans' benefits and services	Veterans' benefits	1917	38 USC 5301	\$4,148	\$4,106	\$3,937	\$3,937
	Federal Adjustments							
72	Classroom expenses of elementary and secondary school educators	Education	2002	62	sunset	sunset	sunset	sunset
73	Higher education expenses	Education	2001	222	sunset	sunset	sunset	sunset
74	Interest on student loans	Education	1997	221	\$1,827	\$1,827	\$2,019	\$2,019
75	Contributions to health savings accounts	Health	2003	223	\$962	\$1,087	\$1,296	\$1,506
76	Health insurance premiums and long-term care insurance premiums paid by the self-employed	Health	1986	162(l)	\$3,443	\$3,729	\$3,328	\$3,328
77	Contributions to self-employment retirement plans	Income security	1962	401-407, 410-418E, and 457	\$64,043	\$70,372	\$77,135	\$84,606
78	Employee contributions to traditional Individual Retirement Accounts	Income security	1974	219 and 408	\$6,359	\$6,404	\$6,506	\$6,823
79	Overnight travel expenses of National Guard and Reserve members	National defense	2003	62(a)(2)(E) and 162(p)	\$42	\$42	\$42	\$42
	Federal Deductions							
80	Accelerated depreciation of buildings other than rental housing	Economic development	1954	167 and 168	\$385	\$385	\$483	\$483
81	Accelerated depreciation of equipment	Economic development	1954	167 and 168	-\$213	\$114	\$610	\$610
82	Small life insurance company taxable income	Economic development	1984	806	too small	too small	too small	too small
83	Amortization of business start-up costs	Economic development	1980	195	\$103	\$211	\$211	\$211
84	Completed contract rules	Economic development	1986	460	\$1,076	\$1,076	\$1,184	\$1,184
85	Exception from passive loss rules for \$25,000 of rental real estate loss	Economic development	1986	469(i)	\$6	\$6	\$6	\$7

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Federal Conformity Estimates (Individual and Corporate Income Taxes)

					Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	Internal Revenue Code Section	FY 2016	FY 2017	FY 2018	FY 2019
Federal Deductions								
86	Expensing of depreciable small business property	Economic development	1958	179	\$3,132	\$2,818	\$2,403	\$2,403
87	Expensing of magazine circulation expenditures	Economic development	1950	173	too small	too small	too small	too small
88	Film and television production costs	Economic development	2004	181	sunset	sunset	sunset	sunset
89	Gain on non-dealer installment sales	Economic development	1986	453 and 453A(b)	\$7,082	\$6,759	\$6,599	\$6,599
90	Life insurance company reserves	Economic development	1984	803(a)(2), 805(a)(2), and 807	\$3,159	\$3,258	\$3,258	\$3,258
91	Loss from sale of small business corporation stock	Economic development	1958	1244	\$0	\$0	\$0	\$0
92	Property and casualty insurance company reserves	Economic development	1986	832(b)	\$3	\$3	\$3	\$3
93	Research and development expenditures	Economic development	1954	174 and 59 (e)	\$5,820	\$6,412	\$6,609	\$7,044
94	Amortization of certified pollution control facilities	Energy	2005	169(d)(5)	\$395	\$395	\$395	\$395
95	Depreciation recovery periods for specific energy property	Energy	1986	168(e)	\$889	\$790	\$691	\$691
96	Energy-efficient commercial property	Energy	2005	179D	\$0	\$0	\$0	\$0
97	Blue Cross and Blue Shield companies	Health	1986	833	\$407	\$407	\$407	\$407
98	Medical and dental care expenses	Health	1942	213	\$8,474	\$8,679	\$9,499	\$10,046
99	Accelerated depreciation of rental housing	Housing	1954	167 and 168	\$5,039	\$5,039	\$5,146	\$5,146
100	Mortgage interest on owner-occupied residences	Housing	1913	163(h)	\$65,753	\$70,749	\$75,101	\$80,338
101	State and local property taxes on owner-occupied residences	Housing	1913	164	\$18,378	\$19,590	\$20,701	\$22,014
102	Casualty and theft losses	Income security	1913	165(c)(3), 165(e), and 165(h) - 165(k)	\$303	\$303	\$303	\$303
103	Deduction of foreign taxes instead of a credit	International commerce	1913	901	\$232	\$232	\$232	\$232
104	Financing income of certain controlled foreign corporations	International commerce	1962	953 and 954	sunset	sunset	sunset	sunset
105	Charitable contributions	Social policy	1917/1935	170 and 642(c)	\$40,603	\$41,869	\$43,242	\$44,614
106	Costs of removing architectural and transportation barriers to the disabled and elderly	Social policy	1976	190	too small	too small	too small	too small

(Continued on next page)

Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Federal Conformity Estimates

					Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	D.C. Code Section	FY 2016	FY 2017	FY 2018	FY 2019
Federal Special Rules								
107	60-40 rule for gain or loss from section 1256 contracts	Economic development	1981	1256	\$1,099	\$1,099	\$1,099	\$1,099
108	Interest rate and discounting period assumptions for reserves of property and casualty insurance companies	Economic development	1986	831, 832(b), and 846	\$2,728	\$2,728	\$2,728	\$2,728
109	Inventory accounting	Economic development	1938	475, 491-492	\$2,082	\$1,784	\$1,784	\$1,784
110	Special alternative tax on small property and casualty insurance companies	Economic development	1954	321(a), 501(c)(15), 832, and 834	\$31	\$41	\$41	\$41
111	Apportionment of research and development expenses for determining foreign tax credits	International commerce	1977	861-863 and 904	\$197	\$197	\$197	\$197
112	Interest-charge domestic international sales corporations	International commerce	1986	991-997	\$1,481	\$1,580	\$1,678	\$1,678

(Continued on next page)

Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Local Tax Expenditure Estimates

						Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	D.C. Code Section	FY 2016	FY 2017	FY 2018	FY 2019	
	LOCAL TAX EXPENDITURE ESTIMATES								
	D.C. INCOME TAX								
	(Individual and Corporate Income Taxes)								
	Exemptions								
1	Additional personal exemption for the blind	Income security	1987	§ 47-1806.02(d)	\$90	\$90	\$93	\$96	
2	Additional personal exemption for the elderly	Income security	1987	§ 47-1806.02(e)	\$5,139	\$5,139	\$5,283	\$5,428	
	Subtractions from Federal Adjusted Gross Income								
3	Qualified high-technology companies: depreciable business assets	Economic development	2001	§ 47-1803.3(a)(18)	no estimate	no estimate	no estimate	no estimate	
4	College savings plan contributions	Education	2001	§ 47-4501 - § 47-4512	\$1,163	\$1,163	\$1,163	\$1,163	
5	Public school teacher expenses	Education	2007	§ 47-1803.03(b-2)	\$122	\$122	\$122	\$122	
6	Health insurance premiums paid for a same-sex spouse or domestic partner (business income tax)	Health	2006	§ 47-1803.02(a)(2)(W)	\$188	\$198	\$209	\$221	
7	Health insurance premiums paid for a same-sex spouse or domestic partner (personal income tax)	Health	1992	§ 47-1803.03(a)(15)	\$46	\$48	\$50	\$52	
8	Health professional loan repayments	Health	2006	§ 7-751.01 - § 7-751.16	\$76	\$76	\$76	\$76	
9	Long-term care insurance premiums	Health	2005	§ 47-1803.03(b-1)	\$246	\$246	\$246	\$246	
10	Housing relocation assistance	Housing	2002	§ 42-2851.05	minimal	minimal	minimal	minimal	
11	D.C. and federal government pension income	Income security	1987	§ 47-1803.02(a)(2)(N)	\$4,665	\$4,866	\$5,071	\$5,290	
12	D.C. and federal government survivor benefits	Income security	1987	§ 47-1803.02(a)(2)(N)	\$4,522	\$4,717	\$4,915	\$5,128	
13	Disability payments for the permanently and totally disabled	Income security	1985	§ 47-1803.02(a)(2)(M)	\$95	\$99	\$103	\$108	
14	Income of persons with a permanent and total disability	Income security	2005	§ 47-1803.02(a)(2)(V)	\$604	\$630	\$656	\$684	
15	Taxable amount of social security benefits and railroad retirement	Income security	1985	§ 47-1803.02(a)(2)(L)	\$27,819	\$29,018	\$30,239	\$31,546	
16	Social Security benefits for retired workers	Income security	1985	§ 47-1803.02(a)(2)(L)	included in #16	included in #16	included in #16	included in #16	

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District of Columbia Tax Expenditure Estimates for FY 2016-2019**Local Tax Expenditure Estimates**

					Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	D.C. Code Section	FY 2016	FY 2017	FY 2018	FY 2019
	Subtractions from Federal Adjusted Gross Income (cont)							
17	Social Security benefits for survivors and dependents	Income security	1985	§ 47-1803.02(a)(2)(L)	included in #16	included in #16	included in #16	included in #16
18	Social Security benefits for the disabled	Income security	1985	§ 47-1803.02(a)(2)(L)	included in #16	included in #16	included in #16	included in #16
19	Environmental savings account contributions and earnings	Natural resources and environment	2001	§ 8-637.03	minimal	minimal	minimal	minimal
20	Rental assistance to police officers	Public safety	1993	§ 42-2902	minimal	minimal	minimal	minimal
21	Compensatory damages awarded in a discrimination case	Social policy	2002	§ 47-1803.02(a)(2)(U) and § 47-1806.10	\$34	\$35	\$37	\$38
22	Poverty lawyer loan assistance	Social policy	2007	§ 47-1803.02(a)(2)(X)	\$44	\$44	\$44	\$44
	Credits							
				§ 6-1501, § 6-1502, § 6-1504, and § 47-1807.06	\$0	\$0	\$0	\$0
23	Economic development zone incentives for businesses	Economic development	1988					
24	Qualified high-technology companies: business income tax reduction	Economic development	2001	§ 47-1817.06	\$16,891	\$17,651	\$18,446	\$19,276
25	Qualified high-technology companies: employee relocation incentives	Economic development	2001	§ 47-1817.02	included in #25	included in #25	included in #25	included in #25
26	Qualified high-technology companies: employment incentives	Economic development	2001	§ 47-1817.03	included in #25	included in #25	included in #25	included in #25
27	Qualified high-technology companies: incentives to employ disadvantaged workers	Economic development	2001	§ 47-1817.05	included in #25	included in #25	included in #25	included in #25
28	Qualified high-technology companies: incentives to retrain disadvantaged workers	Economic development	2001	§ 47-1817.04	included in #25	included in #25	included in #25	included in #25
29	Qualified social electronic commerce companies	Economic development	2012	§ 47-1818.02	included in #25	included in #25	included in #25	included in #25
30	First-time home purchase for D.C. government employees	Employment	2000	§ 42-2506	included in #25	included in #25	included in #25	included in #25
31	Job growth tax credit	Employment	2010	§ 47-1807.09	\$180	\$144	\$108	\$72
					\$0	\$0	\$0	\$0

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019**Local Tax Expenditure Estimates**

No.	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2016	FY 2017	FY 2018	FY 2019
	Subtractions from Federal Adjusted Gross Income (cont)							
32	Paid leave for organ or bone marrow donors	Health	2006	§ 47-1807.08	no estimate	no estimate	no estimate	no estimate
33	Employer-assisted home purchases	Housing	2002	§ 47-1807.07	minimal	minimal	minimal	minimal
34	Lower-income, long-term homeownership	Housing	2002	§ 47-1806.09 - § 47-1806.09f	\$4	\$4	\$4	\$4
35	Property tax circuit-breaker	Housing	1977	§ 47-1806.06	\$15,477	\$16,373	\$17,320	\$18,322
36	Earned income tax credit	Income security	2000	§ 47-1806.04(f)	\$65,096	\$66,543	\$67,751	\$68,930
37	Low-income credit	Income security	1987	§ 47-1806.04(e)	\$1,880	\$1,880	\$1,880	\$1,880
38	Brownfield revitalization and cleanup	Natural resources and environment	2001	§ 8-637.01	\$0	\$0	\$0	\$0
39	Tax on unincorporated businesses	Transportation	2015	§ 47-1807.10 and § 47-1807.11	no estimate	no estimate	no estimate	no estimate
40	Child and dependent care	Social policy	1977	§ 47-1806.04(c)	\$12,078	\$12,078	\$12,078	\$12,078

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Local Tax Expenditure Estimates

No.	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2016	FY 2017	FY 2018	FY 2019
	REAL PROPERTY TAX							
	Abatements							
41	New or improved buildings used by high-technology companies	Economic development	2001	§ 47-811.03	\$37	\$37	\$38	\$38
42	Non-profit organizations locating in designated neighborhoods	Economic development	2010	§ 47-857.11 - § 47-857.16	\$153	\$153	\$153	\$153
43	Improvements to low-income housing	Housing	2002	§ 47-866	\$0	\$0	\$0	\$0
44	New residential developments	Housing	2002	§ 47-857.01 - § 47-857.10	\$1,540	\$1,346	\$1,134	\$520
45	NoMA residential developments	Housing	2009	§ 47-859.01 - § 47-859.05	\$5,000	\$5,000	\$5,000	\$5,000
46	Preservation of section 8 housing in qualified areas	Housing	2002	§ 47-865	\$0	\$0	\$0	\$0
47	Single-room-occupancy housing	Housing	1994	§ 42-3508.06	\$0	\$0	\$0	\$0
48	Qualified High Technology Companies: location incentives	Economic development	2015	§ 47-1817.01(5)	\$0	\$3,000	\$3,000	\$3,000
49	Vacant rental housing	Housing	1985	§ 42-3508.02	\$0	\$0	\$0	\$0
50	Urban farming and food security	Social Policy	2014	§ 47-868	\$341	\$289	\$286	\$284
	Exemptions							
51	Development of a qualified supermarket, restaurant, or retail store	Economic development	1988	§ 47-1002(23)	\$6,140	\$6,263	\$6,389	\$6,516
52	High-technology commercial real estate database and service providers	Economic development	2010	§ 47-4626	\$700	\$700	\$700	\$585
53	Educational institutions	Education	1942	§ 47-1002(10)	\$124,128	\$124,748	\$125,372	\$125,999
54	Libraries	Education	1942	§ 47-1002(7)	\$425	\$427	\$429	\$431
55	Embassies, chanceries, and associated properties of foreign governments	General law	1942	§ 47-1002(3)	\$49,298	\$49,544	\$49,792	\$50,041
56	Federal government property	General law	1942	§ 47-1002(1)	\$876,621	\$881,004	\$885,409	\$889,836
57	Miscellaneous exemptions	General law	multiple years	multiple code sections	\$122,654	\$123,267	\$123,884	\$124,503
58	Hospital buildings	Health	1942	§ 47-1002(9)	\$15,216	\$15,292	\$15,368	\$15,445
59	Historic property	Housing	1974	§ 47-842 - § 47-844	\$9	\$9	\$9	\$10

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019**Local Tax Expenditure Estimates**

						Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	D.C. Code Section	FY 2016	FY 2017	FY 2018	FY 2019	
	Exemptions (cont)								
60	Homestead exemption	Housing	1978	§ 47-850	\$58,443	\$59,027	\$59,617	\$60,213	
61	Lower-income homeownership households and cooperative housing associations	Housing	1983	§ 47-3503	\$9,761	\$9,809	\$9,858	\$9,908	
62	Multi-family and single-family rental and cooperative housing for low- and moderate-income persons	Housing	1978	§ 47-1002(20)	\$1,085	\$1,090	\$1,095	\$1,101	
63	Nonprofit housing associations	Housing	1983	§ 47-3505	\$10,845	\$10,899	\$10,954	\$11,008	
64	Nonprofit affordable housing developers	Housing	2012	§ 47-1005.02	\$400	\$500	\$550	\$600	
65	Resident management corporations	Housing	1992	§ 47-1002(24)	\$0	\$0	\$0	\$0	
66	Correctional Treatment Facility	Public safety	1997	§ 47-1002(25)	\$3,523	\$3,629	\$3,738	\$3,850	
67	Art galleries	Social policy	1942	§ 47-1002(6)	\$2,423	\$2,435	\$2,447	\$2,459	
68	Cemeteries	Social policy	1942	§ 47-1002(12)	\$6,358	\$6,389	\$6,421	\$6,453	
69	Charitable organizations	Social policy	1942	§ 47-1002(8)	\$16,324	\$16,406	\$16,488	\$16,570	
70	Churches, synagogues, and mosques	Social policy	1942	§ 47-1002(12)	\$67,350	\$67,686	\$68,025	\$68,365	
71	Washington Metropolitan Area Transit Authority properties	Transportation	1966	§ 9-1107.01	\$9,732	\$9,781	\$9,830	\$9,879	
	Credits								
72	Qualified social electronic commerce companies	Economic development	2012	§ 47-1818.02	\$1,510	\$1,580	\$1,650	\$1,720	
73	First-time homebuyer credit for D.C. government employees	Employment	2000	§ 42-2506	\$249	\$193	\$78	\$62	
74	Assessment increase cap	Housing	2001	§ 47-864	\$23,138	\$23,832	\$24,547	\$25,284	
75	Credit for senior citizens and persons with disabilities	Housing	1986	§ 47-863	\$27,155	\$27,290	\$27,427	\$27,564	
76	Brownfield revitalization and cleanup	Natural resources and environment	2001	§ 8-637.01	\$0	\$0	\$0	\$0	
77	Condominium and cooperative trash collection	Natural resources and environment	1990	§ 47-872 and § 47-873	\$2,630	\$2,643	\$2,657	\$2,670	

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Local Tax Expenditure Estimates

					Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	D.C. Code Section	FY 2016	FY 2017	FY 2018	FY 2019
	Deferrals, Rebates, and Multiple Categories							
78	Economic development zone incentives for real property owners	Economic development	1988	§ 6-1501 - § 6-1503	\$0	\$0	\$0	\$0
79	Public charter school tax rebate	Education	2005	§ 47-867	\$1,173	\$1,205	\$1,248	\$1,289
80	Homeowners in enterprise zones	Housing	2002	§ 47-858.01 - § 47-858.05	\$0	\$0	\$0	\$0
81	Low-income homeowners	Housing	2005	§ 47-845.02	\$53	\$53	\$53	\$54
82	Low-income, senior-citizen homeowners	Housing	2005	§ 47-845.03	\$73	\$74	\$74	\$74
	DEED RECORDATION AND TRANSFER TAX							
	Exemptions							
83	Educational institutions	Education	1962 and 1980	§ 42-1102(3) and § 47-902(3)	\$1,424	\$1,467	\$1,511	\$1,556
84	Bona-fide gifts to the District of Columbia	General law	2011	§ 47-902(24)	\$0	\$0	\$0	\$0
85	Embassies, chanceries, and associated properties of foreign governments	General law	1962 and 1980	§ 42-1102(3) and § 47-902(3)	\$538	\$554	\$570	\$588
86	Federal government	General law	1962 and 1980	§ 42-1102(2) and § 47-902(2)	\$2,376	\$2,447	\$2,520	\$2,596
87	Other properties exempt from real property taxation	General law	1962 and 1980	§ 42-1102(2) and § 47-902(2)	\$1,389	\$1,431	\$1,474	\$1,518
88	Special act of Congress (recordation tax only)	General law	1962	§ 42-1102(4)	\$0	\$0	\$0	\$0
89	Cooperative housing associations	Housing	1983	§ 42-1102(14), § 47-3503(a)(2), § 47-3503(a)(3), § 47-902(11), and § 47-3503(b)(2)	\$527	\$543	\$559	\$576

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019**Local Tax Expenditure Estimates**

No.	Name	Program Area	Year Enacted	D.C. Code Section	Revenue Forgone (\$ in thousands)			
					FY 2016	FY 2017	FY 2018	FY 2019
	Exemptions (cont)							
90	Inclusionary zoning program (transfer tax only)	Housing	2007	§ 47-902(23)	\$56	\$56	\$56	\$56
				§ 42-1102(12), § 47-3503(a)(1), § 47-3503(a)(3), § 47-902(9), and § 47-3503(b)(1)				
91	Lower-income homeownership households	Housing	1983	§ 42-1102(13), § 47-3503(c), § 47-902(10), and § 47-3505(b)	\$0	\$0	\$0	\$0
				§ 42-1102(13), § 47-3503(c), § 47-902(10), and § 47-3505(b)				
92	Nonprofit housing associations	Housing	1983	§ 42-1102(32) and § 47-902(25)	\$160	\$161	\$166	\$169
				§ 42-1102(32) and § 47-902(25)				
93	Nonprofit affordable housing developers	Housing	2012	§ 42-1102(20), § 47-3506.01(b)(1), § 47-902(15), and § 47-3506.01(b)(2)	\$156	\$159	\$164	\$167
				§ 42-1102(20), § 47-3506.01(b)(1), § 47-902(15), and § 47-3506.01(b)(2)				
94	Resident management corporations	Housing	1992	§ 42-1102(34) and § 47-340.01	\$0	\$0	\$0	\$0
				§ 42-1102(34) and § 47-340.01				
95	Deeds to property transferred to a named beneficiary of a revocable transfer on death	Housing	2015	§ 42-1102(33) and § 19-604.01	no estimate	no estimate	no estimate	no estimate
				§ 42-1102(33) and § 19-604.01				
96	Exemption on security interest instrument	Housing	2015	§ 42-1102(3) and § 47-902(3)	no estimate	no estimate	no estimate	no estimate
				§ 42-1102(3) and § 47-902(3)				
97	Charitable entities	Social policy	1962 and 1980	§ 42-1102(3) and § 47-902(3)	\$401	\$413	\$425	\$438
				§ 42-1102(3) and § 47-902(3)				
98	Churches, synagogues, and mosques	Social policy	1962 and 1980	§ 42-1102(27) and § 47-902(21)	\$0	\$0	\$0	\$0
				§ 42-1102(27) and § 47-902(21)				
99	Tax-exempt entities subject to a long-term lease	Tax administration and equity	2003		\$0	\$0	\$0	\$0

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019

Local Tax Expenditure Estimates

						Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	D.C. Code Section	FY 2016	FY 2017	FY 2018	FY 2019	
	SALES TAX								
	Exemptions								
100	Energy products used in manufacturing	Economic development	1949	§ 47-2005(11)	\$5,102	\$5,316	\$5,529	\$5,734	
101	Internet access service	Economic development	1999	§ 47-2001(n)(2)(F)	\$7,674	\$7,997	\$8,316	\$8,624	
102	Materials used in development of a qualified supermarket	Economic development	2000	§ 47-2005(28)	\$992	\$1,034	\$1,075	\$1,115	
103	Professional and personal services	Economic development	1949	§ 47-2001(n)(2)(B)	\$304,379	\$317,163	\$329,850	\$342,054	
104	Qualified high-technology companies: certain sales	Economic development	2001	§ 47-2001(n)(2)(G)	\$3,399	\$3,535	\$3,676	\$3,823	
105	Qualified high-technology companies: technology purchases	Economic development	2001	§ 47-2005(31)	included in #99	included in #99	included in #99	included in #99	
106	Transportation and communication services	Economic development	1949	§ 47-2001(n)(2)(A)	\$54,618	\$56,912	\$59,188	\$61,378	
107	Federal and D.C. governments	General law	1949	§ 47-2005(1)	\$225,696	\$235,175	\$244,582	\$253,631	
108	Medicine, drugs, and medical devices	Health	1949	§ 47-2005(14) and (15)	\$18,945	\$19,741	\$20,531	\$21,290	
109	Groceries	Social policy	1949	§ 47-2001(n)(2)(E)	\$68,457	\$71,332	\$74,185	\$76,930	
110	Materials used in war memorials	Social policy	1957	§ 47-2005(16)	\$0	\$0	\$0	\$0	
111	Non-profit (501(c)(4)) organizations	Social policy	1987	§ 47-2005(22)	\$37,890	\$39,482	\$41,061	\$42,580	
112	Semi-public institutions	Social policy	1949	§ 47-2005(3)	\$57,412	\$59,823	\$62,216	\$64,518	
113	Miscellaneous	Tax administration and equity	1949	§ 47-2005	no estimate	no estimate	no estimate	no estimate	
114	Motor fuels	Tax administration and equity	1981	§ 47-2005(20)	no estimate	no estimate	no estimate	no estimate	
115	Public utility companies	Tax administration and equity	1949	§ 47-2005(5)	\$83,945	\$87,470	\$90,969	\$94,335	
116	State and local governments	Tax administration and equity	1949	§ 47-2005(2)	minimal	minimal	minimal	minimal	
117	Valet parking services	Tax administration and equity	2002	§ 47-2001(n)(2)(H)	\$147	\$154	\$161	\$168	

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Table 3-19 (continued)

District of Columbia Tax Expenditure Estimates for FY 2016-2019**Local Tax Expenditure Estimates**

					Revenue Forgone (\$ in thousands)			
No.	Name	Program Area	Year Enacted	D.C. Code Section	FY 2016	FY 2017	FY 2018	FY 2019
	INSURANCE PREMIUMS TAX							
	Credit							
	Tax credit for certified capital investment by insurance companies	Economic development	2004	§ 31-5233	\$6,625	\$0	\$0	\$0
118								
	PERSONAL PROPERTY TAX							
	Exemptions							
119	Digital audio radio satellite companies	Economic development	2000	§ 47-1508(a)(8)	no estimate	no estimate	no estimate	no estimate
120	Qualified high-technology companies	Economic development	2001	§ 47-1508(a)(10)	\$108	\$112	\$115	\$119
121	Qualified supermarkets	Economic development	2000	§ 47-1508(a)(9)	\$319	\$322	\$332	\$343
122	Solar energy systems	Natural resources and environment	2013	§ 47-1508(a)(11)	\$127	\$127	\$128	\$128
123	Cogeneration Systems	Natural resources and environment	2013	§ 47-1508(a)(12)	\$0	\$1,370	\$1,370	\$1,370
124	Non-profit organizations	Social policy	1902	§ 47-1508(a)(1)	\$6	\$6	\$6	\$6
125	Motor vehicles and trailers	Transportation	1954	§ 47-1508(a)(3)	\$2,831	\$2,859	\$2,888	\$2,914
126	Public utility and toll telecommunications providers	Tax administration and equity	2001	§ 47-1508(a)(3A)	\$10	\$10	\$10	\$10
127	Wireless telecommunication companies	Tax administration and equity	1998	§ 47-1508(a)(7)	minimal	minimal	minimal	minimal
128	Works of art lent to the National Gallery by non-residents	Tax administration and equity	1950	§ 47-1508(a)(2)	\$0	\$0	\$0	\$0

Operating Expenditures

In FY 2015, the District's Local funds expenditures, excluding Dedicated Taxes, increased by \$349.2 million, or 5.5 percent, over FY 2014. Since FY 2012, expenditures have increased by an average of 4.3 percent annually as depicted in Figure 4-1. Table 4A-1 of the Appendix displays Local funds expenditures by fiscal year for selected agencies and each appropriation title.

Dedicated Tax funds were segregated as separate funds beginning in FY 2007; their expenditures are shown by agency and appropriation title in Table 4A-2 of the Appendix. They totaled \$289.7 million in FY 2015.

The \$349.2 million Local funds increase in FY 2015 was partly due to spending increases of \$38.5 million in the Department of General Services, \$56.5 million in the Department on Disability Services, \$71.8 million in Pay-Go Capital, \$41.0 million in Repayment of Loans and Interest, and a net of \$117.4 million in the Public Education System agencies.

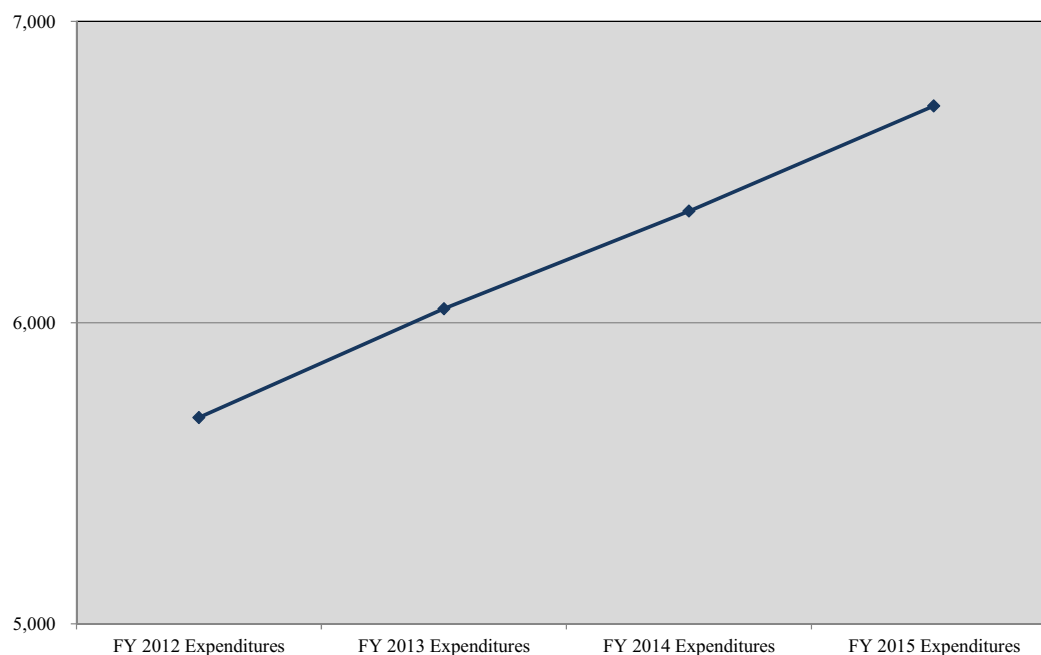
On a general operating funds basis, including non-Local funds as well as Local, total expenditures increased by an average of 3.5 percent annually from FY 2012 to FY 2015 (Table 4A-3 in the Appendix).

Figure 4-1

Local Funds Actual Expenditures (Excluding Dedicated Taxes)

Does Not Include Enterprise and Other Funds

(Dollars in millions)



This chapter examines operating expenditures for the District and reflects expenditure trends. Specifically, the chapter:

- Examines the growth in expenditures from FY 2012 to FY 2015 by area of spending (agency and function); and
- Examines the growth by such categories as personal services, contractual services, and subsidies and transfers.

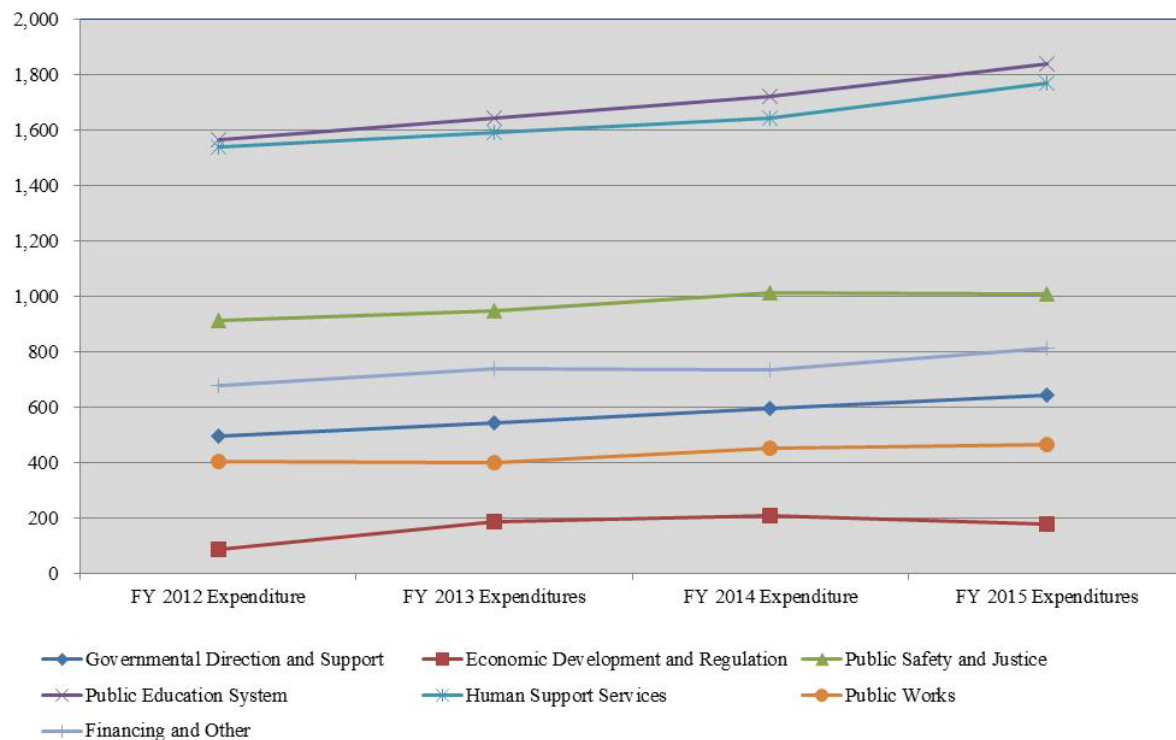
This chapter focuses primarily on the District's Local funds actual expenditures. It does not discuss capital expenditures, which are described in the Capital Appendices volume. Furthermore, it does not include agencies whose operations are captured in other funds, such as proprietary funds and component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

Figure 4-2 shows the growth trends of Local funds expenditures by appropriation title from FY 2012 through FY 2015. Tables 4A-1, 4A-2, and 4A-3 in the Appendix to this chapter provide additional detail on Local, Dedicated Tax, and General Operating funds expenditures in the largest District agencies from FY 2012 through FY 2015. The following sections describe major elements of growth during this time period, by appropriation title.

Figure 4-2

Local Funds Actual Expenditures (Excluding Dedicated Taxes) by Appropriation Title, by Fiscal Year

Does Not Include Enterprise and Other Funds
(Dollars in millions)



Human Support Services

The FY 2015 Local funds expenditures of \$1,769.3 million in this appropriation title reflect an increase of \$125.3 million, or 7.6 percent, over the FY 2014 expenditures of \$1,644.0 million. The expenditure change from FY 2012 reflects a 3.6 percent average annual increase. Expenditures in the Human Support Services appropriation title between FY 2014 and FY 2015 reflect growth that continues a trend of increases in prior years. This change is primarily due to the growth of the Medicaid program.

- **Department of Behavioral Health (DBH)** – Formerly named the Department of Mental Health, this agency was renamed in FY 2014. Local funds spending from FY 2012 through FY 2015 increased by approximately \$69.2 million. Additional funding in the amount of \$1,815,000 was provided for the impact of the South Capitol Street Memorial Amendment Act of 2012, and \$1,200,000 was added to increase the number of subsidized housing units. Funds were also allocated to the juvenile behavioral diversion program. In FY 2014, the Addiction Prevention and Recovery Administration (APRA) moved from the Department of Health to DBH with a total Local funds approved budget of \$24,235,299.
- **Department of Health Care Finance (DHCF)** – The impact of the Patient Protection and Affordable Care Act of 2010 (ACA) resulted in growth of Medicaid spending. Expenditures at DHCF increased from FY 2012 to FY 2015 by an average of 2.6 percent annually. Beyond expanding Medicaid, the ACA introduced other reforms that improve the program in all states, regardless of their Medicaid expansion decision. The law required states to simplify and modernize their enrollment processes and to create a coordinated eligibility and enrollment system for Medicaid, the Children’s Health Insurance Program (CHIP), and the Marketplace, to facilitate enrollment and promote continuity of coverage. The ACA also established an array of new authorities and funding opportunities for delivery system and payment reform initiatives in Medicare, Medicaid, and CHIP, designed to advance better and more cost-effective models of care, particularly for those with high needs and costs whose care is poorly coordinated, leading to both serious gaps and costly redundancy. Finally, the law provided new options and incentives to help states rebalance their Medicaid long-term care programs in favor of community-based services and supports rather than institutional care. Collectively, these provisions have accelerated Medicaid innovation already underway in many states. Because Medicaid covers many of the highest-need populations in the U.S., states have unique financial and policy leverage to reform the systems of care that serve them. The ACA expanded the Medicaid program significantly as part of a broader plan to cover millions of uninsured Americans. The law also provided for 100 percent federal funding of the expansion through 2016, declining gradually to 90 percent in 2020 and future years.

Public Education System

Local funds expenditures in the Public Education appropriation title increased by 4.1 percent (annual average) from FY 2012 to FY 2015. 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 funds expenditures by the District of Columbia Public Schools (DCPS) were higher than any other District agency until FY 2012, when DHCF expenditures surpassed DCPS. DHCF expenditures continued to exceed DCPS expenditures in FY 2015. DCPS also employs more than one-fifth 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 2015.

Table 4-1

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)	Expenditures per enrolled student*
2012	45,191	\$638,879	31,562	\$508,113	76,753	\$1,146,992	\$14,944
2013	45,557	\$640,642	34,674	\$601,428	80,231	\$1,242,070	\$15,481
2014	47,548	\$653,800	37,684	\$627,979	85,232	\$1,281,778	\$15,039
2015	48,439	\$708,087	38,905	\$661,074	87,344	\$1,369,161	\$15,676
Annual Growth Rate (2012 - 2015)	1.8%	2.6%	5.4%	6.8%	3.3%	4.5%	1.2%

Note: *per enrolled student (whole dollars, not thousands). All enrollment numbers were provided by the Office of the State Superintendent of Education (OSSE) on 2/12/15 and may not match previous years reports.

Details may not sum due to rounding.

Table 4-1 shows enrollment and Local funds expenditure trends for DCPS and DCPCS. Enrollment in the two systems combined has consistently increased in the last 4 fiscal years.

- **District of Columbia Public Schools (DCPS)** – Expenditures in FY 2015 at DCPS increased by 8.3 percent over FY 2014. Enrollment increased by 1.9 percent from FY 2014 to FY 2015, and the foundation level for the UPSFF increased to \$9,492 in FY 2015, in accordance with the provisions of District of Columbia Official Code §38-2909.
- **District of Columbia Public Charter Schools (DCPCS)** – Expenditures in FY 2015 for DCPCS in Local funds increased by 5.3 percent over FY 2014. Enrollment increased by 3.2 percent from FY 2014 to FY 2015, and expenditures per enrolled student increased.
- **Office of the State Superintendent of Education (OSSE)** – 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, and the agency has become the state administering agency for most of the District’s grant funds for public education. Local funds expenditures showed an increase of \$15.2 million, or 12.4 percent, in FY 2015 over FY 2014.
- **University of the District of Columbia (UDC)** – The District’s subsidy to the University increased by 10.1 percent from \$66.7 million in FY 2014 to \$73.5 million in FY 2015.

Public Safety and Justice

Local funds expenditures in the public safety area increased by 2.5 percent (annual average) from FY 2012 to FY 2015. The two largest agencies in this appropriation title are the Metropolitan Police Department (MPD) and the Fire and Emergency Medical Services Department (FEMS), accounting for 69.0 percent of the expenditures of the appropriation title.

- **Metropolitan Police Department (MPD) and Fire and Emergency Medical Services Department (FEMS)** – Expenditures at MPD increased from FY 2012 to FY 2015 by an average of 1.9 percent annually. Expenditures for FEMS increased by 3.5 percent (annual average) from FY 2012 to FY 2015.
- **Department of Corrections** – This is the third largest agency in the Public Safety appropriation title based on annual expenditures. There was a Local funds average annual increase of 2.1 percent over the FY 2012 – FY 2015 period.
- **Police Officers' and Fire Fighters' Retirement System** – This is the fourth largest agency in the Public Safety appropriation title based on annual expenditures. 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 has fluctuated in recent years and has slightly declined overall between FY 2012 and FY 2015.

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 Tax Revenue Anticipation Notes (TRANs) in order to finance its seasonal cash flow needs. The total amount of TRANs 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 FY 2015, the District issued \$400 million of TRANs for this purpose.
- **Repayment of Loans and Interest** – The District may issue long-term debt in the form of General Obligation Bonds or Income Tax Secured Revenue Bonds to finance capital projects and to refund indebtedness of the District. Such bond issuances are not permitted during any fiscal year if total debt service on tax-supported debt exceeds 12 percent of total District general fund expenditures in any year during the 6-year capital plan period. The Capital Improvements Plan included bond issuance authority to finance specific capital projects totaling \$1.093 billion in Fiscal Year 2015. The District had approximately \$3.5 billion of General Obligation Bonds and approximately \$4.3 billion of Income Tax Secured Revenue Bonds outstanding as of September 30, 2015.
- **Equipment Lease Operating** – The Master Equipment Lease/Purchase 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, as well as information technology equipment, are acquired on a short-term lease/purchase basis. The District has financed approximately \$500 million of its capital equipment needs through the program and has approximately \$102.5 million in principal outstanding as of September 30, 2015.
- **Repayment of Revenue Bonds** – The Council may authorize the issuance of revenue bonds, notes, or other obligations (including refunding bonds, notes, or other obligations) to borrow funds to finance governmental projects 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 FY 2007, FY 2010, and FY 2013, the District issued bonds for its New Communities Initiative, with such bonds secured by a portion of revenues dedicated to the Housing Production Trust Fund. The District had approximately \$115.6 million of these bonds outstanding as September 30, 2015.

- **Pay-As-You-Go (Paygo) Capital Fund** – Paygo capital financing is a transfer of funds from the General Fund to the Capital Improvements Fund to pay for capital project expenditures. Although Paygo is essentially cash financing, capital activities funded with Paygo dollars must be capital-eligible as defined by the Home Rule Act and OCFO policy. Significant amounts of Paygo capital funding is planned for the current 6-year capital plan period.
- **Highway Trust Fund Transfer - Dedicated Taxes, Convention Center Transfer – Dedicated Taxes, and TIF and PILOT Transfer – Dedicated Taxes** – These agencies were first budgeted in FY 2010 to make the flow of the dedicated revenues through the General Fund more visible. The TIF and PILOT Transfer, along with Dedicated Tax Transfers to the Housing Production Trust Fund and the Baseball Revenue Fund, are no longer budgeted in the General Fund starting in FY 2013.

Other Appropriation Titles

Expenditures in other appropriation titles are:

- **Governmental Direction and Support**

This appropriation title funds agencies that manage overall government operations, including the Department of General Services, 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 the Attorney General, and the Office of the Chief Financial Officer. Local funds expenditures in this appropriation title have shown an average increase in growth at 6.6 percent annually from FY 2012 to FY 2015.

- **Economic Development and Regulation**

This is the smallest of the appropriation titles. The Department of the Consumer and Regulatory Affairs, the Housing Authority Subsidy, the Office of the Deputy Mayor for Planning and Economic Development, the Commission on Arts and Humanities, and the Department of Housing and Community Development accounted for 85.9 percent of the expenditures in this title in FY 2015. Local funds expenditures increased from FY 2012 to FY 2015 at an average rate of 19.9 percent annually.

- **Public Works**

The Public Works appropriation title is dominated, in Local funds expenditures, by three agencies: the Department of Public Works (DPW), the Department of Transportation (DDOT), and the subsidy to the Washington Metropolitan Area Transit Authority (WMATA). DPW increased by 5.3 percent, on average, annually from FY 2012 to FY 2015 for Local funds, while the Department of Transportation decreased by 11.0 percent, as other funding sources partially replaced Local funds.

Summary of Local Funds Expenditure Growth by Agency and Function

All of the appropriation titles experienced increases in total average annual expenditures since FY 2012. Expenditures in Financing and Other decreased for FY 2014 over FY 2013, although increasing in FY 2015 for an average annual increase of 4.7 percent, while Governmental Direction and Support, Public Education System, and Human Support Services had annual increases since FY 2012. Overall, the District as a whole had an average annual increase of 4.3 percent for Local Funds expenditures from FY 2012 to FY 2015.

Public Education is the largest appropriation title, comprising 27.4 percent of total Local funds expenditures. Human Support Services is the second largest appropriation title with a 26.3 percent share of total Local funds expenditures.

Actual DCPS enrollment has been growing annually and increased again FY 2015. The enrollment in Public Charter Schools has shown a steady increase at an average annual rate of 5.4 percent since FY 2012. The enrollment in Public Charter Schools accounts for 44.5 percent of total enrollment in the combined District schools system in FY 2015. From FY 2012 to FY 2015, the combined District schools system enrollment shows an increase of 3.3 percent 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 2015, the District received a total of \$80.4 million in federal payments that could be spent by the agencies. Table 4A-5 of the Appendix details the federal payments made to the District from FY 2012 through FY 2015, by agency. These funds have various availability periods and, in some cases, will be spent over subsequent years. Federal payments are detailed within each agency's budget chapter.

In addition, in FY 2015 the District spent \$19.0 million from the federal payment for Emergency Planning and Security Costs. This payment was previously reimbursable, subject to the approval of the Office of Management and Budget (OMB). In FY 2009, this became a direct federal payment. The details of the FY 2015 expenses are found in the agency budget chapter for the Emergency Planning and Security Fund, which is located within the Financing and Other section of Volume 4, Agency Budget Chapters.

Federal Grants Expenditures

Unlike federal payments, which come directly from the U.S. Treasury as authorized by the annual Appropriations Act, federal grants are awarded by federal agencies.

Table 4A-6 of the Appendix shows federal grant expenditures from FY 2012 through FY 2015 by agency. Overall, their annual growth rate was 2.9 percent. The Department of Health Care Finance received the majority of the funds, consisting primarily of funding for Medicaid.

Expenditure Growth by Object Class, FY 2012 to FY 2015

This section examines expenditures by object class – that is, by the type of services paid for, such as personal services, supplies, or fixed costs for rent or utilities – from FY 2012 through FY 2015. Since FY 2012, the rate of growth for Local funds expenditures for nonpersonal services (NPS), such as contractual services, equipment and equipment rental, subsidies and transfers, and debt service, has risen along with personal services (PS), which include regular salaries and wages and other additional costs (Figure 4-3). The average annual growth rate from FY 2012 to FY 2015 for Locally funded personal services (PS) has increased 3.9 percent. Tables 4A-7 and 4A-8 in the appendix to this chapter provide details.

Personal Services

From FY 2012 to FY 2015, total Local Funds Personal Services costs including salaries, extra pay (the category including overtime), differential pay (for night or weekend work, for example), and fringe benefits (primarily health insurance costs) increased at an average annual rate of 3.9 percent.

Table 4-2 shows overtime expenses from FY 2012 through FY 2015 by agency. The Metropolitan Police Department, Fire and Emergency Medical Services Department, Department of Public Works, Department of General Services, Department of Corrections, D.C. Public Schools, Department of Behavioral Health, and Special Education Transportation comprise 80.8 percent of the total FY 2015 overtime expenditures.

Nonpersonal Services

As shown in Table 4A-7 of the Appendix, the average annual growth rate from FY 2012 to FY 2015 for Local Funds nonpersonal expenditures, excluding retirement, is 4.8 percent. Since FY 2014, Nonpersonal Services expenditures have increased by 5.2 percent.

Figure 4-3

Local Personal Services and Nonpersonal Services Actual Expenditures (Excluding Dedicated Taxes) (Does Not Include Enterprise and Other Funds)

(Dollars in millions)

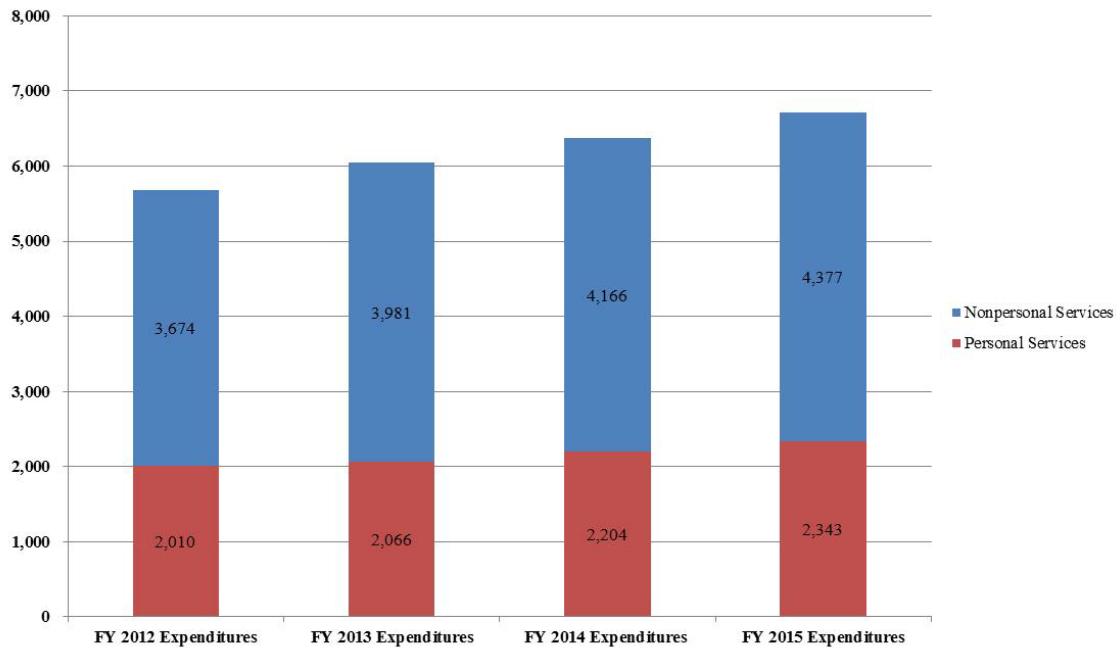


Table 4-2

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

(Dollars in thousands)

Agency Name	FY 2012	FY 2013	FY 2014	FY 2015
Metropolitan Police Department	17,281	20,518	21,198	20,849
Fire and Emergency Medical Services	4,909	7,084	10,584	10,451
Department of Public Works	4,244	5,199	6,350	6,190
Department of General Services	2,158	2,409	2,928	4,744
Department of Corrections	2,311	2,081	3,739	4,225
District of Columbia Public Schools	2,250	2,293	3,130	3,447
Department of Behavioral Health	2,364	1,716	2,377	3,380
Special Education Transportation	3,584	3,763	3,754	3,284
Department of Transportation	600	1,940	1,185	2,324
Office of Unified Communications	760	765	1,113	2,254
Department of Human Services	470	705	906	2,071
Department of Youth Rehabilitation Services	4,271	3,912	2,681	2,012
Child and Family Services Agency	639	898	1,294	1,326
Office of the Chief Financial Officer	343	714	541	638
Department of Parks and Recreation	252	242	665	564
Inaugural Expenses	0	978	0	0
Rest of District	1,409	1,708	1,881	2,253
Total Local Funds	47,845	56,925	64,326	70,011

Notes:

- 1) The 16 selected agencies reflected overtime costs in excess of \$600 thousand in any one year.
- 2) The "Rest of District" is comprised of the remaining 47 agencies.
- 3) The Department of General Services assumed the functions and responsibilities of the Office of Public Education Facilities Modernization and the Municipal Facilities: Non-Capital agency in FY 2012.
- 4) Details may not sum due to rounding.

Appendix: Data Tables for Operating Expenditures

Table 4A-1

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

(Dollars in thousands)

Agency Name	FY 2012	FY 2013	FY 2014	FY 2015	Average Annual Growth Rate 2012-2015
Department of General Services	208,936	239,275	248,468	286,950	8.3%
Office of the Chief Financial Officer	95,011	99,682	108,865	113,840	4.6%
Office of the Attorney General	54,970	57,336	59,813	64,039	3.9%
Office of the Chief Technology Officer	35,799	40,253	53,499	55,750	11.7%
Council of the District of Columbia	18,542	19,335	19,745	19,511	1.3%
Office of Finance and Resource Management	16,536	19,154	19,091	18,999	3.5%
Office of Contracting and Procurement	11,222	10,730	12,116	16,123	9.5%
Office of the Inspector General	11,932	11,894	13,010	14,009	4.1%
The Innovation Fund	0	0	15,000	0	N/A
All Other Agencies	44,777	46,783	47,586	53,503	4.6%
Total Governmental Direction and Support	497,725	544,442	597,192	642,724	6.6%
Department of Employment Services	31,387	37,754	46,058	56,819	16.0%
Housing Authority Subsidy	4,000	14,213	34,934	37,699	75.2%
Deputy Mayor for Planning and Economic Development	9,687	11,877	18,266	20,186	20.1%
Department of Consumer and Regulatory Affairs	9,935	15,537	13,978	13,804	8.6%
Commission on Arts and Humanities	3,927	11,125	14,935	13,639	36.5%
Housing Production Trust Fund (Subsidy)	1,850	66,931	38,966	0	-100.0%
All Other Agencies	25,350	28,531	40,286	35,603	8.9%
Total Economic Development and Regulation	86,136	185,969	207,423	177,751	19.9%
Metropolitan Police Department	443,372	462,043	490,703	478,360	1.9%
Fire and Emergency Medical Services	188,903	198,391	215,284	216,672	3.5%
Department of Corrections	108,219	110,996	114,521	117,540	2.1%
Police and Firefighters' Retirement System	116,700	96,314	109,199	103,430	-3.0%
Office of Unified Communications	26,195	26,465	28,042	27,090	0.8%
Deputy Mayor for Public Safety and Justice	7,720	11,042	18,348	19,517	26.1%
Department of Forensic Sciences	0	7,546	11,856	15,205	N/A
All Other Agencies	23,011	33,496	25,803	29,427	6.3%
Total Public Safety and Justice	914,120	946,293	1,013,756	1,007,241	2.5%

(Continued on next page)

Table 4A-1 (continued)

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

(Dollars in thousands)

Agency	FY 2012	FY 2013	FY 2014	FY 2015	Average Annual Growth Rate 2012-2015
District of Columbia Public Schools	638,879	640,642	653,800	708,087	2.6%
Public Charter Schools	508,113	601,428	627,979	661,074	6.8%
State Superintendent of Education (OSSE)	97,019	108,184	122,677	137,856	9.2%
Special Education Transportation	93,059	89,738	86,052	86,222	-1.9%
Non-Public Tuition	119,622	84,086	77,413	74,340	-11.2%
University of the District of Columbia Subsidy	67,362	65,555	66,691	73,458	2.2%
District of Columbia Public Library	35,309	41,583	53,095	56,206	12.3%
Teachers' Retirement System	3,000	6,396	31,573	39,443	90.4%
All Other Agencies	2,743	3,284	3,839	3,841	8.8%
Total Public Education System	1,565,106	1,640,896	1,723,119	1,840,525	4.1%
Department of Health Care Finance	667,761	727,913	716,045	739,256	2.6%
Department of Human Services	178,404	174,865	216,068	233,116	6.9%
Department of Behavioral Health	158,714	172,613	205,866	227,869	9.5%
Child and Family Services Agency	174,538	164,934	156,889	164,796	-1.4%
Department on Disability Services	55,099	54,071	57,216	113,724	19.9%
Department of Youth Rehabilitation Services	105,431	100,185	99,826	94,967	-2.6%
Department of Health	89,864	86,953	67,584	77,647	-3.6%
Department of Parks and Recreation	31,739	33,244	34,593	38,994	5.3%
All Other Agencies	75,143	74,063	89,944	78,919	1.2%
Total Human Support Services	1,536,693	1,588,841	1,644,030	1,769,285	3.6%
Department of Public Works	101,638	105,533	131,933	124,804	5.3%
Department of Transportation	119,485	62,043	74,187	75,050	-11.0%
Mass Transit Subsidies (WMATA)	138,068	195,156	200,810	221,317	12.5%
All Other Agencies	47,100	38,184	44,560	45,866	-0.7%
Public Works Sum	406,291	400,916	451,490	467,037	3.5%
Repayment of Loans and Interest	409,855	455,081	497,173	538,214	7.0%
Pay Go - Capital	33,730	48,439	26,415	98,238	30.6%
District Retiree Health Contribution	109,800	107,800	86,600	91,400	-4.5%
Master Equipment Lease / Purchase Program	49,791	49,953	45,617	43,778	-3.2%
Settlements and Judgments Fund	24,337	15,590	21,292	17,222	-8.3%
All Other Agencies	51,231	62,041	56,216	26,108	-15.5%
Total Financing and Other	678,744	738,905	733,314	814,961	4.7%
Grand Total	5,684,816	6,046,261	6,370,325	6,719,522	4.3%

Notes:

- 1) Details may not sum due to rounding.
- 2) Selected large agencies in each appropriation title constitutes at least 80 percent of each title's FY 2015 expenditures.

Table 4A-2:

Dedicated Taxes Funds Actual Expenditures by Fiscal Year by Agency Fund (Excluding Enterprise and Other Funds)

(Dollars in thousands)

Agency	FY 2012	FY 2013	FY 2014	FY 2015	Average Annual Growth Rate 2012-2015
Housing Production Trust Fund (Subsidy)	37,162	0	0	0	-100.0%
Alcoholic Beverage Regulation Administration	460	460	534	925	19.1%
Economic Development and Regulation Total	37,622	460	534	925	-60.4%
State Superintendent of Education (OSSE)	244	3,625	4,984	4,848	111.1%
Public Education System Total	244	3,625	4,984	4,848	111.1%
Department of Health Care Finance					
Nursing Homes Quality of Care Fund	10,661	13,207	13,367	12,854	4.8%
Healthy DC Fund	26,084	33,718	15,474	45,058	14.6%
Hospital Assessment Tax	15,194	15,004	14,099	0	-100.0%
Stevie Sellow's	0	2,570	4,732	4,866	N/A
DC Provider Fee	0	0	17,838	0	N/A
Human Support Services Total	51,939	64,500	65,510	62,778	4.9%
Mass Transit Subsidies (WMATA)	52,186	54,430	66,985	71,648	8.2%
Public Works Total	52,186	54,430	66,985	71,648	8.2%
Baseball Transfer - Dedicated Taxes	55,231	0	0	0	-100.0%
Convention Center Transfer-Dedicated Tax	101,093	104,041	105,451	116,448	3.6%
Highway Transportation Fund - Transfers	22,778	22,389	22,961	25,256	2.6%
Repayment of Revenue Bonds					
Housing Production Trust Fund	5,574	6,665	7,824	7,829	8.9%
TIF and Pilot Transfer - Dedicated Taxes					
Tax Increment Financing - Sales Tax	31,365	0	0	0	-100.0%
Tax Increment Financing - Property Tax	23,129	0	0	0	-100.0%
Financing and Other Total	239,170	133,095	136,236	149,533	-11.1%
Grand Total	381,160	256,109	274,249	289,733	-6.6%

Details may not sum due to rounding.

Table 4A-3

General Operating Funds Actual Expenditures by Fiscal Year for Selected Large Agencies

(Excluding Intra-District Funds)

(Dollars in thousands)

Agency	FY 2012	FY 2013	FY 2014	FY 2015	Average Annual Growth Rate 2012-2015
Department of General Services	213,151	243,269	253,148	292,066	
Office of the Chief Financial Officer	104,875	114,557	122,159	128,909	
Office of the Attorney General	72,703	77,083	78,396	83,605	
Office of the Chief Technology Officer	45,311	47,445	61,024	64,673	
Council of the District of Columbia	18,542	19,335	19,901	19,511	
Office of Finance and Resource Management	16,536	19,154	19,192	19,190	
Office of Contracting and Procurement	11,222	10,730	12,145	16,427	
Office of the Inspector General	13,976	13,749	15,042	16,103	
Office of the Mayor	12,060	11,306	11,420	13,340	
All Other Agencies	39,244	41,059	57,094	46,095	
Governmental Direction and Support Total	547,620	597,688	649,521	699,919	6.3%
Department of Employment Services	87,576	83,612	99,056	113,744	
Department of Housing and Community Development	55,882	57,353	42,556	42,570	
Department of Consumer and Regulatory Affairs	24,507	30,271	34,890	41,623	
Housing Authority Subsidy	4,000	14,213	34,934	37,699	
Deputy Mayor for Planning and Economic Development	17,748	20,233	36,225	34,039	
Business Improvement Districts Transfer	22,303	23,290	22,343	25,137	
Department of Insurance, Securities and Banking	14,569	16,486	17,858	18,416	
Housing Production Trust Fund (Subsidy)	39,012	66,931	38,966	0	
All Other Agencies	48,297	56,432	74,401	73,424	
Economic Development and Regulation Total	313,895	368,821	401,230	386,652	5.3%
Metropolitan Police Department	453,924	468,380	500,579	485,308	
Fire and Emergency Medical Services	192,194	200,300	218,185	219,215	
Department of Corrections	126,115	130,612	135,313	136,250	
Police and Firefighters Retirement System	116,700	96,314	109,199	103,430	
Homeland Security/Emergency Management	114,621	125,478	80,567	74,971	
All Other Agencies	79,965	99,918	103,550	117,944	
Public Safety and Justice Total	1,083,519	1,121,002	1,147,393	1,137,120	1.2%
District of Columbia Public Schools	690,413	698,171	704,177	767,628	
Public Charter Schools	508,113	601,428	627,979	661,074	
State Superintendent of Education (OSSE)	357,831	351,291	362,373	365,986	
Special Education Transportation	93,059	89,738	86,052	86,222	
Non-Public Tuition	119,622	84,086	77,413	74,340	
University of the District of Columbia Subsidy	67,362	65,555	66,691	73,458	
District of Columbia Public Library	36,972	42,647	54,313	57,422	
All Other Agencies	5,742	9,679	35,413	43,283	
Public Education System Total	1,879,116	1,942,595	2,014,411	2,129,413	3.2%

(Continued on next page)

Table 4A-3 (continued)

General Operating Funds Actual Expenditures by Fiscal Year for Selected Large Agencies

(Excluding Intra-District Funds)

(Dollars in thousands)

Agency	FY 2012	FY 2013	FY 2014	FY 2015	Average Annual Growth Rate 2012-2015
Department of Health Care Finance	2,253,569	2,465,026	2,594,746	2,664,592	
Department of Human Services	309,961	324,161	348,017	386,217	
Department of Behavioral Health	171,163	181,624	229,314	255,871	
Child and Family Services Agency	233,550	226,362	222,193	228,683	
Department of Health	244,456	230,979	198,782	203,293	
Department on Disability Services	92,026	89,955	96,433	156,205	
Department of Youth Rehabilitation Services	108,132	100,849	99,826	94,967	
All Other Agencies	115,190	116,325	134,644	127,109	
Human Support Services Total	3,528,047	3,735,281	3,923,955	4,116,938	3.9%
Mass Transit Subsidies (WMATA)	221,339	284,851	309,436	335,702	
Department of Public Works	106,874	112,014	137,389	130,681	
Department of Transportation	128,792	75,331	87,583	91,506	
Department of Energy and Environment	69,792	69,456	75,063	78,443	
All Other Agencies	38,535	35,456	39,402	42,611	
Public Works Total	565,332	577,108	648,872	678,943	4.7%
Repayment of Loans and Interest	434,384	479,810	520,508	586,572	
Pay Go - Capital	80,878	88,201	59,798	136,245	
Convention Center Transfer-Dedicated Tax	101,093	107,041	108,701	120,448	
Highway Transportation Fund - Transfers	39,432	35,111	41,488	40,210	
District Retiree Health Contribution	109,800	107,800	86,600	91,400	
Master Equipment Lease / Purchase Program	49,791	49,953	45,617	43,778	
TIF and PILOT Transfer - Dedicated Taxes	54,494	0	12,627	0	
Baseball Transfer - Dedicated Taxes	55,231	0	0	0	
All Other Agencies	90,751	97,525	77,038	87,268	
Financing and Other Total	1,015,854	965,441	952,377	1,105,921	2.1%
Grand Total	8,933,383	9,307,935	9,737,760	10,254,906	3.5%

Notes:

- 1) Details may not sum due to rounding.
- 2) Selected large agencies in each appropriation title constitutes at least 80 percent of each title's FY 2015 expenditures.

Public Education expenditures are tracked by appropriation year (AY) and fiscal year (FY). Table 4A-4 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.

Table 4A-4

Local Funds Actual Expenditures by Appropriation Year and Fiscal Year (Education Agencies)

(Dollars in thousands)

	FY 2012	FY 2013	FY 2014	FY 2015
D.C. Public Schools				
Expenditures, current AY and FY	634,445	640,642	644,563	695,390
PLUS: AY Expenditures in prior FY	5,664	4,434	0	9,237
EQUALS: Total AY expenditures	640,109	645,076	644,563	704,627
LESS: AY Expenditures in prior FY	(5,664)	(4,434)	0	(9,237)
PLUS: FY expenditures from following AY	4,434	0	9,237	12,697
EQUALS: Total FY expenditures				
(As shown in CAFR and table 4-1 and 4A-1 above)	638,879	640,642	653,800	708,087
D.C. Public Charter Schools				
Expenditures, current AY and FY	374,804	422,525	426,696	458,690
PLUS: AY Expenditures in prior FY	120,896	133,309	178,903	201,283
EQUALS: Total AY expenditures	495,700	555,834	605,599	659,973
LESS: AY Expenditures in prior FY	(120,896)	(133,309)	(178,903)	(201,283)
PLUS: FY expenditures from following AY	133,309	178,903	201,283	202,384
EQUALS: Total FY expenditures				
(As shown in CAFR and table 4-1 and 4A-1 above)	508,113	601,428	627,979	661,074

Details may not sum due to rounding.

Table 4A-5

Federal Payments Awarded to the District in its Appropriations Act, FY 2012-2015

(Dollars in thousands)

	FY 2012 Approved	FY 2013 Approved	FY 2014 Approved	FY 2015 Approved
DC National Guard	375	355	375	435
D.C. Public Schools	20,000	18,954	16,000	15,000
Emergency Planning and Security Costs	14,900	23,408	23,800	12,500
Executive Office of the Mayor				
Forensic Lab (Increased FBI services)				
Criminal Justice Coordinating Council	1,800	1,706	1,800	1,900
Office of the State Superintendent of Education:				
Resident Tuition Assistance	30,000	28,431	30,000	30,000
Public Charter School Improvement/Expansion	20,000	18,954	16,000	15,000
Commission on Judicial Disabilities and Tenure	295	280	295	295
Judicial Nomination Commission	205	194	205	270
Department of Human Services				
Department of Youth Rehabilitation Services				
Department of Health	5,000	4,738	5,000	5,000
Various — Capital				
Total	92,575	97,020	93,475	80,400

Details may not sum due to rounding.

Notes:

- 1) This table shows appropriations made to the District that could be expended by District agencies. Unless specified below, the table does not show payments made to WASA or pass-through payments where the District passes the payment to the designated recipients.
- 2) The FY 2013 approved budget was affected by sequestration.
- 3) The FY 2014 \$23,800 for Emergency Planning and Security Costs includes \$8.9 million for the Presidential Inauguration. The \$8.9 million was a reimbursement for a prior year inaugural Local fund cost, for which associated revenues were recorded in Local funds. This was later reversed in the system of record.
- 4) The FY 2014 \$16m for the Federal Payment for DCPS and OSSE was later transferred to Federal Grants.
- 5) The FY 2015 \$15m for the Federal Payment for DCPS was later transferred to Federal Grants.

Table 4A-6

**Federal Grant Actual Expenditures (including Medicaid), by Fiscal Year
(Excluding Federal Payments, and Enterprise and Other Funds)**

(Dollars in thousands)

Agency	FY 2012	FY 2013	FY 2014	FY 2015	Average Annual Growth Rate 2012-2015
District of Columbia Public Schools	7,041	33,113	36,359	51,520	64.5%
Department of Behavioral Health	7,479	5,953	20,253	24,716	34.8%
Department on Disability Services	28,799	30,736	34,672	37,371	6.7%
Department of Health Care Finance	1,533,135	1,671,649	1,812,204	1,859,296	4.9%
Department of Human Services	131,364	148,870	131,786	153,002	3.9%
Child and Family Services Agency	57,984	59,974	64,058	62,664	2.0%
Department of Employment Services	31,691	23,080	31,568	33,901	1.7%
Office of the Attorney General for the District of Columbia	16,837	18,749	17,616	17,925	1.6%
Repayment of Loans and Interest	20,157	20,181	18,606	18,440	-2.2%
State Superintendent of Education (OSSE)	210,694	203,871	191,300	182,602	-3.5%
Department of Energy and Environment	26,065	21,161	20,149	19,972	-6.4%
Department of Health	143,120	132,745	118,124	109,299	-6.5%
Department of Housing and Community Development	41,652	42,243	27,881	29,048	-8.6%
Homeland Security and Emergency Management Agency	112,775	123,504	78,500	71,246	-10.8%
Sub Total - Selected Agencies	2,368,794	2,535,828	2,603,075	2,671,002	3.0%
All Other Agencies	48,381	37,090	39,588	42,248	-3.3%
Total General Operating Funds	2,417,175	2,572,919	2,642,662	2,713,249	2.9%

Details may not sum due to rounding.

Table 4A-7

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

(Dollars in thousands)

Selected Object Classes	FY 2012	FY 2013	FY 2014	FY 2015	Average Annual Growth Rate 2012-2015
Regular salaries and wages (0011, 0012, 0099)	1,605,679	1,627,601	1,739,728	1,837,363	3.4%
Extra pay and Overtime (0013, 0015)	109,731	131,763	137,601	152,327	8.5%
Fringe Benefits (0014)	294,967	306,148	326,586	353,015	4.6%
Subtotal, Personal Services	2,010,378	2,065,512	2,203,915	2,342,706	3.9%
FD0 - PS Paid by NPS (0050) - Police/Fire Fighters' Retirement	116,700	96,314	109,199	103,430	-3.0%
GX0 - PS Paid by NPS (0050) - Teachers' Retirement	3,000	6,396	31,573	39,443	90.4%
BG0 - PS Paid by NPS (0050) - Employees' Compensation Fund	16,371	13,314	12,998	13,327	-5.0%
BH0 - PS Paid by NPS (0050) - D.C. Unemployment Compensation Fund	12,203	7,668	6,620	5,055	-19.8%
RH0 - PS Paid by NPS (0050) - District Retiree Health Contribution	109,800	107,800	86,600	91,400	-4.5%
Subtotal, PS with Selected Subsidies and Transfers	258,074	231,493	246,990	252,655	-0.5%
Fixed Cost (0030-0035)	243,106	243,626	245,424	325,153	7.5%
Subsidies and transfers (0050 less Selected Subsidies and Transfers Subtotal Above)	2,081,855	2,300,760	2,384,109	2,544,913	5.1%
Debt service (0080)	510,808	561,474	589,191	609,752	4.5%
Contractual services (0041)	357,495	383,763	424,828	386,382	2.0%
Other NPS (0020, 0040, 0070, 0060, 0082, 0083, 0084, 0091)	223,100	259,634	275,869	257,961	3.7%
Subtotal, NPS excluding Retirement	3,416,364	3,749,257	3,919,421	4,124,161	4.8%
Total Expenditures	5,684,816	6,046,261	6,370,325	6,719,522	4.3%

Details may not sum due to rounding.

Table 4A-8

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

(Excluding Enterprise and Other Funds)

(Dollars in thousands)

Selected Object Classes	FY 2012	FY 2013	FY 2014	FY 2015	Average Annual Growth Rate 2012-2015
Regular salaries and wages (0011, 0012)	202	534	881	1,047	50.9%
Extra pay and Overtime (0013, 0015)	1	6	2	20	111.5%
Fringe Benefits (0014)	38	130	180	222	55.5%
Subtotal, PS	241	671	1,063	1,289	52.1%
Fixed Cost (0030-0035)	0	0	0	1	N/A
Subsidies and transfers (0050)	374,911	243,111	263,923	278,370	-7.2%
Debt service (0080)	5,574	6,665	7,824	7,829	8.9%
Contractual services (0041)	434	5,663	1,407	2,178	49.7%
Other NPS (0020, 0040, 0070, 0060, 0082, 0083, 0084, 0091)	0	0	32	67	N/A
Subtotal, NPS	380,919	255,439	273,186	288,445	-6.7%
Total Expenditures	381,160	256,109	274,249	289,734	-6.6%

Details may not sum due to rounding.

FY 2017 - FY 2022

Capital Improvements Plan

Introduction

The District's proposed capital budget for FY 2017 - FY 2022 calls for financing \$1.310 billion of capital expenditures in FY 2017. The FY 2017 budget highlights are:

- \$430 million for D.C. Public Schools, to include \$233 million for renovation of elementary schools, \$59 million for renovation of Coolidge High School, and \$77 million for renovation of middle schools;
- \$407 million for the District Department of Transportation, to include \$19 million for expansion of the Streetcar line and \$120 million for improvements to the South Capitol Street corridor and replacement of the Frederick Douglass Bridge;
- \$143 million for the Washington Metropolitan Transit Authority (WMATA), to include \$92 million for the inter-jurisdictional Capital Funding Agreement and \$50 million for the Passenger Rail Investment and Improvement Act (PRIIA) Funding Agreement;
- \$65 million for the Deputy Mayor for Planning and Economic Development, to include \$35 million for McMillan Site Redevelopment;
- \$46 million for the District of Columbia Public Library, to include \$42 million for the Martin Luther King, Jr. Memorial central library;
- \$46 million for the Department of Health Care Finance for the East End Medical Center; and
- \$43 million for the Department of Human Services, to include \$20 million for transitional housing.

The proposed capital budget calls for financing of general capital expenditures in FY 2017 from the following sources:

- \$865 million of General Obligation (G.O.) or Income Tax (I.T.) revenue bonds including \$5 million in taxable bonds;
- \$7 million of Short-Term Bonds;
- \$80 million of pay-as-you-go capital (Paygo) capital financing, which is a transfer of funds from the General Fund to the General Capital Improvements Fund for the purchase of capital-eligible assets;
- \$161 million of federal grants, and payments from Highway Trust Fund revenue;
- \$94 million of Grant Anticipation Revenue Vehicle (GARVEE) bonds;
- \$27 million of Local Highway Trust Fund revenue (motor fuel taxes) for the local match to support federal highway grants;
- \$45 million of Local Transportation Fund special purpose (Rights-of-Way occupancy fees) revenue;
- \$26 million from the sale of assets (land at McMillan and Walter Reed); and
- \$5 million from private grants.

This overview chapter summarizes:

- The District's proposed FY 2017 - FY 2022 capital budget and planned expenditures;
- Major capital efforts; and
- Fund balance of the District's capital fund.

The Highway Trust Fund and related projects are presented in Appendix H. The D.C. Water and Sewer Authority's capital program is presented in Appendix I of Volume 5, the FY 2017 Capital Improvements Plan.

Table 5-1

Overview

(Dollars in thousands)

Total number of projects receiving funding	164
Number of ongoing projects receiving funding	149
Number of new projects receiving funding	15
FY 2017 new budget allotments	\$1,309,966
Total FY 2017 to FY 2022 planned funding	\$6,269,408
Total FY 2017 to FY 2022 planned expenditures	\$6,269,408
FY 2017 Appropriated Budget Authority Request	\$1,231,930
FY 2017 Planned Debt Service (G.O./I.T. Bonds)	\$639,032,824
FY 2017-FY 2022 Planned Debt Service (G.O./I.T. Bonds)	\$4,994,258,257

The Proposed FY 2017 - FY 2022 Capital Budget and Planned Expenditures

The District budgets for capital projects using a six-year Capital Improvements Plan (CIP), which is updated annually.

The CIP consists of:

- The appropriated budget authority request for the upcoming CIP six-year period, and
- An expenditure plan with projected funding over the next 6 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's budget plan. 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 has issued Income Tax (I.T.) revenue bonds and General Obligation (G.O.) bonds (both tax-exempt and taxable) to finance some or all of its capital projects. Where this chapter refers to G.O. bond financing for capital projects, the District might ultimately use I.T. bond financing depending on market conditions. Capital projects in the CIP are also financed with short-term bonds, GARVEE bonds, and pay-as-you-go (Paygo) financing. Taxable bonds may be issued by the District where that funding is appropriate for certain projects.

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; later it can 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 current 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 (see Appendix D of Volume 5). The FY 2017 to FY 2022 CIP proposes a net increase in budget authority of \$1,232 million during the next six fiscal years (an increase of \$1,660 million of new budget authority offset by \$428 million of rescissions).

Planned capital expenditures from local sources in FY 2017 total \$1,055 million to be funded primarily by bonds, Paygo, and the local transportation fund special purpose revenue. To finance these expenditures, the District plans to borrow \$865 million in new G.O./I.T. bonds (including \$5 million in new taxable bonds), borrow \$7 million in short-term bonds, fund \$80 million using Paygo, use \$45 million in Local Transportation Fund Special Purpose Revenue, use \$26 million from the sale of assets, use \$5 million from private grants, and use \$27 million for the local match to the federal grants from the Federal Highway Administration. Proposed funding sources are shown in Figure 5-1 and proposed borrowing is shown in Table 5-7.

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 plan 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 5-2 illustrates FY 2017 capital budget allotments by major agency. Funding for the District of Columbia Public Schools constitutes the largest share of the planned expenditures. Large shares of funding also go toward the District Department of Transportation, the Washington Metropolitan Area Transit Authority, and the Deputy Mayor for Planning and Economic Development. In addition, as with all agencies, unspent capital budget allotments from prior years will be available to be spent in FY 2017.

Table 5-2 summarizes planned expenditure amounts for FY 2017 and budget authority requests for FY 2017-FY 2022. It includes local funds (G.O./I.T, taxable and short-term bonds, Paygo, local transportation funds, and sale of assets) and federal grants.

The capital fund pro forma, Table 5-3, summarizes sources and uses in the District's CIP. The Project Description Forms that constitute the detail of Volume 5 include projects receiving new allotments in FY 2017 through FY 2022, as included in the pro forma, totaling \$1.310 billion in FY 2017.

Figure 5-1

FY 2017 Capital Budget Funding Sources

(Dollars in thousands)

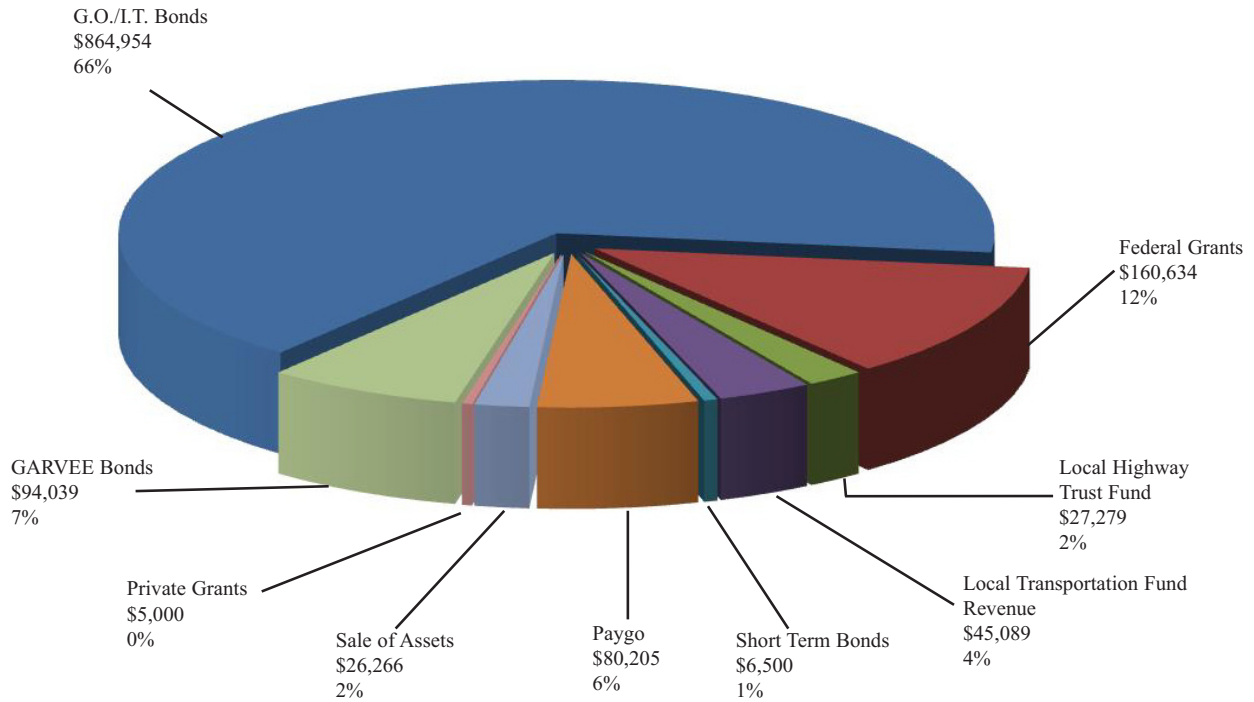


Table 5-2

FY 2017 Planned Expenditures from New Allotments and Appropriated Budget Authority Request

(Dollars in thousands)

Source	Planned FY 2017 Expenditures (Allotments)	Proposed Increase (Decrease) in Budget Authority
G.O./I.T. Bonds	\$864,954	
Paygo (transfer from the General Fund)	\$80,205	
Short-term Bonds	\$6,500	
Sale of Assets	\$26,266	
Private Grants	\$5,000	
GARVEE Bonds	\$94,039	
Subtotal	\$1,076,964	1,000,647
Local Transportation Fund		
Rights-of-Way (ROW) Occupancy Fees	\$45,089	36,005
Subtotal, Local Transportation Fund Revenue	\$45,089	\$36,005
Highway Trust Fund:		
Federal Highway Administration Grants	\$160,634	152,638
Local Match (from motor fuel tax)	\$27,279	42,640
Subtotal, Highway Trust Fund	\$187,913	\$195,278
Federal Payments	\$0	\$0
Total, District of Columbia	\$1,309,966	\$1,231,930

Table 5-3

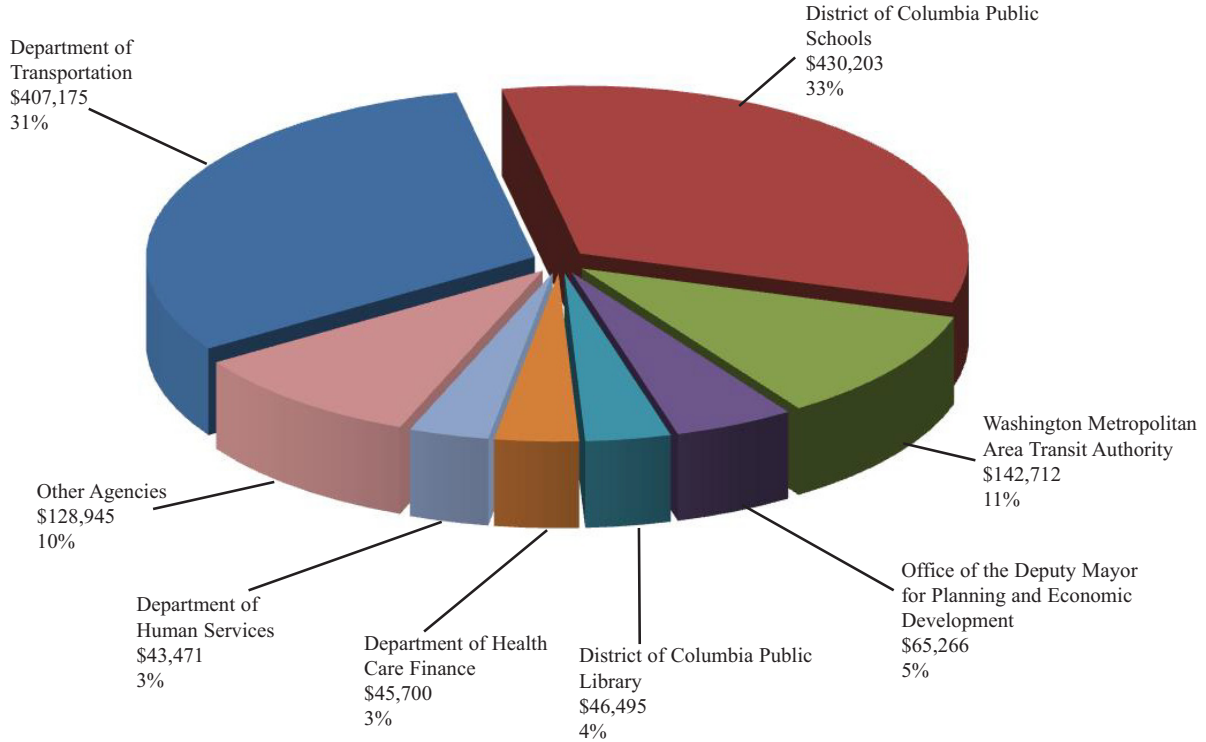
Capital Fund Pro Forma

(Dollars in thousands)

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	6 Year Total	Percent of Total
Sources:								
G.O. / I.T. Bonds (Tax Exempt)	\$859,954	\$533,824	\$654,316	\$770,391	\$539,172	\$449,967	\$3,807,625	65.6%
G.O. / I.T. Bonds (Taxable)	5,000	-	-	13,800	-	-	\$18,800	0.4%
Short-Term Bonds	6,500	6,474	25,000	25,000	-	10,000	\$72,974	0.5%
Paygo	80,205	48,500	53,888	102,325	106,285	107,811	\$499,015	6.1%
Sale of Assets	26,266	1,000	1,000	1,000	1,000	1,000	\$31,266	2.0%
Private Grants	5,000	-	-	-	-	-	\$5,000	0.4%
Federal Payments	-	50,000	50,000	-	-	-	\$100,000	0.0%
Local Transportation Fund Revenue	45,089	40,589	39,089	37,589	37,589	37,589	\$237,534	3.4%
GARVEE Bonds	94,039	150,000	108,970	-	-	-	\$353,010	7.2%
Local Highway Trust Fund	27,279	29,006	30,261	31,518	31,278	31,040	\$180,382	2.1%
Federal Grants	160,634	160,634	160,634	160,634	160,634	160,634	\$963,804	12.3%
Total Sources	\$1,309,966	\$1,020,027	\$1,123,158	\$1,142,257	\$875,959	\$798,041	\$6,269,408	100.0%
Uses:								
District of Columbia Public Schools	\$430,203	\$184,777	\$208,609	\$201,618	\$141,690	\$149,933	\$1,316,830	32.8%
Department of Transportation	407,175	511,217	529,254	516,039	453,881	312,787	\$2,730,353	30.9%
<i>Local Transportation Fund</i>	<i>219,262</i>	<i>321,577</i>	<i>338,359</i>	<i>323,887</i>	<i>261,968</i>	<i>121,112</i>	<i>1,586,165</i>	
<i>Highway Trust Fund</i>	<i>187,913</i>	<i>189,640</i>	<i>190,895</i>	<i>192,152</i>	<i>191,913</i>	<i>191,675</i>	<i>1,144,188</i>	
Washington Metropolitan Area Transit Authority	142,712	122,846	169,218	169,365	129,871	96,592	\$830,605	10.9%
Office of the Deputy Mayor for Planning and Economic Development	65,266	35,200	37,000	17,000	17,000	9,500	\$180,966	5.0%
District of Columbia Public Library	46,495	75,000	70,850	37,000	16,000	2,000	\$247,345	3.5%
Department of Health Care Finance	45,700	19,071	18,000	10,953	5,000	-	\$98,724	3.5%
Department of Human Services	43,471	-	-	-	-	-	\$43,471	3.3%
Department of Parks and Recreation	30,476	24,943	18,950	- 54,057	- 27,835	15,648	\$171,909	2.3%
Department of General Services	17,650	4,000	3,000	5,500	7,250	7,900	\$45,300	1.3%
Fire and Emergency Medical Services Department	16,175	15,000	27,050	29,000	25,000	18,500	\$130,725	1.2%
Office of the Chief Financial Officer	12,000	6,000	-	-	-	5,500	\$23,500	0.9%
Metropolitan Police Department	11,500	6,474	8,500	9,250	3,000	9,500	\$48,224	0.9%
University of the District of Columbia	10,000	-	-	12,500	12,500	20,000	\$55,000	0.8%
Department of Energy and Environment	9,500	5,000	5,000	9,500	8,000	33,906	\$70,906	0.7%
Department of Motor Vehicles	5,500	-	-	-	-	-	\$5,500	0.4%
Department of Public Works	5,000	5,000	5,000	23,200	21,431	107,000	\$166,631	0.4%
Special Education Transportation	4,275	3,000	3,327	4,000	4,000	4,275	\$22,877	0.3%
Office of the State Superintendent of Education	3,929	2,500	3,000	2,500	1,500	-	\$13,429	0.3%
Office of the Chief Technology Officer	2,940	-	-	-	-	-	\$2,940	0.2%
Office of the Secretary	-	-	12,900	35,275	-	-	\$48,175	0.0%
Department of Consumer and Regulatory Affairs	-	-	-	2,000	2,000	-	\$4,000	0.0%
Department of Youth Rehabilitation Services	-	-	-	-	-	5,000	\$5,000	0.0%
Office of Unified Communications	-	-	3,500	3,500	-	-	\$7,000	0.0%
Total Uses	\$1,309,966	\$1,020,027	\$1,123,158	\$1,142,257	\$875,959	\$798,041	\$6,269,408	100.0%

Note: Details may not sum to totals due to rounding

Figure 5-2
FY 2017 Capital Budget Allotments, by Agency
 (Dollars in thousands)



FY 2017 Operating Budget Impact

In general, each \$13.5 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 long-term bonds to finance the CIP. Debt service is funded in the FY 2017 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 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 such as upgrades, license renewals, or training of staff to operate new systems as required.

Table 5-5 reflects the summary of the projected impacts, by agency, and by fiscal year for the 6-year CIP period. Individual project pages in the "Project Description Forms" section of Volume 5 show more details of the operating impact resulting from placing a particular newly completed project into service.

Table 5-4

OFFICE OF FINANCE AND TREASURY
Fiscal Years 2017 - 2022 Debt Service Expenditure Projections

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Existing General Obligation (G.O.) and Income Tax (I.T.)						
Bonds Debt Service (Agency DS0)	\$593,786,293	\$617,343,907	\$634,738,380	\$636,098,954	\$622,053,469	\$633,683,778
Prospective I.T./G.O. Bonds Debt Service						
2nd FY 2015 CIP (July 16) I.T. / G.O. Bonds (\$513.5M)	\$20,474,018	\$23,105,475	\$35,832,525	\$35,833,125	\$35,831,163	\$35,830,400
1st FY 2016 CIP (Dec 16)) I.T. / G.O. Bonds (\$500M)	\$11,250,000	\$22,500,000	\$22,500,000	\$34,894,700	\$34,891,050	\$34,890,625
2nd FY 2016 CIP (May 17) I.T. / G.O. Bonds (\$425.1M)	\$-	\$23,028,146	\$21,256,750	\$31,104,250	\$31,101,375	\$31,102,000
FY 2017 CIP (Dec 17) I.T. / G.O Bonds (\$875M)	\$-	\$24,061,263	\$48,122,525	\$65,656,700	\$65,657,000	\$65,654,688
FY 2018 CIP (June 18) I.T. / G.O. Bonds (\$533.8M)	\$-	\$-	\$29,360,650	\$40,058,150	\$40,056,100	\$40,058,850
FY 2019 CIP (June 19) I.T. / G.O. Bonds (\$666.3M)	\$-	\$-	\$-	\$49,042,113	\$49,046,200	\$49,044,450
FY 2020 CIP (June 20) I.T. / G.O. Bonds (\$804.2M)	\$-	\$-	\$-	\$-	\$59,192,638	\$59,192,538
FY 2021 CIP (June 21) I.T. / G.O. Bonds (\$539.2M)	\$-	\$-	\$-	\$-	\$-	\$29,654,625
FY 2022 CIP (June 22) I.T. / G.O. Bonds (\$450M)	\$-	\$-	\$-	\$-	\$-	\$-
Total G.O. Bonds Debt Service (Agency DS0)	\$625,510,311	\$710,038,790	\$791,810,830	\$892,687,991	\$937,828,994	\$979,111,953
School Modernization G.O. Bonds Debt Service (Agency SM0)						
2007 Issuance (\$60M)	\$2,781,425	\$2,781,425	\$2,781,425	\$2,781,425	\$2,781,425	\$2,781,425
2008 Issuance (\$90M)	\$10,741,088	\$5,967,750	\$5,967,750	\$5,968,250	\$5,968,750	\$5,965,500
School Modernization Fund Subtotal (Agency SM0)	\$13,522,513	\$8,749,175	\$8,750,925	\$8,749,675	\$8,750,175	\$8,746,925
Housing Production Trust Fund (Agency DT0)	\$7,835,339	\$7,832,389	\$7,838,539	\$7,839,039	\$7,836,089	\$7,837,339
Total Long-Term Debt Service	\$646,868,163	\$726,620,354	\$808,400,294	\$909,276,705	\$954,415,258	\$995,696,217
Payments on Master Lease Equipment Purchases (Agency EL0)	\$30,009,362	\$23,239,514	\$21,163,978	\$19,174,130	\$13,480,613	\$14,227,058
Total Debt Service, General Fund Budget	\$676,877,525	\$749,859,868	\$829,564,272	\$928,450,835	\$967,895,871	\$1,009,923,275
Other (Non-General Fund) Debt Service	\$128,065,005	\$127,446,116	\$128,175,332	\$125,882,671	\$124,257,476	\$106,972,469
Total Debt Service	\$804,942,530	\$877,305,984	\$957,739,604	\$1,054,333,506	\$1,092,153,347	\$1,116,895,744
Total Expenditures	\$8,323,229,470	\$8,362,578,532	\$8,597,008,497	\$8,886,837,586	\$9,156,652,201	\$9,419,220,839
Ratio of Debt Service to Total Expenditures	9.671%	10.491%	11.140%	11.864%	11.927%	11.858%
Balance of Debt Service Capacity	\$193,845,007	\$126,203,440	\$73,901,415	\$12,087,005	\$6,644,917	\$13,410,757

*Has equal and offsetting revenue component funded by bond proceeds in the amount of the actual expenditures

Table 5-5

Summary of Capital Estimated Operating Impacts for FY 2018-FY 2022

Owner Agency Code	Agency Name	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
FR0	Department of Forensic Sciences	26,765	133,825	109,522	-	171,927
FX0	Office of the Chief Medical Examiner	65,300	-	-	-	-
CE0	DC Public Library	1,106,799	1,518,703	153,970	580,166	621,244
HA0	Department of Parks and Recreation	913,226	811,872	836,231	861,317	887,152
HT0	Department of Health Care Finance	930,000	930,000	50,000	50,000	-
JA0	Department of Human Services	3,363,896	6,499,728	6,408,256	6,432,704	6,457,285
TO0	Office of the Chief Technology Officer	1,389,400	140,000	-	-	-
Total		7,795,386	10,034,128	7,557,979	7,924,187	8,137,608
GA0	District of Columbia Public Schools *	6,854,370	6,982,868	208,820	4,376,024	1,596,654
	Grand Total	\$14,649,756	\$17,016,996	\$7,766,799	\$12,300,211	\$9,734,262

* Operating impacts for DCPS are applied indirectly, through the per student formula, and as such these impacts are shown separate from other agencies.

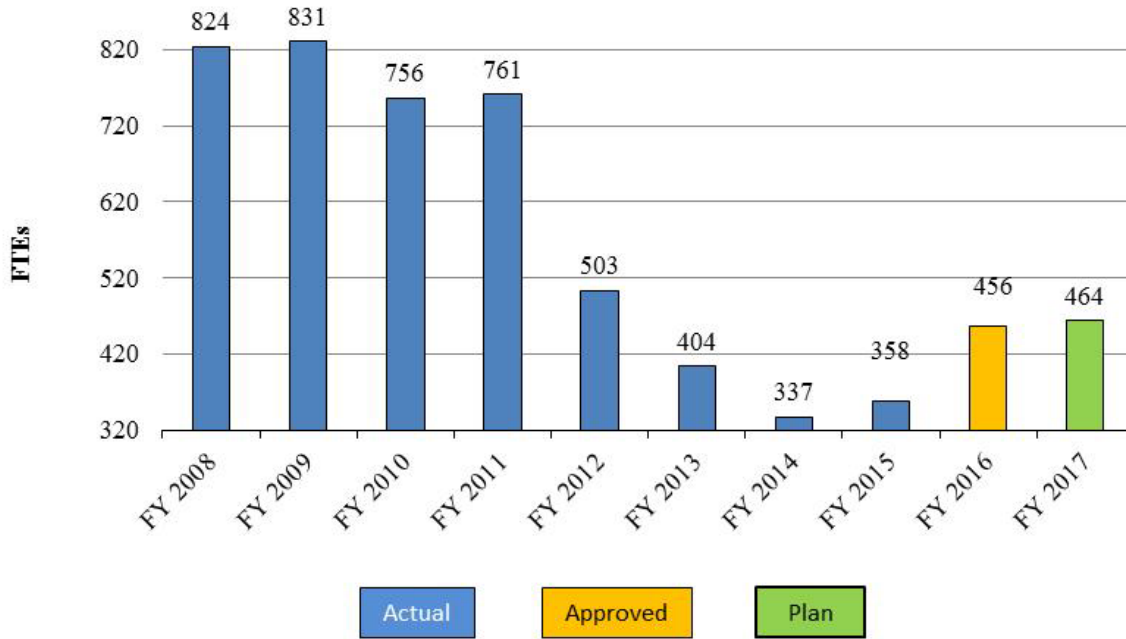
Table 5-6

FTE Data by Agency

Agency	FY 2015 Actual	FY 2016 Approved	FY 2017 Plan
AM0 - Department of General Services	23.89	36.75	32.70
AT0 - Office of the Chief Financial Officer	1.51	0.00	26.00
BD0 - Office of Planning	1.19	0.00	0.00
CE0 - D.C. Public Library	2.97	6.00	5.00
CF0 - Department of Employment Services	0.00	0.00	11.00
GFO - University of the District of Columbia	2.35	5.00	5.00
HA0 - Department of Parks and Recreation	0.33	3.00	2.00
HT0 - Department of Health Care Finance	2.51	0.00	0.00
JA0 - Department of Human Services	35.64	37.50	47.00
KA0 - Department of Transportation	285.70	368.14	334.14
KGO - District Department of the Environment	0.56	0.00	0.00
RM0 - Department of Behavioral Health	1.50	0.00	0.00
TO0 - Office of the Chief Technology Officer	0.00	0.00	1.00
Total	358.14	456.39	463.84

Figure 5-3

Number of Capital-Funded FTE Positions From FY 2008 to FY 2017



Capital-Funded Positions

Agencies may receive approval to charge certain personnel expenses to capital projects. However, in order to qualify and receive approval, the primary duties and responsibilities of a position charged to capital funds must be directly related to a specific capital project. Full-Time Equivalent (FTE) positions that generally qualify are (a) architects; (b) engineers; (c) cost estimators; (d) project managers; (e) system developers; (f) construction managers; and (g) inspectors.

Table 5-6 reflects capital-funded FTE data for each agency for FY 2015 through FY 2017. Additional details on the FY 2017 FTEs, including the specific number of FTEs approved by project, can be found on the project pages in the “Project Description Forms” section of Volume 5. They are also summarized on the appropriate agency pages, for those agencies that have approved FTEs.

Figure 5-3 shows the total number of capital-funded positions between FY 2008 and FY 2015, the approved positions for FY 2016, and the planned positions in the CIP for FY 2017.

Table 5-7

Proposed Bond Borrowing, FY 2016 Through FY 2022

(Dollars in thousands)

Source	Plan FY 2016	Proposed FY 2017	Proposed FY 2018	Proposed FY 2019	Proposed FY 2020	Proposed FY 2021	Proposed FY 2022
G.O./ I.T. bonds, general, including capital fund deficit reduction	\$1,079,092	\$925,132	\$1,408,778	\$666,316	\$804,191	\$539,172	\$449,967
GARVEE Bonds	\$-	\$94,039	\$150,000	\$108,970	\$-	\$-	\$-
Total	\$1,079,092	\$1,019,171	\$1,558,778	\$775,286	\$804,191	\$539,172	\$449,967

Notes: All amounts and methods of borrowing are subject to change depending on status of projects and market conditions.

Details on the District's Sources of Funds for Capital Expenditures

The District's proposed FY 2017 - FY 2022 capital budget 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, including taxable, and short-term bonds;
- Paygo capital funding;
- Sale of assets;
- Federal Grants; and
- Private Grants.

In addition to the above sources, the District's Department of Transportation (DDOT) uses the following sources to fund its capital projects:

- Federal Highway Administration grants, for Highway Trust Fund projects;
- Grant Anticipation Revenue Vehicle (GARVEE) bonds, which are repaid from future Federal funding;
- Dedicated motor fuel tax revenues and a portion of the Rights-of-Way Occupancy Fees for Highway Trust Fund projects (these provide the local match for the Federal Highway Administration grants); and
- Local Transportation Fund (a portion of the Rights-of-Way Occupancy Fees, Public Inconvenience Fees, and Utility Marking Fees).

Projects funded by these sources are detailed in the project description pages for DDOT and in Appendix H of Volume 5.

Major Capital Efforts

The FY 2017 – FY 2022 Capital Improvements Plan (CIP) provides for major investments in the following areas:

- Transportation Infrastructure;
- Education;
- Public Health and Wellness;
- Economic Development;
- Fiscal Stability; and
- Public Safety.

Transportation Infrastructure

Metrorail and Metrobus. The continued growth and vitality of the city and region greatly relies on a safe, efficient, and reliable Metro system to transport residents and visitors alike. The CIP includes \$831 million for safety improvements, improving the effectiveness of the current rail and bus networks, increasing system capacity, and rebuilding the Metro system.

Streetcar, Circulator, and H Street Bridge. A retooled streetcar system and an expanded Circulator system will add capacity to the District's transportation network, provide links to activity centers that complement Metrorail service, and offer a potentially cleaner and more sustainable transportation alternative. The CIP provides \$575.7 million for Circulator and streetcars, giving priority to the H Street – Benning Road Metro Station streetcar segment and replacement of the H Street Bridge. The H Street Bridge is an important link in the line that provides for rider transfers to Amtrak's Union Station and the Metrorail system, and it must be replaced. The CIP provides \$160 million to support the cost of replacing the bridge.

South Capitol Street. The CIP includes \$698.6 million for replacement of the Frederick Douglass Bridge over the Anacostia River and improvements to the South Capitol Street Corridor. South Capitol Street will be transformed from an expressway to an urban boulevard and gateway to the Monumental Core of the city that will support economic development on both sides of the Anacostia River.

Streetscapes, Trails, and Green Space. The concept of park-like landscaping in the District's public right-of-ways dates back to surveyor Pierre L'Enfant, who outlined how to landscape his exceptionally wide avenues. The District's investment in streetscapes, trails, and green space will beautify the city, improve quality of life, and complement investments in transit by providing safe and convenient bicycle and pedestrian access throughout the city. The 6-year capital budget plans for \$154.2 million of investment in sidewalks, trails, trees, green space, and streetlights.

Local Streets and Alleys. The 6-year capital budget also plans for \$350 million of investment in the District's local roadways, alleys, curbs, and sidewalks across the eight wards to ensure they are safe, reliable, and functional.

Consolidation of Public Works Facilities. The Department of Public Works (DPW) is designing a new facility to consolidate fleet maintenance and storage of heavy equipment at DPW's West Virginia Avenue compound to enable the agency to consolidate operations at that location. The CIP includes \$133.6 million for construction of this facility.

Education

Public Schools Modernization. The District is currently undertaking a comprehensive schools modernization initiative that began in 2008. So far, over \$4 billion has been invested. This CIP commits to an additional investment of \$1.3 billion over the next six years for modernization of elementary, middle, and high school facilities. The budget includes funding for three modernized middle schools and four modernized high schools.

21st Century Public Libraries. Continuing efforts to fully modernize the Martin Luther King Jr. Memorial Library, the CIP includes \$179 million that will be used to renovate and reconfigure this historic landmark. The result will be a world-class central library offering residents and visitors a vibrant center of activity for reading, learning, and community discussion. Libraries in District neighborhoods will receive an additional \$61.8 million to renovate and modernize Southeast Library, update I.T. systems including public access computers, and construct new state-of-the-art facilities, including a new Lamond Riggs and Southwest Library.

University Facilities. The University of the District of Columbia is building a new student center and making campus improvements that will enhance the collegiate experience for its students, faculty, staff, and guests. The CIP provides \$55 million of budget authority for University improvements.

Public Health and Wellness

Replacement of D.C. General Shelter. The CIP includes \$20 million for the Department of Human Services to continue acquisition of property and construct small scale emergency and temporary housing for families.

Access to Health and Human Support Services. The CIP includes \$23.5 million to complete development of a new, state-of-the-art information technology application designed to assist persons seeking assistance with health and other human support services.

Parks and Recreation Facilities. Public parks and recreation facilities enhance the quality of life and wellness of District residents. The District is committed to providing all residents of the District, and especially the District's youth, with access to quality recreation centers, athletic fields, swimming pools, tennis courts, play areas, and parks. This 6-year capital budget plans for \$170.3 million for investments in parks and recreation facilities across the city.

East End Medical Center. The District places a high priority on providing public health services to all District residents. Since taking control of the operations of the Not-for-Profit Hospital Corporation, commonly referred to

as United Medical Center (“UMC”), in 2010, the District has invested millions of dollars in the District’s only acute care hospital on the city’s East End. The CIP includes \$98.7 million for additional improvements to continue the repositioning of the hospital in the marketplace.

Anacostia River Clean-Up. The Anacostia River, once a pristine river, is now degraded mainly because of its highly urbanized location. The river and adjacent former Kenilworth landfill are the focus of large-scale restoration efforts by the District of Columbia. The District’s goal is to restore the Anacostia to a fishable and swimmable river by the year 2032. The \$66.4 million of capital budget for hazardous material remediation on the Anacostia River and its shoreline will fund continued efforts to achieve this goal.

Economic Development

New Communities. The CIP provides \$53.5 million of budget that will be used to replace severely distressed housing and decrease concentrations of poverty by redeveloping public housing properties into mixed-use, mixed-income communities for current and future residents.

McMillan Redevelopment. The 25-acre former McMillan Reservoir Sand Filtration Plant site will be redeveloped into a mixed-use project that will include historic preservation, open space, residential, retail, office, and hotel uses. The goal is to create an architecturally distinct, vibrant, mixed-use development that provides housing, employment, retail, cultural, and recreational opportunities for District residents. The project will include affordable and workforce housing, and 35 percent of the local contracting opportunities must go to Certified Business Enterprises. The CIP provides \$48.9 million for site infrastructure over the next three fiscal years.

Walter Reed, Saint Elizabeths, and Hill East. These three critical redevelopment projects are funded in the CIP to continue investments in site infrastructure totaling \$78.6 million.

Fiscal Stability

Financial System Modernization. The Office of the Chief Financial Officer is in the process of modernizing its tax system to add the functionality found in modern systems, support real-time financial management, provide greater integration with other District IT systems, and increase tax compliance and collections. The CIP includes \$17 million for modernization of the integrated tax system.

Public Safety

Emergency Vehicles. Older emergency vehicles must be replaced on a regular basis to ensure that responders have reliable equipment. The CIP provides \$83.3 million for purchase of pumpers, ladder trucks, heavy rescue trucks, ambulances, and large support vehicles. An additional \$32.5 million is provided for replacement of police cruisers and specialty/support vehicles.

Power Line Undergrounding. The CIP includes \$39 million to move key overhead power lines to underground lines in the District to improve safety and reliability of the District’s electrical system. Placing select power feeders underground will result in a reduction in the frequency and the duration of power outages experienced in affected service areas.

Fund Balance of the Capital Fund

From FY 2008 through FY 2015, the District's Comprehensive Annual Financial Report (CAFR) showed a deficit for 2 years in the General Capital Improvements Fund (the "capital fund") (see Table 5-8). The shortfall at the end of FY 2012 and again in FY 2014 meant that capital expenditures had exceeded financing sources by that amount on a cumulative basis. The timing and amounts of borrowing for those two years resulted in the temporary negative fund balance. The District's General Fund had advanced funds to the capital fund to cover the expenditures.

The FY 2015 CAFR reports a General Capital Improvements Fund surplus of \$36 million. This represents an increase of \$150 million over the FY 2014 negative ending fund balance of \$114 million. This turnaround is due primarily to the difference in timing of revenues and expenditures in the Fund. The balance as of the end of FY 2015 is representative of the activity in the fund as of that date. For FY 2015 budget allotments, an additional borrowing of \$527.1 million is planned for the spring of 2016.

The District must still keep a close watch on the underlying status of the capital fund. 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. In past years, the District borrowed amounts above new capital budget allotments, to help repay the General Fund for advances it made to the capital fund. This additional borrowing took place in amounts of either \$25 million or \$50 million annually, for a total of \$300 million, for several years, ending in FY 2013. Planned borrowing exceeds allotments by \$10 million in FY 2017, \$12 million in FY 2019, and \$20 million in FY 2020.

Table 5-8

Fund Balance in the General Capital Improvements Fund, FY 2008-FY 2015

(Dollars in millions)

Fiscal Year	Positive/(Negative) Fund Balance
2008	586.9
2009	406.9
2010	133.4
2011	5.0
2012	(116.3)
2013	102.4
2014	(114.2)
2015	35.8



Appendices

Appendix A:

**D.C.
Comprehensive
Financial
Management
Policy**

District of Columbia Comprehensive Financial Management Policy

Introduction

In accordance with requirements set forth in the District of Columbia Home Rule Act, approved December 24, 1973 (Pub. L. No. 93-198; 87 Stat. 774; D.C. Official Code §§1-201.01 et seq.) (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 the availability of financial resources 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
- Capital Asset Management
- Reserve Management
- Fiscal Management
- Economic Development

These financial management policies were established by the OCFO subject to continuing review and comment by the Mayor of the District of Columbia (Mayor) and the Council of the District of Columbia. The OCFO will consider amendments to this document on a continuing basis using the established review and approval process.

Debt Management Policy

Responsibility and Authorization

The District government will maintain, at all times, debt management policies that are fiscally prudent, are consistent with District and federal laws, and reflect the District’s unique municipal status and limitations. Collectively, Title IV Part E of the Home Rule Act and the Income Tax Secured Bond Authorization Act authorize the District to issue bonds, to provide for the payment of undertaking capital projects, and notes, to pay general governmental expenses in anticipation of the collection or receipt of revenues.

Credit Ratings

The District will do everything in its power to attain and maintain the highest possible credit ratings for its outstanding bonds, including producing balanced budgets and financial statements with “clean” audit opinions 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 stay within its statutorily mandated debt limits: (a) total debt service on long-term tax supported debt in any fiscal year cannot exceed 17 percent of General Fund revenue, and (b) total debt service on long-term tax supported debt in any fiscal year, or the five succeeding fiscal years as reflected in the financial plan and capital improvements plan, cannot exceed 12 percent of General Fund expenditures. Also, the District 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 improvements to its capital infrastructure with the need to maintain reasonable debt ratios and debt service expense levels.

Timing and Amount of Long-Term Borrowing

When the District engages in annual long-term borrowing for its capital projects, it shall do so in amounts that are planned and reasonably expected to be spent up to two years after the date of such borrowing. Such borrowing amounts will be determined in the context of an ongoing effort to balance the need for continuing development and refurbishment of the District's infrastructure with the need to prudently manage the District's debt obligations.

Method of Bond Sale

The District shall monitor and evaluate market conditions in consideration of the respective credit, prior to coming to market, to determine which method of sale, competitive or negotiated, is optimal for issuance. Determination will be made by the OCFO, supported by a recommendation of the Treasurer, to proceed with the sale method that is likely to yield a more favorable result for the District.

Composition of Debt Portfolio

The District shall issue general obligation bonds, income tax secured bonds, or tax-supported revenue bonds, depending on a determination by the Chief Financial Officer (CFO) regarding the type of bond issuance that is most favorable for the District. The District shall issue tax-exempt bonds, except under circumstances in which the nature of the project(s) being financed (or some portion thereof) require the issuance of taxable bonds, or circumstances in which taxable bonds are deemed to provide a more favorable result (for example, the issuance of Build America Bonds pursuant to the American Recovery and Reinvestment Act). The District shall issue fixed-rate or variable-rate debt; however, not more than 20 percent of outstanding debt may be variable-rate bonds. This policy allows the District to take advantage of the generally lower interest rates associated with variable-rate 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 other form of credit enhancement, and shall structure the issuance accordingly. The District will regularly examine its financing structures and the financial marketplace to determine what form of debt is most beneficial to issue (e.g. income tax secured revenue bonds, general obligation bonds, other revenue bonds, or master lease/purchase financing) to fund certain governmental projects.

Timely Debt Service Payments

The District shall escrow funds received from its Special Real Property Tax levy in amounts sufficient to ensure timely payment of all principal and interest due on its outstanding general obligation bonds, and shall set aside income tax revenues in amounts sufficient to ensure timely payment of all principal and interest due on its outstanding income tax secured revenue bonds, as required by the relevant debt statutes, bond indentures, and covenants.

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 (refinance) such debt at lower interest rates to produce debt service savings to the District, to remove or change outdated or unwanted bond covenants, or for other reasons that may benefit the District.

Selection of Financial Consultants and Service Providers

To assist with issuing bonds in the most efficient and effective manner, and to ensure compliance with all applicable legal requirements, the District shall select Bond Counsel, Disclosure Counsel, and Financial Advisors, and generally does so on a competitive basis through a Request for Proposals (RFP) process. However, this process does not preclude the District from engaging Bond Counsel, Disclosure Counsel, or Financial Advisors without the competitive process where a unique or emergency situation warrants such engagement as permitted by law. The District will document such situations in writing.

Equipment Financing Program

The District currently maintains 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 competitive cost of financing, as well as managing agency operating costs associated with equipment lease financing. The District may decide to end this program if the CFO determines it is no longer in the best interest of the District.

Independent Agency/Instrumentality Debt Issuance

The 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 District 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 shall provide pertinent information and documents to the CFO related to such financing (including the project or program financed) on an ongoing basis and upon request.

Short-Term Borrowing

The District's policy is to issue short-term debt in the form of Tax Revenue Anticipation Notes (TRANs) to finance any intra-year seasonal cash flow needs. TRANs must be repaid by the end of the fiscal year in which they are issued. A long-term policy goal is for the District to obtain and maintain sufficient operating cash balances in order to minimize or eliminate the need for short-term borrowing.

The District may utilize additional short-term financing vehicles including Bond Anticipation Notes, Commercial Paper, and others to meet interim capital funding needs. Bond Anticipation Notes and Commercial Paper may be rolled or redeemed with the issuance of long-term debt.

Financial Asset Management Policy

Authorization and Responsibility

The CFO, established by the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (Pub.L. No. 104-8, §302(a), 109 Stat 142, D.C. Official Code §1-204.24a), is responsible for maintaining custody of all public funds belonging to or 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 District Council pursuant to Section 424 of the Home Rule Act. Except where prescribed by law, the CFO has delegated this responsibility to the Treasurer of the District of Columbia (Treasurer).

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 pursuant to D.C. Official Code §1-204.24d(11). 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 agencies and 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 monies. 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. If cash needs to be collected by an agency, OFT cashiers must either collect the actual cash or have oversight of the collection process.

Background: The timely deposit of monies received provides several benefits. The most important benefit is effective and efficient control of these funds, which reduces the risk of loss due to errors, carelessness or theft. In addition, the timely deposit of funds helps to maximize cash flow for interest earnings; lowers borrowing needs, and lessens the risk of returned checks due to non-sufficient funds or account closure. 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, electronic transfer or pay cards. All District agencies shall comply with the OCFO's Financial Management and Control Orders No. 08-008 and No. 07-004A*, which establish guidelines of authority, indicate required documentation, and require expediency in the processing of payment vouchers. All District agencies and employees shall comply with the OCFO's Financial Management and Control Order No. 12-24, 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, suppliers, and contractors.

Background: OFT recognizes the financial risks associated with the issuance of checks. The prevalence of check fraud demands that the District take measures to safeguard the District's funds, including the use 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 official, legal payment instruments of the District government. In addition, the District uses banking services and policies that prevent fraud by requiring that the District's banking institutions only honor checks that the District has previously identified as being validly issued. To further reduce costs and risks, the District has and will continue to reduce its use of checks as a predominant means of disbursement.

Collateralization Policy

It is the policy of OFT to ensure that at all times the District's funds held at financial institutions are fully federally insured or, at a minimum, collateralized at 102 percent in compliance with the Financial Institution Deposit and Investment Amendment Act of 1997, effective March 18, 1998 (D.C. Law 12-56, D.C. Official Code §47-351 et seq.) (the Deposit Act). The responsibility for monitoring financial institutions' compliance with the District's collateral requirements on a daily basis is delegated to the Banking Services Unit in OFT.

Banking Services Policy

It is the policy of the District government to procure banking services and establish bank accounts pursuant to competitive award practices consistent with the Deposit Act and the OCFO's standard contracting processes. OFT shall routinely monitor bank performance using predetermined performance standards and assess penalties for failure to perform. Bank accounts shall only be opened by OFT. Agencies cannot open bank accounts independently.

Electronic Benefit Transfer (EBT) Payment Policy

OFT, in conjunction with the Department of Human Services, shall administer the District's Electronic Benefit Transfer (EBT) Program in compliance with the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, approved August 6, 1996 (Pub. L. No. 104-193; 110 Stat. 2105) (Welfare Reform Act) and provide necessary training to eligible District of Columbia residents who participate in the EBT Program.

Background: The Welfare Reform Act of 1996 mandated that all states and the District of Columbia establish an electronic delivery system for the distribution of food stamp benefits (Supplemental Nutrition Assistance Program, or SNAP) by October 2002. As a result, the District's EBT system was implemented in 1998. The system electronically delivers both SNAP and cash assistance (Temporary Assistance for Needy Families, or TANF) benefits to District recipients. EBT is a special application of electronic funds transfer (EFT) technology, which allows both TANF and SNAP benefits to be loaded directly to a pay card eliminating the former costly and cumbersome processes surrounding paper food stamps and check writing. Also, it provides access to mainstream payment methods for District citizens, provides food retailers with point-of-sale methods of accepting SNAP payments, enhances methods used to account for SNAP benefits, and facilitates more efficient payments to individual merchants with funds from the U.S. Department of Agriculture.

Internal Control Policy Related to Financial Assets

The District government shall maintain sound internal control policies and practices to ensure: (a) compliance with applicable laws, guidelines, regulations, and professional standards; and (b) adequate safeguarding of cash under the control of agencies, component units, boards and commissions. Therefore, agencies must adhere to the following policies and prescribed practices:

- Employees who handle cash, checks, credit cards, pay cards or any other negotiable instruments should be bonded as a condition of employment and should not record the related transactions in the general ledger nor maintain accounting records;
- Cash shall not be accepted or received directly by any District agencies except OFT. Exceptions to this policy must be approved in advance and oversight provided by OFT;
- Check payments received shall be restrictively endorsed payable to the D.C. Treasurer, not to an agency or a District employee;
- Cash receipts shall be reconciled daily and discrepancies shall be investigated promptly by the designated authorized personnel;
- Access to cash shall be restricted to OFT cashiers and secured when not in use; and
- Any site that secures cash, checks, pay cards or other negotiable financial instruments shall maintain them securely in a vault under dual control for access or removal. Dual control requires two people to cooperate in maintaining and confirming assets, with the work of one employee being verified or approved by a second employee. Both are equally accountable for the protection of asset.

Investment Priorities

The District will invest cash not needed for immediate disbursement in a manner consistent with applicable District law and policy, and in doing so will: (a) provide for the safekeeping of principal amounts invested, (b) maintain adequate liquidity to fund the District's operations and other funding needs, and (c) maximize earnings on invested funds, in that order of priority. The maximization of earnings will be accomplished by analyzing 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, as well as the general investment environment and the respective earnings (interest) rates available to the District from the various permissible investment instruments. Based on these factors, the appropriate investment decision will be made.

Investment of Operating Cash Balances

Each business day, using same-day data from banks (check/ACH/wire clearings), OFT will determine if the District has excess cash on hand for that particular day and factor in a cushion for unexpected disbursements. Any excess 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 Bank Account Balances

The District government will strive to ensure that no cash balances sit idle without being invested. The majority of the District's operating bank accounts are structured such that all funds not utilized in collection or disbursement accounts at the end of a given day will be consolidated to the pooled cash account and invested or will be used to generate credit to offset bank fees.

Investment of Bond Escrow and Note Escrow Funds

The District government will invest 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 as well as any other requirements contained in the respective bond or note documents.

Investment of Bond and Note Proceeds

Proceeds from the sale of District bonds and notes shall be invested in allowable investments in accordance with applicable federal and District laws, 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).

Investment of Debt Service Reserve Funds

Debt service reserve funds established either from the proceeds from the sale of District bonds and notes or other sources shall be invested in allowable investments in accordance with applicable federal and District laws, 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) as well as any other requirements contained in the respective bond or note documents.

Investment of Bond and Note Related Accounts

Investment of bond and note related accounts shall be invested in allowable investments in accordance with applicable federal and District laws, 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), as well as any other requirements contained in the respective bond or note documents.

Investment of Statutory Reserve Funds

Investment of statutory reserve funds (see Reserve Management Policy section) of the District shall be invested in permitted investments in accordance with District law and policy.

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.

Capital Asset Management Policy

Policy for Defining Capital Assets

Capital assets are long-lived 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. Proper accounting for capital 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** - including the cost of permanent attachments, other than buildings, which add value to land;
- **Buildings** - all real estate, excluding land and land improvements, used for shelter, dwelling, and other similar purpose;
- **Leasehold Improvements (Real Property)** – permanent improvements or betterments that increases the useful lives of the leased property;
- **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;
- **Intangible Assets** – assets that lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period, including, for example, easements, water rights, patents, trademarks, and computer software;
- **Construction-in-Progress (CIP)** - includes the costs incurred when constructing long-lived assets (e.g., buildings and other improvements); CIP represents the costs associated with incomplete projects; 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 are normally 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 Capital Asset Policy

Capital 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 capital assets that have been capitalized or are a part of controllable inventory shall be included on the agency’s capital asset listing;

- All capitalized or controllable 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 an individual who will be responsible for accounting for capital assets and ensuring that all divisions within the agency comply with District requirements;
- All agencies shall adhere to the capitalization and controllable inventory policies and procedures established by OFOS;
- All acquisitions and disposals of capital assets shall be properly authorized by applicable laws and approved 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 documentation related to the acquisition, use, and disposal of capital assets. Such documentation is to be retained throughout the life of each capital asset and for a specified period of time after disposal, consistent with the OCFO's and the District's records retention policies. Where bond proceeds are used to acquire or improve the property, all agencies shall work with the Mayor and the OCFO to ensure that the acquisition, use, transfer or disposition of the property is in compliance with the applicable laws.

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 its useful life by two years or more. Expenditures for improvements that do not increase the service utility of the asset or significantly extend its life 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. Costs pertaining to computers include amounts incurred for monitors, cables, battery packs or any additional accessories needed for the equipment to function. Capitalizable computer costs do not include printers because printing functions can be spooled to a central printer, allowing several computers to utilize it;
- Computer software system costs shall 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 the life or functionality of the system by two years or more;
- Computer hardware system costs shall 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 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 capitalized if such costs significantly increase the life or functionality of the system by two years or more;
- Betterments shall be capitalized if the cost is \$5,000 or more and the addition made to the capital asset is expected to prolong its life or increase its efficiency over and above that resulting 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 and charged against the operating budget;
- Equipment with a unit cost of less than \$5,000 shall 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; and
- 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 Management Policy 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 capital assets records. Persons provided with controllable property (e.g., cellular telephones, iPads and laptop computers) for their direct official use shall be held responsible and liable for the asset(s) assigned to them. Such assets shall be returned to the agency whenever an individual's employment with the agency terminates.

Physical Inventory Policy

To ensure that personal property capital assets are properly safeguarded and accounted for, the OFOS shall conduct a physical inventory of personal property capital assets on a biennial basis. The inventory shall be conducted based upon the assets listed in the 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 assets. The physical inventory shall be properly managed and supervised by the individual who is responsible for the agency's property management function 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

Capital assets shall be initially recorded at historical cost, which is defined as the cash or cash equivalent cost 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.

Document Retention Policy

Documents related to the acquisition, use, and disposal of capital assets shall be retained throughout the life of the capital asset and for a minimum of three fiscal years following the disposal of the capital asset, or as required by applicable laws and regulations.

Depreciation Policy

The FAS automatically calculates and posts depreciation for capital assets. Depreciation expense shall be calculated using the straight-line method based on the useful life of the capital assets.

Property Control Policy

Each agency fiscal officer (or designee) shall identify an individual who will be responsible for accounting for

capital assets and ensure that all divisions within the agency comply with the District’s accounting and inventory policy.

Disposal Policy

All disposals of capital assets shall be properly authorized by applicable laws and approved by the agency director or designee. In addition to the agency director, appropriate regulatory bodies shall approve some disposals. All proceeds from the sale of District government property shall be dedicated for use by the government for the construction and rehabilitation of its facilities, unless the District Council approves an exception. Where bond proceeds are used to acquire or improve the property, all agencies shall work with the Mayor and the OCFO to ensure that the disposition of the property is in compliance with the applicable laws.

Reserve Management Policy

Emergency Reserve Fund Management

It is the policy of the District government to comply with D.C. Official Code §1-204.50a for the establishment, deposit, maintenance, use and replenishment of the District of Columbia’s Emergency Reserve Fund. Any modifications to these requirements shall be implemented when the law changes and reflected in the policy.

The Emergency Reserve 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 (Pub. L. 100-707, effective November 23, 1988) or unexpected liability created by Federal Law. The 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, or 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 Reserve Fund (see next section) will be completely exhausted at the time of the allocation. Interest earned on the Emergency Reserve Fund shall remain in the account for permitted uses pursuant to D.C. Official Code §1-204.50a.

For purposes of cash flow management, the CFO or his/her designee may borrow from the Emergency Reserve Fund as long as the terms of D.C. Official Code §1-204.50a are adhered to.

The District shall budget and deposit sufficient funds in each fiscal year to maintain or replenish the Emergency Reserve Fund, as required by D.C. Official Code §1-204.50a, or move unassigned fund balance into the Fund as needed. Replenishment of an allocation may also be made within the same fiscal year through a reprogramming of budget authority or a supplemental appropriation.

The District government will invest Emergency Reserve Fund account balances in accordance with the same general policy guidelines described in the “Investment Priorities” section above.

Background: The District is required to maintain an Emergency Reserve Fund equaling a minimum of 2 percent of the qualified operating expenditures based on the applicable Comprehensive Annual Financial Report (CAFR) pursuant to D.C. Official Code §1-204.50a.

Contingency Reserve Fund Management

It is the policy of the District of Columbia to comply with D.C. Official Code §1-204.50a for the establishment, deposit, maintenance, use and replenishment of the District of Columbia’s Contingency Reserve Fund. Any modifications to these requirements shall be implemented when the law changes and reflected in the Policy.

The Contingency Reserve Fund may be used only for nonrecurring or unforeseen needs that arise during a fiscal year, including expenses associated with unforeseen weather or other natural disasters, unexpected

obligations 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 three consecutive months (based on a two-month rolling average) that are 5 percent or more below the budget forecast. The Contingency 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. Interest earned on the Contingency Reserve Fund shall remain in the account for permitted uses pursuant to D.C. Official Code §1-204.50a.

For purposes of cash flow management, the CFO or his/her designee may borrow from the Contingency Reserve Fund as long as the terms of D.C. Official Code §1-204.50a are adhered to.

The District shall budget and deposit sufficient funds in each fiscal year to maintain or replenish the Contingency Reserve Fund as required by D.C. Official Code §1-204.50a or move unassigned fund balance into the Fund as needed. Replenishment of an allocation may also be made within the same fiscal year through a reprogramming of budget authority or a supplemental appropriation.

The District government will invest Contingency Reserve Fund account balances in accordance with the same general policy guidelines described in the “Investment Priorities” section above.

Background: The District is required to maintain a Contingency Reserve Fund equaling a minimum of 4 percent of the qualified operating expenditures based on the applicable CAFR pursuant to D.C. Official Code §1-204.50a.

Fiscal Stabilization Reserve and Cash Flow Reserve Funds

It is the policy of the District government to comply with current requirements for building and maintaining the District of Columbia’s Fiscal Stabilization and Cash Flow Reserve Funds as defined by D.C. Official Code §47-392.02. Any modifications to these requirements shall be implemented when the law changes and shall be reflected in the Policy.

The District government will invest fiscal stabilization and cash flow reserve account balances in accordance with the same general policy guidelines described in the “Investment Priorities” section above.

Background: The Fiscal Stabilization Reserve Fund may be used by the Mayor for certain purposes for which the Contingency Reserve Fund may be used, as specified in section 450A(b)(4) of the Home Rule Act, D.C. Official Code §1-204.50a(b)(4), as certified by the CFO, with approval of the Council by act. At full funding, this reserve must equal 2.34 percent of the District’s General Fund operating expenditures for each fiscal year. The Cash Flow Reserve may be used by the CFO or his/her designee to cover cash flow needs. When amounts are used, the Cash Flow Reserve must be replenished in the same fiscal year of use. At full funding, this reserve must equal 8.33 percent of the General Fund operating budget for each fiscal year.

If either the Fiscal Stabilization Reserve or the Cash Flow Reserve is below full funding upon issuance of the CAFR, the CFO must commit 50 percent of the unassigned end-of-year fund balance to each reserve, or 100 percent of the end-of-year fund balance to the remaining reserve that has not reached full capacity, to fully fund the reserves to the extent allowed by the end-of-year fund balance. Moreover, if the amount required for the Contingency Reserve or Emergency Reserve is reduced, the amount required to be retained in the Fiscal Stabilization Reserve is to be increased by the same amount.

Fiscal Management Policy

Balanced Budget

Pursuant to the Home Rule Act, the District shall both create and operate under a balanced budget throughout the fiscal year. Proposed expenditures under the Mayor's budget proposal to the Council, and the District's budget proposal to Congress, must be balanced within estimated revenues and other resources as certified by the CFO (see Home Rule Act § 424(d)(5)(A); D.C. Code § 1-204.24d(5)(A)). During the year, if revenue forecasts change (see "Revenues" below) such that an unbalanced budget would result, the budget must be adjusted, following approved procedures, to re-attain balance.

A balanced budget for the District is comprised of budgets for each agency, which sum to a total that is balanced within certified revenues. No agency may spend more than its budget (see "Anti-Deficiency Act" below). As each agency spends within its budget, the District's total spending cannot exceed its total budget, thus assuring the District's total spending does not exceed its revenues.

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 OCFO shall make revised quarterly adjustments to the revenue estimated for the year in progress, as required by law (D.C. Official Code §1-204.24d(5)(B)). These adjustments, as certified by the CFO, will be submitted to the Mayor and the District Council. They shall serve as the basis for determining whether revenues are in balance with anticipated expenditures. In addition, the CFO's certified revenue estimates shall be used as the basis for any request for supplemental appropriations submitted to the U.S. Congress that would increase the total amount of General Fund revenue appropriated to the District.

General Fund Balance

In FY 2011, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Consistent with the requirements of that Statement, the District's General Fund balance is comprised of five components: nonspendable, restricted, committed, assigned, and unassigned, which are described more fully below.

- **Nonspendable** – resources which cannot be spent because they are either: (a) not in spendable form; or (b) legally or contractually required to be maintained intact.
- **Restricted** – resources with use constraints which are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed** – resources which can only be used for specific purposes pursuant to limitations imposed by formal action of the District government's highest level of decision-making authority (the Mayor and the District Council). Amounts in this category may be redeployed for other purposes with the appropriate due process. Committed amounts cannot be used for any other purpose unless the District government removes or changes the specified use by taking the same type of action it used to previously commit the amounts.
- **Assigned** – resources neither restricted nor committed, for which the District has a stated intended use as established by the Mayor, District Council, or a body or official to which the Mayor or District Council has delegated the authority to assign amounts for specific purposes. These are resources where the constraints/restrictions are less binding than that for committed resources.

- **Unassigned** – resources which cannot be classified in one of the other four categories. The General Fund is the only fund which may report a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, negative unassigned fund balance may be reported.

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 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.

Moreover, it is the policy of the District to use restricted resources first, followed by committed resources and then assigned resources, when expenses are incurred for purposes for which any of these resources are available.

The portion of the fund balance of the General Fund that is restricted or committed shall be maintained for its specific purpose, unless modified by subsequent legislation. The District strives to maintain within its restricted and/or committed fund balance components an amount up to the level that would result in sufficient working cash to reduce the need for short-term borrowing to finance operations of the subsequent year.

Background: The fund balance of the General Fund represents the difference between the Fund'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, unassigned fund balance would represent an amount that may be used for District priorities after approval by both the District Council and the U.S. Congress.

Expenditure Reporting

The District shall make expenditures only in accordance with federal appropriations law and the District's budget approved by Congress and the District Council. Financial statements will accurately reflect these expenditures. The District's CAFR shall reflect expenditures in the relevant appropriation titles.

Accrual Accounting

The District shall prepare financial statements using both the modified accrual and the full accrual bases of accounting in accordance with GASB Statement No. 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, in FY 2002 the District began issuing two full accrual financial statements (a Statement of Net Position and a Statement of Activities) and including a Management's Discussion and Analysis section in its 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 has improved or deteriorated;
- Evaluate whether the government's current-year revenues are 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; and
- Make better comparisons between governments.

Tax Expenditure Budget

The CFO is required by law to prepare a biennial tax expenditure budget that estimates the revenue loss to the District government resulting from tax expenditures during the current fiscal year and the next three fiscal years.

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. Special Purpose 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 more than one fund within the Special Purpose Revenue category. Revenues will be estimated for each agency's funds 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 District 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 commit or assign 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 restricted or committed fund balance is simply to isolate the portion of fund balance that is restricted by external entities or enabling legislation, or committed through the actions of both the legislative and executive branches of the District. Assigned fund balance represents 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 set aside in the fund balance, or a combination of these two sources. Unassigned fund balance represents residual resources after the allocation of resources to all other classifications.

Expenditures are limited to the lesser of budget authority or available resources, which is the sum of realized revenues and available fund balance.

Special Purpose Revenue budgets may be modified in accordance with federal appropriations law. Reprogramming of budget authority from one agency fund to another is also permissible pursuant to reprogramming statutes. 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, grants administration and reporting, budget authority for grants, and fairness in awarding grants.

Resource Development: To better serve District residents, all District agencies shall pursue to the maximum extent possible federal and other funding opportunities that enhance their 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.

Grant Administration and Reporting: The District of Columbia government, by accepting grant funds, and when designating subgrantees, agrees to administer and report on them in strict adherence to the grantors' programmatic and financial rules and regulations, the District's Grants Policies and Procedures Manual, and applicable federal and District laws.

Budget Authority for Grants: District agencies will spend grant funds for allowable costs 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 CFO submits documentation to the District Council requesting the establishment of budget authority for new grant awards received during the fiscal year or grant budget authority not included in the congressionally approved budget for 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 ensure that this administrative process is as efficient as possible. The efficiency of the process can play a critical role in grants management.

Fairness in Awarding Grants: It is the intent of the District 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 Rulemaking, Chapter 50: Subgrants to Private and Public Agencies.

The only exception to the above procedures occurs when an organization merits a targeted grant, and the awarding of this targeted grant becomes transparent and is 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 three 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 Agency Fiscal Officer shall certify that the award funds are in place and available for distribution.

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 grants and incorporate the relevant regulations and statutes. Funds that are awarded to private and public agencies by District agencies, as subgrants, are bound by the appropriate U.S. Office of Management and Budget (OMB) Circular and Cost Principles as well as any policy guidelines issued by the grantor. Subgrants to other District agencies are generally awarded through the Memorandum of Understanding process. Grants to parties outside the District government generally are awarded through a grant agreement that specifies the performance obligations of the grantee. 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 CFO will meet the District's reporting requirements by publishing the Congressional Grant Budget and Activity report sent to Congress and the District Council, which provides grant-level information; and monthly financial status reports, which provide summaries at the agency level.

Donated Funds Monitoring Policy

Donated funds shall be authorized and monitored pursuant to D.C. Official Code § 1-329.01, Mayor's Order 2010-167, effective October 15, 2010, 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 the intended purpose of the donation until expended or unless the donor, for valid reasons, requests a refund. The Office of the City Administrator (OCA) or a designee and the respective District agency or entity that receives the donation shall be responsible for monitoring the expenditure of the donated funds, in accordance with the applicable rules and regulations.

Capital

Prior to recommending or approving new projects, the District must ensure that the budget for all capital expenditures, including any planned acquisitions and any necessary replacement of assets, does not exceed designated revenue streams and available debt service capacity. The annualized cost of any proposed changes is compared to the approved budget totals from the prior 6-year Capital Improvements Program (CIP) period for each fiscal year. New projects may be approved only insofar as the designated revenue streams are not exceeded and long-term financing cost of the CIP stays within available funding limits, which require that debt service costs not exceed a cap of 12 percent of the District's General Fund expenditures, as detailed in the Debt Management Policy.

Anti-Deficiency Act

District officials and employees must comply with: (a) the federal Anti-Deficiency Act, 31 U.S.C. §§1341, 1342, 1349 through 1351, 1511 through 1519 and D.C. Official Code §§ 1-206.03(e) and 47-105 (the "Federal ADA"); and (b) the District Anti-Deficiency Act, D.C. Official Code §§47-355.01 et seq. (the "D.C. ADA", and (a) and (b) together, as amended from time to time, the "Anti-Deficiency Acts"). Among other provisions, the D.C. ADA requires agency heads and agency fiscal 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, on a quarterly basis, projections of year-end spending to the agency head and agency fiscal officer, with summarized reports being forwarded to the District's CFO no more than 30 days after the end of each quarter. Employees are prohibited from:

- 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;
- Submitting a required plan or projection in an untimely manner;
- Knowingly reporting incorrectly on spending to date or on projected total annual spending;
- Failing to adhere to a spending plan through overspending that is greater than 5 percent of the agency's budget, or \$1 million; or
- Making or authorizing an expenditure or obligation for one capital project from another capital project.

A review board was established, consistent with the Act and implementing regulations, to review potential violations referred to the board, determine culpability, and recommend penalties for violations. The CFO submits quarterly reports to the Mayor and the District Council on actual expenditures and obligations compared to planned levels. The CFO also is 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: District officials and employees are bound by the Anti-Deficiency Acts, which bar them from obligating funds except in accordance with appropriations. Further, the D.C. ADA establishes a greater level of control than does the Federal ADA, and it provides specific penalties for violations. Spending plans are one of the D.C. ADA's key requirements to ensure that appropriations are not exceeded.

Economic Development Policy

Real Property Tax Exemptions

The Office of Tax and Revenue (OTR) implements real property tax exemptions in accordance with applicable law. Except for property exempted by specific legislation or immune from taxation by the District, real property is taxable unless an administrative exemption with respect to such property has been granted. As a general matter, owners of property for which an exemption is sought must apply to OTR. The applicable requirements for exemption are generally set forth in D.C. Official Code § 47-1002 and the regulations promulgated thereunder. OTR reviews each application and determines whether the requirements for the applicable category of exemption, including those pertaining to ownership and use of the property, have been met. A property cannot qualify for exemption simply because its owner is exempt from federal income tax or other taxes. Once granted, the exemption remains in effect as long as the property continues to meet the applicable requirements and the owner files the required annual use reports. If ownership of the property changes, the categorical exemption terminates.

Analysis of Proposed Tax Exemptions and Abatements

Pursuant to the Exemptions and Abatements Information Requirement Act of 2011, effective September 14, 2011 (D.C. Law 19-21; D.C. Official Code § 47-4701 et seq.), new tax abatements and exemptions proposed under Title 47 or Title 42 (§42-1103) of the D.C. Official Code are subject to OCFO analysis prior to

consideration by the District Council. The advisory analysis includes a determination of whether or not the abatement is needed to (a) meet the fiscal needs of the specific existing building, entity, or persons receiving the abatement, (b) cause a specific development project to go forward, or (c) achieve the policy goal of the abatement if the abatement broadly applies to a category of taxpayers. It also includes the estimated cost of the proposed tax abatement. Finally, the District's fiscal impact analysis procedures require that the District budget incorporate any reductions in revenue that result from newly authorized tax abatements, prior to such abatements taking effect.

Debt Financing Tools

The District may provide public-sector financing of economic development to qualified projects pursuant to District laws and subject to the District's laws on borrowing limitations (D.C. Official Code §47-334 et seq., the Cap Act). The OCFO works with the executive branch of the District government in the review, consideration, and approval of the financing of qualified projects.

The primary economic development debt financing instruments used are:

- Tax Increment Financing bonds or notes, in which incremental tax revenues from a project area are pledged to pay debt service on tax increment financing bonds or notes issued to finance a portion of a qualified project; and
- Payment In-Lieu-of-Taxes (PILOT) financing bonds and notes, in which the PILOT payments from a project area are pledged to pay debt service on PILOT bonds or notes issued to finance a portion of a qualified project. PILOT bonds or notes are used only for projects located on parcels that were previously exempt from the payment of real property taxes.

In addition, the District assists private entities, primarily nonprofit organizations and owners of rental apartment complexes, by issuing private activity revenue bonds on their behalf. The District's Revenue Bond Program is administered by the Office of the Deputy Mayor for Planning and Economic Development, and housing development related bonds are issued by the District of Columbia Housing Finance Agency. The debt service on these bonds is payable solely from the revenue of the private entity and is not the District's obligation.

Appendix B:

**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

Four basic differences between the basis of accounting and the basis of budgeting for state and local governments are:

- (1) **Basis Differences** – these 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 for budget purposes and the treatment of encumbrances as expenditures to develop the budget;
- (2) **Perspective Differences** – these differences exist when the structure of financial information for budgetary purposes differs from the fund structure that is used to prepare the basic financial statements. For example, some governments may budget by program and not by fund type;
- (3) **Entity Differences** – these 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; and
- (4) **Timing Differences** – these differences include a significant variance between budgetary practices and GAAP regarding the authorized carry-forward of appropriated funds. Also, in GAAP, accounting revenues are recognized in governmental funds as soon as they are both “measurable” and “available,” whereas revenue recognition under the budgetary basis of accounting may be deferred until amounts are actually received in cash.

When any of these differences exist, GAAP requires 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 self-balancing accounts combined into a separate accounting entity having its own assets, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenue and expenditures/expenses. Funds are established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The District follows GAAP when determining the types of funds to be established and is guided by the “minimum number of funds principle” and sound financial management practices when determining the number

of funds to be set up within each fund type. Specialized accounting and reporting principles and practices apply to governmental funds. Proprietary and trust funds are accounted for in the same manner as business enterprises.

Internal Control

The District's management team is responsible for establishing and maintaining adequate internal controls 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 GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met within three broad, overriding categories:

- (a) efficiency and effectiveness of operations;
- (b) reliability of financial reporting; and
- (c) compliance with applicable laws and regulations.

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 conventions used for recognition of costs and revenue in budget development and in establishing and reporting appropriations, which provide 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 uses an encumbrance recording system as one technique for maintaining budgetary control. In addition, the District adopts a project-length financial plan for its capital projects. Generally, encumbered amounts lapse at year-end in the General Fund but not in the Capital Projects Fund, Special Revenue funds, or the fund for Federal Payments, depending on the appropriation language for each Federal Payment.

Basis of Accounting

The District's financial statements are prepared in accordance with GAAP. As such, the measurement focus and basis of accounting applied in the preparation of the District's financial statements are as follows:

- The District's government-wide financial statements focus on all of the District's economic resources and use the full accrual basis of accounting; and
- The District's fund financial statements focus primarily on the sources, uses, and balances of current financial resources and use the modified accrual basis of accounting.

Appendix C

Fund Structure and Relationship to Budget Structure

Fund Structure and Relationship to Budget Structure

The District's budget is presented by agency, but each part of the budget is also part of a particular fund for accounting purposes. Most of the agencies in the operating budget are reported in two funds, and most of the agencies in the capital budget are reported in one fund, but there are some exceptions.

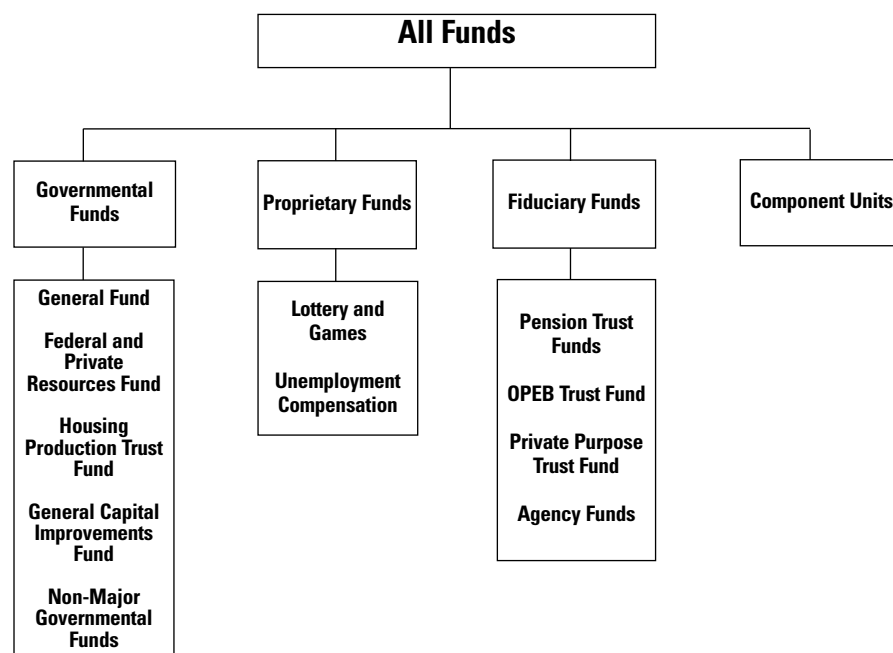
This section describes the District's fund structure as presented in the District's Comprehensive Annual Financial Report (CAFR). It then relates the District's budget presentation to its fund structure.

Fund Structure

A number of funds and reporting entities, both governmental and non-governmental, are included in the District's CAFR and are discussed below. The primary fund and reporting entity categories are:

- Governmental Funds;
- Proprietary Funds;
- Fiduciary Funds; and
- Component Units.

Fund Structure



Governmental Funds

Governmental Funds include four major and six non-major funds. The major governmental funds are:

- General Fund;
- Federal and Private Resources Fund;
- Housing Production Trust Fund; and
- General Capital Improvements Fund.

The non-major governmental funds are:

- Tobacco Settlement Financing Corporation Fund
- Tax Increment Financing Program Fund;
- Payment-in-Lieu-of-Taxes Special Revenue Fund;
- Baseball Special Revenue Fund;
- Debt Service Fund; and
- Highway Trust Fund.

General Fund

The General Fund records three sources of revenue: Local funds, Dedicated Taxes, and Special Purpose Revenues. These are known as appropriated funds.

- **Local funds** are the District's primary source of revenue. Nearly all of the District's tax receipts - the most significant of which are income taxes, sales taxes, and property taxes - are recorded as Local funds. In addition, certain non-tax revenues (those fines, fees, and miscellaneous revenues not dedicated for a particular agency's use) are part of Local funds. Finally, an annual transfer from the Lottery goes into Local funds.
- **Dedicated Taxes** are those taxes that, by law, are dedicated to a particular purpose. Examples include a specified portion of sales tax that is dedicated to the Washington Convention and Sports Authority and the full amount of the motor fuel tax, which is dedicated to the Highway Trust Fund. As detailed below, some dedicated taxes are not part of the General Fund.
- **Special Purpose Revenues** are non-tax revenues collected by District agencies that, by law, are dedicated to support the functions those agencies perform. Examples include certain fees and permit charges that the public pays for and whose proceeds are used by the agency to carry out operations in that same area. Some agencies retain unused revenues collected in a given fiscal year in the restricted or committed portions of the Fund Balance. They are allowed to spend those revenues, if they receive appropriation authority to do so, in a succeeding year.

Descriptions of General Fund revenues, as well as historical data and estimates for FY 2016 and the next three years, can be found in chapter 3 of this Executive Summary volume.

Federal and Private Resources Fund

The Federal and Private Resources Fund records five sources of revenue, each of which is an appropriated 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.
- Private Donations are donations to District agencies from private individuals or organizations.

Housing Production Trust Fund

The Housing Production Trust Fund (HPTF) provides financial assistance to a variety of affordable housing programs and opportunities across the District of Columbia, including initiatives to build affordable rental housing, preserve expiring federal-assisted housing, and help provide affordable homeownership opportunities for low-income families.

General Capital Improvements Fund

The General Capital Improvements Fund accounts for all District capital project activity other than activity in the Highway Trust Fund. It records revenues from multiple sources, primarily bond proceeds of different types, Pay-as-you-go (Paygo) transfers from the General Fund, and federal grants for capital projects, most of which are highway construction grants.

Non-Major Governmental Funds

Special Revenue Funds account for specific revenue that is legally restricted to expenditures for particular purposes. They are as follows:

- The Tobacco Settlement Financing Corporation Fund accounts for activities relating to the tobacco litigation settlement.
- The Tax Increment Financing (TIF) Program Fund accounts for activities relating to tax increment financing development initiatives. These initiatives involve borrowing to finance a project and using the incremental tax revenues generated by the project to repay the borrowed funds.
- The Payment-in-Lieu-of-Taxes (PILOT) Special Revenue Fund accounts for activities relating to development initiatives that are similar to TIF projects, except that repayment is made from PILOT revenues instead of tax revenues.
- The Baseball Special Revenue Fund accounts for the revenues that are legally restricted to expenditures for baseball project purposes, including taxes dedicated to this fund and rent paid by the Nationals to the District.

The Debt Service Fund accounts for the payment of principal and interest on ballpark revenue bonds. It receives a transfer from the Baseball Special Revenue Fund in the amount required to make debt service payments each year.

The Highway Trust Fund accounts for the District's local match to federal highway construction grants. The District typically finances about 20 percent of federal highway projects while federal grants finance about 80 percent, but this proportion can differ for every project.

Proprietary Funds

Proprietary Funds are District units that charge customers for the services provided, whether to outside customers or to other units of the District. The District has two Proprietary Funds:

- D.C. Lottery and Charitable Games Board, which not only operates and is financed like a private business where net income is key to sound management, but also can finance the costs of its goods and services provided to the public on a continuing basis primarily through user charges. The Lottery accounts for revenue from lotteries and daily numbers games operated by the District and from licenses to conduct charitable games, and it transfers its profits to help finance the General Fund.
- Unemployment Compensation Fund, which accounts for funds used to pay benefits to unemployed former employees of the District, federal government, and private employers within the District. The fund is administered by the Department of Employment Services.

Fiduciary Funds

Fiduciary Funds account for assets held by the District in a trustee or agency capacity. These assets cannot be used to support the District's programs. The District's Fiduciary Funds are:

- The Pension Trust Funds, which account for resources accumulated and used for retirement annuity payments for police officers, firefighters, public school teachers and their survivors. Resources are contributed by

employees and by the District and federal governments at amounts determined by an annual actuarial study. The funds are administered by a 13-member Retirement Board. The administrative costs of the board are accounted for in the funds.

- The Other Post-Employment Benefits (OPEB) Trust Fund, which accounts for resources accumulated and used for postemployment health insurance and life insurance premiums for former District employees.
- The Private Purpose Trust Fund, which accounts for the District's sponsored college tuition savings plan.
- The agency funds, which account for refundable deposits required of various licenses, include monies held in escrow as an agent for individuals, private organizations or other governments.

Component Units

Component units are legally separate organizations for which the District is financially accountable because their governing bodies are appointed by the Mayor, with the consent of the Council, or other District officials. The District has five component units:

- Health Benefit Exchange Authority, which implements a health care exchange program in the District of Columbia in accordance with the Patient Protection and Affordable Care Act.
- Washington Convention and Sports Authority, which maintains and operates the Washington Convention Center for local public shows, civic events, and other activities; maintains and operates the National Guard Armory for nonmilitary events and the Robert F. Kennedy Memorial Stadium; and promotes the District as a sporting event site.
- Not-for-Profit Hospital Corporation, commonly known as United Medical Center and United Medical Nursing Center, which provides inpatient, outpatient, psychiatric, and emergency care and manages a skilled nursing facility.
- Housing Finance Agency, which receives funds from public and private sources to alleviate the shortage of housing through greater supply and less expensive mortgage and construction loans.
- University of the District of Columbia (UDC), which accounts for resources received and used by the University of the District of Columbia. The unit contains four separate fund groups: Current Funds, Loan Fund, Endowment Fund, and Plant Funds. A budget is prepared for only the Current Funds.

The District established the District of Columbia Tobacco Settlement Financing Corporation (the "Tobacco Corporation") as a special purpose, independent instrumentality of the District government. The Tobacco Corporation is a blended component unit because it provides services exclusively to the District.

Budget Structure and Relationship to Fund Structure

In FY 2016, the District is publishing six budget volumes: this Executive Summary volume, four volumes covering the operating budget, and one volume covering the capital budget. The operating budget includes agencies whose revenues and expenditures are recorded in the General Fund and the Federal and Private Resources Fund. In addition, the operating budget includes certain agencies that operate outside these two funds. The capital budget includes agencies in the General Capital Improvements Fund and the Highway Trust Fund.

Operating Budget

The District's operating budget (volumes 2 through 4 and volume 6) includes all spending in the General Fund and the Federal and Private Resources Fund. All agencies described in volumes 2, 3, and 4 of the budget documents, except for those in the appropriation title "Enterprise and Other Funds" (part H of volume 4), are budgeted in, and make expenditures in, one of these two funds.

The "Enterprise and Other Funds" section of the budget includes agencies that operate through both governmental and non-governmental funds. These agencies relate to fund categories as follows:

Fund Category	Agency
Governmental Funds - Major	• Housing Production Trust Fund
Governmental Funds - Non-Major	• Tax Increment Financing (TIF) Program • Repayment of PILOT Financing • Ballpark Revenue Fund
Proprietary Funds	• D.C. Lottery and Charitable Games Control Board • Unemployment Insurance Trust Fund
Fiduciary Funds	• D.C. Public Library Agency Trust Fund
Component Units	• Health Benefit Exchange Authority • Washington Convention and Sports Authority • Not-For-Profit Hospital Corporation • Housing Finance Agency • University of the District of Columbia
Other	• Water and Sewer Authority • Washington Aqueduct • District of Columbia Retirement Board

Note that the "Ballpark Revenue Fund" is the name of the agency that includes budget for expenditures made through both the Baseball Special Revenue Fund and the Debt Service Fund, both of which are non-major governmental funds. As such, this agency includes budget authority for the debt service portion of its expenditures twice: once to provide budget authority to transfer revenue from the Baseball Special Revenue Fund to the Debt Service Fund, and a second time to make the debt service expenditures from the Debt Service Fund.

Capital Budget

The capital budget volume (volume 5) includes all revenues and expenditures related to the General Capital Improvements Fund. All agency capital budget chapters show spending in this fund, except for a portion of the budget of the District Department of Transportation (DDOT). Some of DDOT's projects are financed by bond revenues or Paygo capital and are budgeted in the General Capital Improvements Fund. But its Highway Trust Fund projects are financed by a mix of federal grants and local match. As noted above, the federal grant portion of these projects is recorded in the General Capital Improvements Fund, while the local match is recorded in the Highway Trust Fund, a non-major governmental fund.

Transfers Between Funds

The District's budget includes a number of transfers between funds.

Dedicated taxes are sometimes dedicated to an agency within the General Fund, in which case they are simply a source of revenue and budget authority for the agency. But certain dedicated taxes are allocated to agencies outside the General Fund. Some of these are transfers through the General Fund, while others are not:

- Dedicated tax revenues flow through the General Fund to two agencies: the Washington Convention and Sports Authority and the Highway Trust Fund. The revenues are in the Dedicated Tax appropriated fund, in the General Fund, and the operating budget includes a General Fund transfer agency that records an "expenditure" of these funds as the transfer is made. The budget for the Washington Convention and Sports Authority is included in part H of volume 4, and the budget for the Highway Trust Fund is in volume 6.
- Four allocations of dedicated taxes are not transferred through the General Fund – the tax revenues go directly to the agencies and are never considered part of General Fund revenue. These are the allocations to the Tax Increment Financing Program, Repayment of PILOT Financing, the Ballpark Revenue Fund, and the Housing Production Trust Fund. The budgets for these four agencies are included in part H of volume 4.

In some cases, more dedicated tax revenue is allocated to these agencies than is needed. Specifically, revenues for the Ballpark Revenue Fund and for some projects in the Tax Increment Financing Program and in Repayment of PILOT Financing have accumulated faster than needed for the purposes of these agencies, which is to pay debt service on past borrowings. Depending on legislation and bond documents in each instance, the excess amounts may be available for transfer to the General Fund, and in recent years these transfers have added to General Fund resources.

Other transfers are budgeted each year. Each year, the District budgets a transfer of Local Funds to the University of the District of Columbia. In addition, the Lottery (a Proprietary Fund) transfers revenues to the General Fund each year; these revenues become part of Local Funds.

Pay-as-you-go (Paygo) capital refers to the use of current-year operating budget revenue for a capital project, to supplement the long-term financing that is typically used for capital projects. Similar to the Dedicated Tax transfers above, the operating budget includes a General Fund Paygo (transfer) agency that records an “expenditure” of these funds as the transfer is made from the General Fund to the General Capital Improvements Fund. Occasionally, funds previously transferred through Paygo to the General Capital Improvements Fund but not spent will be transferred back to the General Fund.

Indirect Cost Recovery refers to the District’s ability to use a portion of federal grant revenues to fund central services that provide indirect support for grant-receiving agencies. Terms are set out in each grant agreement. These revenues are accumulated and transferred each year from the Federal and Private Resources Fund, where grant revenue is first recorded, to the General Fund, where the transfer helps support spending by General Fund agencies.

Bond Issuance Costs are the costs related to issuing General Obligation Bonds, Income Tax-Secured Revenue Bonds, and other long-term debt. These costs include (but are not limited to) expenses related to underwriting, credit enhancement, financial advisory, documentation, and credit ratings on the bonds. A portion of the bond proceeds is used to pay these costs. Once bond proceeds are received for the General Obligation Bonds, or the Income Tax Secured Revenue Bonds, almost all of the proceeds are recorded in the General Capital Improvements Fund. The portion used to pay for issuance costs, however, is recorded directly in the General Fund. The issuance costs for other long-term debt are recorded to the applicable budget and fund at the time the bonds are issued.

New Appropriated Funds in FY 2015

Through FY 2014, agencies in “Enterprise and Other Funds” (part H of the operating budget) were budgeted for the most part as receiving Special Purpose Revenue, and several agencies were also budgeted as receiving Local funds or Dedicated Taxes. These are the same appropriated funds that are part of the General Fund, even though these agencies do not operate in the General Fund. For FY 2015, two new appropriated funds, “Enterprise and Other Funds” and “Enterprise and Other Funds – Dedicated,” were created to replace the use of Special Purpose Revenue, Local, and Dedicated Taxes by these agencies. The result is that these three appropriated funds now refer exclusively to General Fund revenue, while the two new appropriated funds together display all budget for the Enterprise and Other Funds.

Intra-District Budgets

Note that each agency’s operating budget total may also include an intra-District budget. Intra-District budget represent agreements between two agencies whereby one agency purchases services from the other. The buying agency makes an expenditure against its own budget authority (Local, Dedicated Tax, Special Purpose Revenue, Federal, or Private) by transferring resources to the selling agency. The selling agency receives this expenditure as intra-District revenue, establishes intra-District budget authority, and spends against that authority to provide the service. An agency’s total “gross funds” budget includes its intra-District budget authority. Because such arrangements appear as expenditures twice, once in each agency, the intra-District totals are excluded from the District-wide calculations of the total “gross funds” budget. They also are excluded from the CAFR totals reported at the end of the year.

Appendix D

Current Services Funding Level (CSFL) Development

Current Services Funding Level (CSFL) Development

Overview

The Current Services Funding Level (CSFL) is a Local funds only representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2016 approved budget across multiple programs, and it estimates how much it would cost an agency to continue its current programs and operations into FY 2017. The FY 2017 CSFL adjustments to the FY 2016 Local funds budget are described in the FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type table (Table 5) of nearly every District agency's budget chapter.

Methodology

The starting point in estimating the required level of programmatic funding for the upcoming fiscal year (FY 2017) was the approved budget of the current fiscal year (FY 2016). One-time expenditures in FY 2016 were removed from the calculation, since they were assumed not to continue into FY 2017. There were several components within the approved budget that were considered basic to most agencies and required the application of a standard methodology. In these instances, the same calculations were applied across all District agencies; however, some calculations were restricted only to a particular agency or a specific group of agencies and to applicable Comptroller Source Groups (CSGs), or expenditure types, such as Salaries, Fringe Benefits, Contracts, or Supplies. Finally, specific assumptions were applied to certain agencies, in some cases for known budget items that were likely to recur, and in other cases because characteristics were unique to the agency, such as debt service obligations.

General Assumptions Used to Develop the CSFL

The following are the general assumptions that were applied to nearly all District agencies in the FY 2017 CSFL:

1. **Fringe Benefit Rate Adjustments (By Agency):** The FY 2017 fringe benefit rate adjustment was calculated based on: 1) a four-year average of fringe data; 2) the percentage of health and other benefits to total fringe; and 3) a projection of growth in benefits.
2. **Consumer Price Index (CPI) Growth Factor: 2.3 Percent Year-over-Year (YoY) increase to Nonpersonal Services (NPS) costs (CSG 41):** The 2.3 percent inflation factor is based on the seasonally adjusted CPI for the Metropolitan Washington region, which is forecasted by the Office of Revenue Analysis. The Office of Budget and Planning used the CPI to adjust for inflation.
3. **FY 2017 Pay Raise:** This shows the effect of pay raises on the budget, for the agencies that have approved compensation agreements.

Specific Assumptions Used to Develop the CSFL

The following are the specific assumptions that were applied only to certain CSGs within one particular agency or within specific groups of agencies:

1. **Removal of One-Time Items:** All FY 2016 one-time items were removed from the CSFL.
2. **Recurring Budget Items:** Where applicable, recurring budget items were identified to adjust CSGs 11 (Regular Pay - Continuing Full Time), 13 (Additional Gross Pay), 14 (Fringe Benefits – Current Personnel), 15 (Overtime Pay), 40 (Other Services and Charges), 41 (Contractual Services - Other), and 50 (Subsidies and Transfers). Recurring budget items for all other CSGs were not adjusted in the FY 2017 CSFL.
3. **Personal Services Adjustments:** This reflects the projected full-year impact of new positions requested in the FY 2016 budget, approved union contracts, and corresponding salary Fringe Benefits adjustments.
4. **Fixed Cost Inflation Factor: YoY Increase to Fixed Costs (CSGs 30, 31, 32, 33, 34, and 35):** The fixed costs for the FY 2017 CSFL were derived from cost estimates provided by the Department of General Services, telecommunication estimates provided by the Office of Finance and Resource Management, and fleet estimates provided by the Department of Public Works.
5. **Medicaid Growth Factor: Percent Increase in Medicaid:** The rate of 1.6 percent was provided by the Department of Health Care Finance.
6. **Student Funding Formula Inflation Factor:** The funding formula was increased by 2.0 percent to account for inflationary costs that are generally associated with educating students in the District of Columbia Public Schools and Public Charter Schools.
7. **Debt Service Adjustments:** Projected adjustments were provided by the Office of Finance and Treasury.
8. **Operating Impact of Capital:** Projected adjustments for completed capital projects that will have operating costs were included in the CSFL.
9. **Other Adjustments:** These adjustments were unique to a particular agency and did not meet the criteria of the other adjustment scenarios.

Appendix E

Agency Performance Plans

Agency Performance Plans

Overview

The Office of the City Administrator (OCA) is building a robust performance management program across the District. This process includes making several updates to the format and submission process for annual agency performance plans.

Under the new process, agencies had the opportunity to update major components of their performance plan for FY 2017 including: objectives, key performance indicators and workload measures. Ultimately, the revised performance plans will be able to communicate more effectively the important work each agency plans to do over the coming year and how each agency will work to improve its performance. First drafts of the high-level components of each agency's performance plan (objectives, key performance indicators, and operations) are published online with the Mayor's FY 2017 budget submission.

The following provides a background of annual performance plans and their uses, a summary of major changes in FY 2017, a description of the major components and a summary of the performance management timeline.

Background:

Annual Performance Plans can help accomplish several purposes, these include:

- Provide clear direction on how an agency plans to make progress toward achieving its mission and aligning to the Mayor's goals and vision for the District,
- Help to align and prioritize resources,
- Be a tool to monitor progress toward completion of strategic initiatives and key projects,
- Communicate to the Mayor, the Council of the District of Columbia, and the public on what the agency plans to do to improve its performance over the coming year.

The OCA heard from several agencies about the problems the prior annual performance plans presented: they did not encompass the full scope of agency activities nor did they often align with an agency's budget; content was difficult to understand by the public; and for many agencies, content was outdated. The new system incorporates changes to address these problems. In addition, it increases flexibility to help all agencies more clearly communicate what they plan to achieve and help the Mayor and City Administrator track their performance throughout the year.

Structure:

I. Major Changes

- In FY 2017, all agencies had the ability to update their strategic objectives, key performance indicators, and workload measures to reflect their current mission. After FY 2017, these components should remain stable unless agency requirements change or new data that would be helpful to track performance becomes available.

- All agencies will include a Strategic Objective on Excellence in Government along with standardized metrics across all agencies provided by the OCA. These metrics will track areas like spending, contracting, hiring and customer service. This is new standardized data being reported in the performance plans across government agencies that will help the Mayor, the Council of the District of Columbia, and the public to compare an agency's performance across government. OCA will work over the next several months to have the data in these areas ready for view in FY 2017.
- Agencies will include Daily Services and major long-term Key Projects through the addition of an Operations component. This addition will help agencies better reflect all of the work they do to achieve their Strategic Objectives and is defined in greater detail below.

II. Components

Below is a summary of each component in the Annual Performance Plan.

- **Strategic Objectives.** Strategic Objectives describe what the agency will do, at a high level, to achieve its Mission. These are action-based sentences that define what an agency does for its customers, whether the customers are citizens or other District agencies.
 - o New for FY 2017, each agency will be required to add an Excellence in Government Strategic Objective and several key performance indicators. These indicators are as follows:
 - Contracts/Procurement - Percent of Expendable Budget spent on Certified Business Enterprises
 - Contracts/Procurement - Contracts lapsed into retroactive status
 - Budget - Local funds unspent
 - Budget - Federal Funds returned
 - Customer Service - Meeting Service Level Agreements
 - Human Resources - Vacancy Rate
 - Human Resources - Employee District residency
 - Human Resources - Employee Onboard Time
 - Performance Management - Employee Performance Plan Completion
 - o For agencies that do not track one of the measures above in one of the District's citywide databases, OCA will work with that agency to substitute a corresponding measure.
- **Key Performance Indicators.** Key Performance Indicators measure how well an agency is achieving its Strategic Objectives. They are outcome oriented and should be used to answer the question, "What does the agency need to measure to determine success?"
- **Operations.** Operations include the work that happens on a daily basis to help achieve the Strategic Objectives. This is further divided into Daily Services, such as sanitation disposal, and long-term Key Projects that are high profile, one-time and span several years, such as the redevelopment of Walter Reed Army Medical Center. Many agencies will mostly have Daily Services, whereas some agencies that have substantial amounts of capital funds will have several Key Projects.

Available in the second draft to be published in the Congressional Submission of the FY 2017 budget (typically done in late June or early July):

- **Workload Measures.** Workload Measures cover inputs and outputs of Operations such as the number of driver's licenses issued. Workload Measures include major components that provide crucial information about an agency's work and the work that is needed to make progress toward the Strategic Objective.

Available in the final draft to be published on the OCA website by October 1, 2016:

- **Strategic Initiatives.** Strategic Initiatives are defined as changes and/or enhancements to Operations that will help make progress on the Strategic Objective. Strategic Initiatives are typically completed or implemented in one or two years. Strategic Initiatives may affect more than one Operational function. A Strategic Initiative can encompass several areas:
 - o How an agency will improve a Daily Service, for example, by streamlining the intake process for customers accessing an agency's service.
 - o How an agency will implement a new component to a current Daily Service, for example, by rolling out body-worn cameras for police officers on patrol.
 - o How an agency will implement the current phase and expected progress for long-term Key Projects, for example, by completing the initial design work for construction of a new District facility. Daily Services may not always have a corresponding Strategic Initiatives but Key Projects will always have an Initiative that describes the year's expectations.

III. How are Performance Plans used?

Annual Performance Plans will be used at several points during the year to help the Mayor, City Administrator and Deputy Mayors prioritize resources, track progress, and make adjustments during the year as needed. The draft Annual Performance Plans will be used during budget meetings to understand how changes in funding are expected to affect performance.

After Annual Performance Plans are finalized, OCA and Deputy Mayors will meet with agencies once per quarter to assess how progress on the Performance Plan is being made. These meetings can help identify areas where progress is stalled and talk about what adjustments and assistance are needed to help move forward. In addition, they will also serve as a way to check in and see that the agency continues to remain focused on areas that are important to the Mayor throughout the year. For example, adjustments could need to be made for new laws, regulations or new potential focus areas that arise after the performance plan is published. These changes will be communicated in a transparent way where the public can see where and why a focus was changed.

Appendix F, G, H and I

Summary Tables: FY 2017 Proposed Budget and Financial Plan

F: FY 2017 Proposed Budget - *General Fund*

G: FY 2017 Proposed Budget - *Gross Funds*

H: FY 2017 Proposed Full-Time Equivalent
Employment Authority - *General Fund*

I: FY 2017 Proposed Full-Time Equivalent
Employment Authority - *Gross Funds*

Government of the District of Columbia
FY 2017 Proposed Budget
General Fund

Appropriation Title (thousands of dollars)

Agency Code	Agency Name	FY 2015 Actuals General Fund	FY 2016 Approved General Fund	FY 2017 Proposed Local Funds	FY 2017 Proposed Dedicated Taxes	FY 2017 Proposed Other Funds	Total, FY 2017 Proposed General Fund	Change from FY 2016 Approved General Fund
Governmental Direction and Support								
AB0	Council of the District of Columbia	19,511	22,321	23,902	0	0	23,902	1,582
AC0	Office of the District of Columbia Auditor	4,460	4,663	5,202	0	0	5,202	539
DX0	Advisory Neighborhood Commissions	825	927	934	0	0	934	7
AL0	Uniform Law Commission	41	50	50	0	0	50	0
AA0	Office of the Mayor	10,021	7,825	9,069	0	0	9,069	1,244
AH0	Mayor's Office of Legal Counsel	0	1,596	1,642	0	0	1,642	46
AI0	Office of the Senior Advisor	0	1,894	2,200	0	0	2,200	306
BA0	Office of the Secretary	4,239	3,463	2,531	0	1,000	3,531	68
AE0	Office of the City Administrator	4,310	6,420	7,319	0	338	7,657	1,237
EM0	Deputy Mayor for Greater Economic Opportunity	0	698	2,946	0	0	2,946	2,248
RK0	D.C. Office of Risk Management	3,380	2,923	4,052	0	0	4,052	1,129
BE0	D.C. Department of Human Resources	8,912	8,627	8,451	0	479	8,930	303
JR0	Office of Disability Rights	980	1,070	1,103	0	0	1,103	34
RJ0	Captive Insurance Agency	2,211	1,489	2,072	0	237	2,308	820
AS0	Office of Finance and Resource Management	19,190	21,873	23,380	0	407	23,787	1,914
PO0	Office of Contracting and Procurement	16,427	21,343	23,906	0	375	24,281	2,938
TO0	Office of the Chief Technology Officer	64,466	72,417	65,994	0	12,153	78,147	5,730
AF0	Contract Appeals Board	1,201	1,449	1,492	0	0	1,492	43
AM0	Department of General Services	292,066	324,253	325,865	0	7,561	333,426	9,173
DL0	Board of Elections	7,485	7,390	7,593	0	0	7,593	203
CJ0	Office of Campaign Finance	2,439	2,704	2,792	0	0	2,792	88
CG0	Public Employee Relations Board	1,311	1,274	1,293	0	0	1,293	19
CH0	Office of Employee Appeals	1,525	1,745	1,795	0	0	1,795	51
EA0	Metropolitan Washington Council of Governments	450	472	495	0	0	495	23
AG0	D.C. Board of Ethics and Government Accountability	1,455	1,774	1,910	0	150	2,060	286
CB0	Office of the Attorney General for the District of Columbia	65,337	58,973	59,003	0	4,209	63,211	4,238
AR0	Statehood Initiatives	137	230	234	0	0	234	5
AD0	Office of the Inspector General	14,009	14,595	15,954	0	0	15,954	1,359
AT0	Office of the Chief Financial Officer	128,488	162,340	125,131	0	43,493	168,624	6,284
Total, Governmental Direction and Support		674,876	756,796	728,310	0	70,402	798,711	41,915

**Government of the District of Columbia
FY 2017 Proposed Budget
General Fund**

Appropriation Title (thousands of dollars)								
Agency Code	Agency Name	FY 2015 Actuals General Fund	FY 2016 Approved General Fund	FY 2017 Proposed Local Funds	FY 2017 Proposed Dedicated Taxes	FY 2017 Proposed Other Funds	Total, FY 2017 Proposed General Fund	Change from FY 2016 Approved General Fund
Economic Development and Regulation								
EB0	Office of the Deputy Mayor for Planning and Economic Development	33,589	36,378	13,473	0	20,975	34,448	-1,930
BD0	Office of Planning	9,420	9,462	9,025	0	100	9,125	-337
EN0	Department of Small and Local Business Development	8,524	9,642	10,415	0	0	10,415	772
TK0	Office of Motion Picture and Television Development*	866	0	0	0	0	0	0
CI0	Office of Cable Television, Film, Music, and Entertainment	0	13,601	1,625	0	10,339	11,964	-1,637
BJ0	Office of Zoning	2,625	2,606	2,915	0	0	2,915	309
DB0	Department of Housing and Community Development	13,521	14,666	11,986	0	3,790	15,776	1,110
CF0	Department of Employment Services	79,615	98,315	64,022	0	44,105	108,127	9,812
DA0	Real Property Tax Appeals Commission	1,680	1,636	1,703	0	0	1,703	67
CR0	Department of Consumer and Regulatory Affairs	41,623	44,012	20,008	0	35,518	55,526	11,515
CQ0	Office of the Tenant Advocate	2,191	2,788	2,788	0	0	2,788	0
BX0	D.C. Commission on the Arts and Humanities	13,728	15,196	14,475	0	200	14,675	-521
LQ0	Alcoholic Beverage Regulation Administration	6,188	8,142	0	1,170	7,098	8,268	126
DH0	Public Service Commission	12,764	12,729	0	0	13,316	13,316	587
DJ0	Office of the People's Counsel	6,405	7,648	0	0	7,436	7,436	-212
SR0	Department of Insurance, Securities, and Banking	17,624	25,610	0	0	26,279	26,279	669
CT0	Office of Cable Television*	6,881	0	0	0	0	0	0
HY0	Housing Authority Subsidy	37,699	59,425	59,425	0	0	59,425	0
HP0	Housing Production Trust Fund Subsidy	0	50,179	55,054	0	0	55,054	4,875
ID0	Business Improvement Districts Transfer	25,137	28,000	0	0	37,000	37,000	9,000
Total, Economic Development and Regulation		320,080	440,037	266,913	1,170	206,157	474,240	34,203
<i>*In FY 2016, funding and FTEs for the Office of Motion Picture and Television Development (TK0) and the Office of Cable Television (CT0) were transferred to the Office of Cable Television, Film, Music, and Entertainment (CI0).</i>								
Public Safety and Justice								
FA0	Metropolitan Police Department	483,620	513,771	516,662	0	7,864	524,526	10,755
FB0	Fire and Emergency Medical Services Department	217,243	231,798	250,003	0	1,025	251,028	19,230
FD0	Police Officers' and Fire Fighters' Retirement System	103,430	136,115	145,631	0	0	145,631	9,516
FL0	Department of Corrections	135,902	150,733	126,404	0	20,168	146,572	-4,161
FK0	District of Columbia National Guard	4,273	5,026	5,020	0	0	5,020	-7
BN0	Homeland Security and Emergency Management Agency	3,725	4,552	4,667	0	0	4,667	116
FH0	Office of Police Complaints	2,133	2,292	2,366	0	0	2,366	75

**Government of the District of Columbia
FY 2017 Proposed Budget
General Fund**

Appropriation Title (thousands of dollars)

Agency Code	Agency Name	FY 2015 Actuals General Fund	FY 2016 Approved General Fund	FY 2017 Proposed Local Funds	FY 2017 Proposed Dedicated Taxes	FY 2017 Proposed Other Funds	Total, FY 2017 Proposed General Fund	Change from FY 2016 Approved General Fund
FZ0	District of Columbia Sentencing and Criminal Code Revision Commission	1,412	1,610	1,087	0	0	1,087	-523
FX0	Office of the Chief Medical Examiner	9,245	10,828	11,423	0	0	11,423	595
FS0	Office of Administrative Hearings	8,124	8,805	8,926	0	0	8,926	121
FJ0	Criminal Justice Coordinating Council	515	1,167	555	0	0	555	-612
UC0	Office of Unified Communications	40,923	45,168	31,875	0	17,811	49,686	4,517
FR0	Department of Forensic Sciences	15,205	22,500	22,879	0	0	22,879	379
FQ0	Office of the Deputy Mayor for Public Safety and Justice	19,648	846	1,605	0	0	1,605	760
FI0	Corrections Information Council	0	482	497	0	0	497	15
FO0	Office of Victim Services and Justice Grants	0	22,492	20,136	0	1,798	21,934	-558
Total, Public Safety and Justice		1,045,398	1,158,185	1,149,736	0	48,666	1,198,402	40,217
Public Education System								
GA0	District of Columbia Public Schools	715,093	734,629	756,389	0	6,109	762,498	27,869
GX0	Teachers' Retirement System	39,443	44,469	56,781	0	0	56,781	12,312
GD0	Office of the State Superintendent of Education	143,172	143,256	142,523	4,282	1,047	147,853	4,597
GC0	District of Columbia Public Charter Schools	661,074	677,744	723,717	0	0	723,717	45,974
GG0	University of the District of Columbia Subsidy Account	73,458	70,942	76,200	0	0	76,200	5,258
CE0	District of Columbia Public Library	56,487	56,467	56,373	0	1,310	57,683	1,216
GB0	District of Columbia Public Charter School Board	0	8,000	0	0	8,014	8,014	14
GN0	Non-Public Tuition	74,340	74,415	74,461	0	0	74,461	46
GO0	Special Education Transportation	86,222	93,805	96,070	0	0	96,070	2,265
GE0	D.C. State Board of Education	990	1,154	1,229	0	0	1,229	76
GW0	Office of the Deputy Mayor for Education	2,850	3,571	3,133	0	0	3,133	-439
Total, Public Education System		1,853,128	1,908,452	1,986,876	4,282	16,480	2,007,639	99,186
Human Support Services								
JA0	Department of Human Services	233,215	273,801	301,716	0	1,975	303,691	29,890
RL0	Child and Family Services Agency	165,996	165,195	165,503	0	1,200	166,703	1,508
RM0	Department of Behavioral Health	231,023	231,106	226,758	0	4,270	231,028	-78
HC0	Department of Health	89,256	92,025	73,564	0	15,626	89,190	-2,835
HA0	Department of Parks and Recreation	39,992	44,226	45,180	0	2,600	47,780	3,554
BY0	D.C. Office on Aging	31,633	31,369	30,049	0	0	30,049	-1,320
BH0	Unemployment Compensation Fund	5,065	6,887	6,887	0	0	6,887	0

Government of the District of Columbia
FY 2017 Proposed Budget
General Fund

Appropriation Title (thousands of dollars)

Agency Code	Agency Name	FY 2015 Actuals General Fund	FY 2016 Approved General Fund	FY 2017 Proposed Local Funds	FY 2017 Proposed Dedicated Taxes	FY 2017 Proposed Other Funds	Total, FY 2017 Proposed General Fund	Change from FY 2016 Approved General Fund
BG0	Employees' Compensation Fund	19,886	20,221	21,521	0	0	21,521	1,300
HM0	Office of Human Rights	3,134	3,741	3,860	0	0	3,860	119
BZ0	Office on Latino Affairs	2,670	2,782	2,799	0	0	2,799	17
JY0	Children and Youth Investment Collaborative	7,000	5,510	4,920	0	0	4,920	-590
AP0	Office on Asian and Pacific Islander Affairs	946	835	855	0	0	855	20
VA0	Office of Veterans' Affairs	323	419	408	0	5	413	-6
JZ0	Department of Youth Rehabilitation Services	94,967	105,676	101,529	0	0	101,529	-4,147
JM0	Department on Disability Services	118,824	124,988	118,738	0	7,163	125,902	914
HT0	Department of Health Care Finance	805,296	773,961	706,421	81,907	3,493	791,821	17,860
HX0	Not-for-Profit Hospital Corporation Subsidy	7,000	0	2,000	0	0	2,000	2,000
HE0	D.C. Health Benefit Exchange Subsidy	0	29,614	0	0	0	0	-29,614
HG0	Office of the Deputy Mayor for Health and Human Services	1,261	1,391	2,086	0	0	2,086	695
Total, Human Support Services		1,857,486	1,913,747	1,814,796	81,907	36,332	1,933,035	19,288
Public Works								
KT0	Department of Public Works	130,682	133,355	136,295	0	7,561	143,856	10,501
KA0	District Department of Transportation	86,308	105,731	74,436	0	24,418	98,853	-6,878
KV0	Department of Motor Vehicles	34,709	38,105	29,899	0	9,864	39,763	1,658
KG0	Department of Energy and Environment	58,229	77,963	17,226	0	59,814	77,040	-923
TC0	D.C. Taxicab Commission	7,288	8,399	4,068	0	7,842	11,910	3,511
KC0	Washington Metropolitan Area Transit Commission	127	127	139	0	0	139	12
KE0	Washington Metropolitan Area Transit Authority	335,703	372,213	248,361	66,670	53,600	368,631	-3,582
Total, Public Works		653,046	735,893	510,423	66,670	163,099	740,192	4,299
Financing and Other								
DS0	Repayment of Loans and Interest	568,132	596,741	620,191	0	5,319	625,510	28,770
ZA0	Repayment of Interest on Short-Term Borrowings	723	3,750	2,500	0	0	2,500	-1,250
ZB0	Debt Service - Issuance Costs	5,638	6,000	6,000	0	0	6,000	0
SM0	Schools Modernization Fund	11,412	14,276	13,523	0	0	13,523	-753
DT0	Repayment of Revenue Bonds	7,829	7,832	0	7,835	0	7,835	3
ZH0	Settlements and Judgments	17,222	21,292	21,292	0	0	21,292	0
ZZ0	John A. Wilson Building Fund	4,336	4,745	4,369	0	0	4,369	-376
UP0	Workforce Investments	0	17,815	18,025	0	0	18,025	210

**Government of the District of Columbia
FY 2017 Proposed Budget
General Fund**

Appropriation Title		(thousands of dollars)						
Agency Code	Agency Name	FY 2015 Actuals General Fund	FY 2016 Approved General Fund	FY 2017 Proposed Local Funds	FY 2017 Proposed Dedicated Taxes	FY 2017 Proposed Other Funds	Total, FY 2017 Proposed General Fund	Change from FY 2016 Approved General Fund
DO0	Non-Departmental	0	21,286	2,504	0	3,142	5,646	-15,640
ELO	Master Equipment Lease/Purchase Program	43,778	48,413	30,009	0	0	30,009	-18,404
PA0	Pay-As-You-Go Capital Fund	136,245	72,466	75,705	0	49,589	125,294	52,829
RH0	District Retiree Health Contribution	91,400	95,400	31,000	0	0	31,000	-64,400
KZ0	Highway Transportation Fund - Transfers	40,210	22,504	0	24,754	0	24,754	2,250
EZ0	Convention Center Transfer-Dedicated Taxes	120,448	125,054	3,186	119,100	0	122,286	-2,767
ZV0	Section 103 Judgments - Financing and Other	21,100	0	0	0	0	0	0
Total, Financing and Other		1,068,473	1,057,573	828,305	151,689	58,050	1,038,044	-19,529
TOTAL GENERAL OPERATING FUNDS		7,472,486	7,970,683	7,285,360	305,718	599,185	8,190,263	219,580

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 2017 Proposed Budget
Gross Funds**

Appropriation Title (thousands of dollars)				FY 2017 Proposed Budget by Type of Funding										
Agency Code	Agency Name	FY 2015 Actuals Gross Funds	FY 2016 Approved Budget Gross Funds	Local Funds	Dedicated Taxes	Other Funds	Subtotal, General Fund	Federal Funds	Private Funds	Enterprise and Other-Dedicated Taxes	Enterprise and Other	Subtotal Gross Funds - Less Intra-District Funds	Intra-District Funds	Total FY 2017 Proposed Budget Gross Funds
Governmental Direction and Support														
AB0	Council of the District of Columbia	19,539	22,391	23,902	0	0	23,902	0	0	0	0	23,902	30	23,932
AC0	Office of the District of Columbia Auditor	4,460	4,663	5,202	0	0	5,202	0	0	0	0	5,202	0	5,202
DX0	Advisory Neighborhood Commissions	825	927	934	0	0	934	0	0	0	0	934	0	934
AL0	Uniform Law Commission	41	50	50	0	0	50	0	0	0	0	50	0	50
AA0	Office of the Mayor	14,158	11,519	9,069	0	0	9,069	3,535	0	0	0	12,604	682	13,286
AH0	Mayor's Office of Legal Counsel	0	1,596	1,642	0	0	1,642	0	0	0	0	1,642	0	1,642
AI0	Office of the Senior Advisor	0	1,894	2,200	0	0	2,200	0	0	0	0	2,200	0	2,200
BA0	Office of the Secretary	4,440	3,463	2,531	0	1,000	3,531	0	0	0	0	3,531	0	3,531
AE0	Office of the City Administrator	5,027	6,420	7,319	0	338	7,657	0	0	0	0	7,657	0	7,657
EM0	Deputy Mayor for Greater Economic Opportunity	0	698	2,946	0	0	2,946	0	0	0	0	2,946	395	3,341
RK0	D.C. Office of Risk Management	3,380	2,923	4,052	0	0	4,052	0	0	0	0	4,052	0	4,052
BE0	D.C. Department of Human Resources	15,973	13,830	8,451	0	479	8,930	0	0	0	0	8,930	5,858	14,788
JR0	Office of Disability Rights	1,612	1,713	1,103	0	0	1,103	522	0	0	0	1,625	145	1,770
RJ0	Captive Insurance Agency	2,211	1,489	2,072	0	237	2,308	0	0	0	0	2,308	0	2,308
AS0	Office of Finance and Resource Management	28,668	36,512	23,380	0	407	23,787	0	0	0	0	23,787	12,737	36,524
PO0	Office of Contracting and Procurement	45,682	22,823	23,906	0	375	24,281	0	0	0	0	24,281	2,380	26,661
TO0	Office of the Chief Technology Officer	101,770	104,174	65,994	0	12,153	78,147	48	0	0	0	78,195	32,196	110,391
AF0	Contract Appeals Board	1,201	1,449	1,492	0	0	1,492	0	0	0	0	1,492	0	1,492
AM0	Department of General Services	423,275	464,753	325,865	0	7,561	333,426	0	0	0	0	333,426	143,990	477,416
DL0	Board of Elections	7,691	7,390	7,593	0	0	7,593	0	0	0	0	7,593	0	7,593
CJ0	Office of Campaign Finance	2,439	2,704	2,792	0	0	2,792	0	0	0	0	2,792	0	2,792
CG0	Public Employee Relations Board	1,311	1,274	1,293	0	0	1,293	0	0	0	0	1,293	0	1,293
CH0	Office of Employee Appeals	1,525	1,745	1,795	0	0	1,795	0	0	0	0	1,795	0	1,795
EA0	Metropolitan Washington Council of Governments	450	472	495	0	0	495	0	0	0	0	495	0	495
AG0	D.C. Board of Ethics and Government Accountability	1,455	1,774	1,910	0	150	2,060	0	0	0	0	2,060	0	2,060
CB0	Office of the Attorney General for the District of Columbia	85,738	84,029	59,003	0	4,209	63,211	22,570	456	0	0	86,238	3,052	89,290
AR0	Statehood Initiatives	137	230	234	0	0	234	0	0	0	0	234	0	234
AD0	Office of the Inspector General	16,103	17,215	15,954	0	0	15,954	2,569	0	0	0	18,522	0	18,522
AT0	Office of the Chief Financial Officer	136,336	170,934	125,131	0	43,493	168,624	525	0	0	0	169,149	8,640	177,789
Total, Governmental Direction and Support		925,449	991,052	728,310	0	70,402	798,711	29,770	456	0	0	828,937	210,105	1,039,043

**Government of the District of Columbia
FY 2017 Proposed Budget
Gross Funds**

Appropriation Title (thousands of dollars)				FY 2017 Proposed Budget by Type of Funding										
Agency Code	Agency Name	FY 2015 Actuals Gross Funds	FY 2016 Approved Budget Gross Funds	Local Funds	Dedicated Taxes	Other Funds	Subtotal, General Fund	Federal Funds	Private Funds	Enterprise and Other-Dedicated Taxes	Enterprise and Other	Subtotal Gross Funds - Less Intra-District Funds	Intra-District Funds	Total FY 2017 Proposed Budget Gross Funds
Economic Development and Regulation														
EB0	Office of the Deputy Mayor for Planning and Economic Development	34,499	39,872	13,473	0	20,975	34,448	1,756	0	0	0	36,204	0	36,204
BD0	Office of Planning	10,167	10,312	9,025	0	100	9,125	525	10	0	0	9,660	140	9,800
EN0	Department of Small and Local Business Development	9,501	10,338	10,415	0	0	10,415	579	0	0	0	10,993	0	10,993
TK0	Office of Motion Picture and Television Development*	866	0	0	0	0	0	0	0	0	0	0	0	0
CI0	Office of Cable Television, Film, Music, and Entertainment	0	13,601	1,625	0	10,339	11,964	0	0	0	0	11,964	0	11,964
BJ0	Office of Zoning	2,644	2,630	2,915	0	0	2,915	0	0	0	0	2,915	24	2,939
DB0	Department of Housing and Community Development	128,707	285,210	11,986	0	3,790	15,776	53,754	0	0	0	69,530	101,178	170,708
CF0	Department of Employment Services	113,796	146,695	64,022	0	44,105	108,127	35,350	1	0	0	143,478	0	143,478
DA0	Real Property Tax Appeals Commission	1,680	1,636	1,703	0	0	1,703	0	0	0	0	1,703	0	1,703
CR0	Department of Consumer and Regulatory Affairs	43,517	44,012	20,008	0	35,518	55,526	0	0	0	0	55,526	0	55,526
CQ0	Office of the Tenant Advocate	2,191	2,907	2,788	0	0	2,788	0	0	0	0	2,788	0	2,788
BX0	D.C. Commission on the Arts and Humanities	14,555	15,955	14,475	0	200	14,675	692	0	0	0	15,366	168	15,534
LQ0	Alcoholic Beverage Regulation Administration	6,188	8,142	0	1,170	7,098	8,268	0	0	0	0	8,268	0	8,268
DH0	Public Service Commission	13,277	13,186	0	0	13,316	13,316	551	22	0	0	13,889	0	13,889
DJ0	Office of the People's Counsel	6,405	7,648	0	0	7,436	7,436	0	0	0	0	7,436	0	7,436
SR0	Department of Insurance, Securities, and Banking	18,531	25,821	0	0	26,279	26,279	0	0	0	0	26,279	125	26,404
CT0	Office of Cable Television*	6,890	0	0	0	0	0	0	0	0	0	0	0	0
HY0	Housing Authority Subsidy	37,699	59,425	59,425	0	0	59,425	0	0	0	0	59,425	0	59,425
HP0	Housing Production Trust Fund Subsidy	0	50,179	55,054	0	0	55,054	0	0	0	0	55,054	0	55,054
ID0	Business Improvement Districts Transfer	25,137	28,000	0	0	37,000	37,000	0	0	0	0	37,000	0	37,000
Total, Economic Development and Regulation		476,251	765,571	266,913	1,170	206,157	474,240	93,207	33	0	0	567,480	101,635	669,115
*In FY 2016, funding and FTEs for the Office of Motion Picture and Television Development (TK0) and the Office of Cable Television (CT0) were transferred to the Office of Cable Television, Film, Music, and Entertainment (CI0).														
Public Safety and Justice														
FA0	Metropolitan Police Department	525,631	541,532	516,662	0	7,864	524,526	3,229	0	0	0	527,756	25,378	553,134
FB0	Fire and Emergency Medical Services Department	223,200	231,798	250,003	0	1,025	251,028	3,022	0	0	0	254,050	400	254,450
FD0	Police Officers' and Fire Fighters' Retirement System	103,430	136,115	145,631	0	0	145,631	0	0	0	0	145,631	0	145,631
FL0	Department of Corrections	136,504	150,919	126,404	0	20,168	146,572	0	0	0	0	146,572	351	146,923
FK0	District of Columbia National Guard	10,911	13,317	5,020	0	0	5,020	8,163	0	0	0	13,183	0	13,183
BN0	Homeland Security and Emergency Management Agency	74,994	132,744	4,667	0	0	4,667	129,862	0	0	0	134,529	0	134,529
DQ0	Commission on Judicial Disabilities and Tenure	307	295	0	0	0	0	310	0	0	0	310	0	310

**Government of the District of Columbia
FY 2017 Proposed Budget
Gross Funds**

Appropriation Title				FY 2017 Proposed Budget by Type of Funding										
Agency Name		FY 2015 Actuals Gross Funds	FY 2016 Approved Budget Gross Funds	Local Funds	Dedicated Taxes	Other Funds	Subtotal, General Fund	Federal Funds	Private Funds	Enterprise and Other-Dedicated Taxes	Enterprise and Other	Subtotal Gross Funds - Less Intra-District Funds	Intra-District Funds	Total FY 2017 Proposed Budget Gross Funds
DV0	Judicial Nomination Commission	202	270	0	0	0	0	275	0	0	0	275	0	275
FH0	Office of Police Complaints	2,133	2,292	2,366	0	0	2,366	0	0	0	0	2,366	0	2,366
FZ0	District of Columbia Sentencing and Criminal Code Revision Commission	1,412	1,610	1,087	0	0	1,087	0	0	0	0	1,087	0	1,087
FX0	Office of the Chief Medical Examiner	9,731	10,884	11,423	0	0	11,423	0	0	0	0	11,423	512	11,935
FS0	Office of Administrative Hearings	9,561	10,220	8,926	0	0	8,926	60	0	0	0	8,986	1,645	10,632
FJ0	Criminal Justice Coordinating Council	2,779	3,142	555	0	0	555	2,000	0	0	0	2,555	75	2,630
UC0	Office of Unified Communications	41,743	45,468	31,875	0	17,811	49,686	0	0	0	0	49,686	325	50,011
FT0	Homeland Security Grants	5,924	4,134	0	0	0	0	0	0	0	0	0	4,077	4,077
FR0	Department of Forensic Sciences	16,149	23,275	22,879	0	0	22,879	376	0	0	0	23,255	821	24,076
FQ0	Office of the Deputy Mayor for Public Safety and Justice	26,302	846	1,605	0	0	1,605	0	0	0	0	1,605	0	1,605
FI0	Corrections Information Council	0	482	497	0	0	497	0	0	0	0	497	0	497
FO0	Office of Victim Services and Justice Grants	0	30,363	20,136	0	1,798	21,934	12,257	0	0	0	34,191	0	34,191
Total, Public Safety and Justice		1,190,913	1,339,704	1,149,736	0	48,666	1,198,402	159,554	0	0	0	1,357,956	33,585	1,391,542
Public Education System														
GA0	District of Columbia Public Schools	875,542	885,942	756,389	0	6,109	762,498	41,648	220	0	0	804,365	101,516	905,882
GX0	Teachers' Retirement System	39,443	44,469	56,781	0	0	56,781	0	0	0	0	56,781	0	56,781
GD0	Office of the State Superintendent of Education	406,901	454,034	142,523	4,282	1,047	147,853	320,803	0	0	0	468,655	37,802	506,458
GC0	District of Columbia Public Charter Schools	661,074	677,744	723,717	0	0	723,717	0	0	0	0	723,717	0	723,717
GG0	University of the District of Columbia Subsidy Account	73,458	70,942	76,200	0	0	76,200	0	0	0	0	76,200	0	76,200
CE0	District of Columbia Public Library	57,451	57,402	56,373	0	1,310	57,683	924	0	0	0	58,607	17	58,624
GB0	District of Columbia Public Charter School Board	0	8,000	0	0	8,014	8,014	0	0	0	0	8,014	0	8,014
GN0	Non-Public Tuition	74,340	74,415	74,461	0	0	74,461	0	0	0	0	74,461	0	74,461
GO0	Special Education Transportation	101,510	97,305	96,070	0	0	96,070	0	0	0	0	96,070	3,000	99,070
GE0	D.C. State Board of Education	990	1,182	1,229	0	0	1,229	0	18	0	0	1,248	0	1,248
GW0	Office of the Deputy Mayor for Education	2,850	3,571	3,133	0	0	3,133	0	0	0	0	3,133	0	3,133
Total, Public Education System		2,293,559	2,375,007	1,986,876	4,282	16,480	2,007,639	363,375	238	0	0	2,371,251	142,336	2,513,587
Human Support Services														
JA0	Department of Human Services	397,845	463,062	301,716	0	1,975	303,691	208,434	0	0	0	512,126	2,852	514,978
RL0	Child and Family Services Agency	230,672	244,837	165,503	0	1,200	166,703	63,778	40	0	0	230,522	1,058	231,580
RM0	Department of Behavioral Health	271,469	272,717	226,758	0	4,270	231,028	23,443	544	0	0	255,014	18,408	273,422
HC0	Department of Health	266,124	261,769	73,564	0	15,626	89,190	133,205	0	0	0	222,394	64,823	287,217

**Government of the District of Columbia
FY 2017 Proposed Budget
Gross Funds**

Appropriation Title				(thousands of dollars)											FY 2017 Proposed Budget by Type of Funding										
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HA0	Department of Parks and Recreation	42,223	46,701	45,180	0	2,600	47,780	0	0	0	0	47,780	2,475	50,255											
BY0	D.C. Office on Aging	42,125	41,213	30,049	0	0	30,049	8,769	0	0	0	38,819	1,662	40,480											
BH0	Unemployment Compensation Fund	5,065	6,887	6,887	0	0	6,887	0	0	0	0	6,887	0	6,887											
BG0	Employees' Compensation Fund	19,886	20,221	21,521	0	0	21,521	0	0	0	0	21,521	0	21,521											
HM0	Office of Human Rights	3,720	4,008	3,860	0	0	3,860	322	0	0	0	4,182	40	4,222											
BZ0	Office on Latino Affairs	3,065	3,177	2,799	0	0	2,799	0	0	0	0	2,799	396	3,195											
JY0	Children and Youth Investment Collaborative	7,000	5,510	4,920	0	0	4,920	0	0	0	0	4,920	0	4,920											
AP0	Office on Asian and Pacific Islander Affairs	1,151	835	855	0	0	855	0	0	0	0	855	0	855											
VA0	Office of Veterans' Affairs	323	419	408	0	5	413	0	0	0	0	413	0	413											
JZ0	Department of Youth Rehabilitation Services	96,002	106,020	101,529	0	0	101,529	0	0	0	0	101,529	344	101,873											
JM0	Department on Disability Services	156,255	162,425	118,738	0	7,163	125,902	40,646	10	0	0	166,558	50	166,607											
HT0	Department of Health Care Finance	2,764,826	3,005,454	706,421	81,907	3,493	791,821	2,191,023	0	0	0	2,982,843	89,063	3,071,906											
HX0	Not-for-Profit Hospital Corporation Subsidy	7,000	0	2,000	0	0	2,000	0	0	0	0	2,000	0	2,000											
HE0	D.C. Health Benefit Exchange Subsidy	0	29,614	0	0	0	0	0	0	0	0	0	0	0											
HG0	Office of the Deputy Mayor for Health and Human Services	1,261	1,391	2,086	0	0	2,086	0	0	0	0	2,086	0	2,086											
Total, Human Support Services		4,316,011	4,676,260	1,814,796	81,907	36,332	1,933,035	2,669,620	594	0	0	4,603,249	181,169	4,784,418											
Public Works																									
KT0	Department of Public Works	155,141	158,045	136,295	0	7,561	143,856	0	0	0	0	143,856	27,210	171,066											
KA0	District Department of Transportation	91,506	113,676	74,436	0	24,418	98,853	11,695	0	0	0	110,548	308	110,856											
KV0	Department of Motor Vehicles	38,215	43,148	29,899	0	9,864	39,763	0	0	0	0	39,763	5,270	45,033											
KG0	Department of Energy and Environment	80,055	106,215	17,226	0	59,814	77,040	27,937	0	0	0	104,977	1,875	106,851											
TC0	D.C. Taxicab Commission	8,032	8,599	4,068	0	7,842	11,910	0	0	0	0	11,910	200	12,110											
KC0	Washington Metropolitan Area Transit Commission	127	127	139	0	0	139	0	0	0	0	139	0	139											
KE0	Washington Metropolitan Area Transit Authority	335,703	372,213	248,361	66,670	53,600	368,631	0	0	0	0	368,631	0	368,631											
Total, Public Works		708,778	802,023	510,423	66,670	163,099	740,192	39,632	0	0	0	779,824	34,863	814,686											
Financing and Other																									
DS0	Repayment of Loans and Interest	586,572	615,003	620,191	0	5,319	625,510	18,262	0	0	0	643,772	0	643,772											
ZA0	Repayment of Interest on Short-Term Borrowings	723	3,750	2,500	0	0	2,500	0	0	0	0	2,500	0	2,500											
ZB0	Debt Service - Issuance Costs	5,638	6,000	6,000	0	0	6,000	0	0	0	0	6,000	0	6,000											
SM0	Schools Modernization Fund	11,412	14,276	13,523	0	0	13,523	0	0	0	0	13,523	0	13,523											
DT0	Repavment of Revenue Bonds	7,829	7,832	0	7,835	0	7,835	0	0	0	0	7,835	0	7,835											

**Government of the District of Columbia
FY 2017 Proposed Budget
Gross Funds**

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Agency Code	Agency Name	FY 2015 Actuals Gross Funds	FY 2016 Approved Budget Gross Funds	Local Funds	Dedicated Taxes	Other Funds	Subtotal, General Fund	Federal Funds	Private Funds	Enterprise and Other-Dedicated Taxes	Enterprise and Other	Subtotal Gross Funds - Less Intra-District Funds	Intra-District Funds	Total FY 2017 Proposed Budget Gross Funds
ZH0	Settlements and Judgments	17,222	21,292	21,292	0	0	21,292	0	0	0	0	21,292	0	21,292
ZZ0	John A. Wilson Building Fund	4,336	4,745	4,369	0	0	4,369	0	0	0	0	4,369	0	4,369
UP0	Workforce Investments	0	17,815	18,025	0	0	18,025	0	0	0	0	18,025	0	18,025
DO0	Non-Departmental	0	21,286	2,504	0	3,142	5,646	0	0	0	0	5,646	0	5,646
EP0	Emergency Planning and Security Fund	19,009	13,000	0	0	0	0	34,895	0	0	0	34,895	0	34,895
ELO	Master Equipment Lease/Purchase Program	43,778	48,413	30,009	0	0	30,009	0	0	0	0	30,009	0	30,009
PA0	Pay-As-You-Go Capital Fund	136,245	72,466	75,705	0	49,589	125,294	0	0	0	0	125,294	0	125,294
RH0	District Retiree Health Contribution	91,400	95,400	31,000	0	0	31,000	0	0	0	0	31,000	0	31,000
KZ0	Highway Transportation Fund - Transfers	40,210	22,504	0	24,754	0	24,754	0	0	0	0	24,754	0	24,754
EZ0	Convention Center Transfer-Dedicated Taxes	120,448	125,054	3,186	119,100	0	122,286	0	0	0	0	122,286	0	122,286
ZV0	Section 103 Judgments - Financing and Other	21,100	0	0	0	0	0	0	0	0	0	0	0	0
Total, Financing and Other		1,105,922	1,088,835	828,305	151,689	58,050	1,038,044	53,157	0	0	0	1,091,201	0	1,091,201
TOTAL GENERAL OPERATING FUNDS		11,016,883	12,038,453	7,285,360	305,718	599,185	8,190,263	3,408,315	1,321	0	0	11,599,899	703,693	12,303,592
Enterprise and Other Funds														
LA0	Water and Sewer Authority*		541,605	0	0	0	0	0	0	0	535,825	535,825	0	535,825
LB0	Washington Aqueduct*		62,728	0	0	0	0	0	0	0	59,770	59,770	0	59,770
DC0	D.C. Lottery and Charitable Games Control Board	212,190	220,000	0	0	0	0	0	0	0	215,000	215,000	0	215,000
DY0	District of Columbia Retirement Board*		32,302	0	0	0	0	0	0	0	39,096	39,096	0	39,096
ES0	Washington Convention and Sports Authority*		134,670	0	0	0	0	0	0	0	146,959	146,959	0	146,959
HF0	Housing Finance Agency*		10,798	0	0	0	0	0	0	0	11,740	11,740	0	11,740
GF0	University of the District of Columbia*		153,968	0	0	0	0	0	0	0	162,543	162,543	0	162,543
UW0	D.C. Public Library Agency Trust Fund	0	17	0	0	0	0	0	0	0	17	17	0	17
UI0	Unemployment Insurance Trust Fund	118,778	235,000	0	0	0	0	0	0	0	194,147	194,147	0	194,147
UZ0	Housing Production Trust Fund	73,009	100,000	0	0	0	0	0	0	44,946	55,054	100,000	0	100,000
TX0	Tax Increment Financing (TIF) Program	57,499	70,006	0	0	0	0	0	0	54,756	0	54,756	0	54,756
BK0	Ballpark Revenue Fund	66,304	67,507	0	0	0	0	0	0	56,947	11,538	68,485	0	68,485
TY0	Repayment of PILOT Financing	15,901	18,741	0	0	0	0	0	0	31,113	0	31,113	0	31,113
HW0	Not-for-Profit Hospital Corporation *		129,000	0	0	0	0	0	0	0	132,000	132,000	0	132,000

**Government of the District of Columbia
FY 2017 Proposed Budget
Gross Funds**

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HI0	D.C. Health Benefit Exchange Authority	55,122	32,513	0	0	0	0	0	0	0	34,521	34,521	0	34,521
TF0	D.C. Tobacco Settlement Financing Corp.	40,409	0	0	0	0	0	0	0	0	0	0	0	0
Total, Enterprise and Other Funds		639,211	1,808,855	0	0	0	0	0	0	187,762	1,598,210	1,785,972	0	1,785,972
GRAND TOTAL, DISTRICT GOVERNMENT		11,656,094	13,847,308	7,285,360	305,718	599,185	8,190,263	3,408,315	1,321	187,762	1,598,210	13,385,871	703,693	14,089,565

*These agencies do not use the District's financial system for their actual expenditure transactions.

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 2017 Proposed Full-Time Equivalent Employment Authority
General Fund

Appropriation Title

Agency Code	Agency Name	FY 2015 Actuals General Fund FTEs	FY 2016 Approved General Fund FTEs	FY 2017 Proposed Local Funds FTEs	FY 2017 Proposed Dedicated Taxes FTEs	FY 2017 Proposed Other Funds FTEs	Total, FY 2017 Proposed General Fund FTEs	Change from FY 2016 Approved General Fund FTEs
Governmental Direction and Support								
AB0	Council of the District of Columbia	171.2	189.5	197.5	0.0	0.0	197.5	8.0
AC0	Office of the District of Columbia Auditor	31.0	31.0	33.0	0.0	0.0	33.0	2.0
DX0	Advisory Neighborhood Commissions	2.5	2.5	2.5	0.0	0.0	2.5	0.0
AA0	Office of the Mayor	76.3	66.2	79.8	0.0	0.0	79.8	13.6
AH0	Mayor's Office of Legal Counsel	0.0	11.0	10.0	0.0	0.0	10.0	-1.0
AI0	Office of the Senior Advisor	0.0	17.0	17.0	0.0	0.0	17.0	0.0
BA0	Office of the Secretary	29.1	25.0	19.0	0.0	6.0	25.0	0.0
AE0	Office of the City Administrator	32.6	53.0	49.5	0.0	2.5	52.0	-1.0
EM0	Deputy Mayor for Greater Economic Opportunity	0.0	5.0	14.0	0.0	0.0	14.0	9.0
RK0	D.C. Office of Risk Management	22.3	25.0	36.0	0.0	0.0	36.0	11.0
BE0	D.C. Department of Human Resources	92.6	89.3	84.0	0.0	6.3	90.3	1.0
JR0	Office of Disability Rights	8.0	8.0	8.0	0.0	0.0	8.0	0.0
RJ0	Captive Insurance Agency	0.0	0.0	0.0	0.0	1.0	1.0	1.0
AS0	Office of Finance and Resource Management	38.9	39.0	38.8	0.0	0.0	38.8	-0.2
PO0	Office of Contracting and Procurement	180.7	178.0	198.0	0.0	0.0	198.0	20.0
TO0	Office of the Chief Technology Officer	204.0	204.8	195.9	0.0	15.9	211.8	7.0
AF0	Contract Appeals Board	9.6	10.0	10.0	0.0	0.0	10.0	0.0
AM0	Department of General Services	651.4	678.0	667.7	0.0	13.5	681.2	3.2
DL0	Board of Elections	62.4	60.0	60.0	0.0	0.0	60.0	0.0
CJ0	Office of Campaign Finance	32.4	30.0	30.0	0.0	0.0	30.0	0.0
CG0	Public Employee Relations Board	9.3	9.0	9.0	0.0	0.0	9.0	0.0
CH0	Office of Employee Appeals	13.7	15.0	15.0	0.0	0.0	15.0	0.0
AG0	D.C. Board of Ethics and Government Accountability	13.9	15.0	15.0	0.0	0.0	15.0	0.0
CB0	Office of the Attorney General for the District of Columbia	483.9	410.6	401.6	0.0	6.7	408.3	-2.3
AR0	Statehood Initiatives	2.3	1.0	1.0	0.0	0.0	1.0	0.0

Government of the District of Columbia
FY 2017 Proposed Full-Time Equivalent Employment Authority
General Fund

Appropriation Title

Agency Code	Agency Name	FY 2015 Actuals General Fund FTEs	FY 2016 Approved General Fund FTEs	FY 2017 Proposed Local Funds FTEs	FY 2017 Proposed Dedicated Taxes FTEs	FY 2017 Proposed Other Funds FTEs	Total, FY 2017 Proposed General Fund FTEs	Change from FY 2016 Approved General Fund FTEs
AD0	Office of the Inspector General	95.4	94.8	94.8	0.0	0.0	94.8	0.0
AT0	Office of the Chief Financial Officer	916.8	923.4	881.4	0.0	55.0	936.4	13.0
Total, Governmental Direction and Support		3,180.4	3,191.0	3,168.4	0.0	106.9	3,275.3	84.4

Economic Development and Regulation

EB0	Office of the Deputy Mayor for Planning and Economic Development	74.7	79.9	67.5	0.0	9.0	76.5	-3.4
BD0	Office of Planning	66.6	66.5	64.5	0.0	0.0	64.5	-2.0
EN0	Department of Small and Local Business Development	34.2	42.3	44.3	0.0	0.0	44.3	2.0
TK0	Office of Motion Picture and Television Development*	5.8	0.0	0.0	0.0	0.0	0.0	0.0
CI0	Office of Cable Television, Film, Music, and Entertainment	0.0	48.5	6.0	0.0	42.5	48.5	0.0
BJ0	Office of Zoning	19.0	19.0	19.0	0.0	0.0	19.0	0.0
DB0	Department of Housing and Community Development	44.7	47.0	55.5	0.0	0.0	55.5	8.5
CF0	Department of Employment Services	302.9	337.1	190.5	0.0	212.6	403.1	66.0
DA0	Real Property Tax Appeals Commission	10.9	11.0	11.0	0.0	0.0	11.0	0.0
CR0	Department of Consumer and Regulatory Affairs	335.4	356.0	144.0	0.0	251.0	395.0	39.0
CQ0	Office of the Tenant Advocate	15.9	18.0	18.0	0.0	0.0	18.0	0.0
BX0	Commission on the Arts and Humanities	10.0	12.0	21.0	0.0	0.0	21.0	9.0
LQ0	Alcoholic Beverage Regulation Administration	53.0	55.0	0.0	0.0	57.0	57.0	2.0
DH0	Public Service Commission	80.1	80.5	0.0	0.0	80.5	80.5	0.0
DJ0	Office of the People's Counsel	40.0	40.4	0.0	0.0	40.4	40.4	0.0
SR0	Department of Insurance, Securities, and Banking	132.3	149.7	0.0	0.0	149.6	149.6	-0.1
CT0	Office of Cable Television*	36.9	0.0	0.0	0.0	0.0	0.0	0.0
Total, Economic Development and Regulation		1,262.3	1,362.9	641.3	0.0	842.7	1,483.9	121.0

*In FY 2016, funding and FTEs for the Office of Motion Picture and Television Development (TK0) and the Office of Cable Television (CT0) were transferred to the Office of Cable Television, Film, Music, and Entertainment (CI0).

Public Safety and Justice

FA0	Metropolitan Police Department	4,544.3	4,598.0	4,641.0	0.0	0.0	4,641.0	43.0
FB0	Fire and Emergency Medical Services Department	1,983.3	2,068.0	2,062.0	0.0	0.0	2,062.0	-6.0
FL0	Department of Corrections	917.7	931.2	1,135.2	0.0	25.0	1,160.2	229.0

Government of the District of Columbia
FY 2017 Proposed Full-Time Equivalent Employment Authority
General Fund

Appropriation Title

Agency Code	Agency Name	FY 2015 Actuals General Fund FTEs	FY 2016 Approved General Fund FTEs	FY 2017 Proposed Local Funds FTEs	FY 2017 Proposed Dedicated Taxes FTEs	FY 2017 Proposed Other Funds FTEs	Total, FY 2017 Proposed General Fund FTEs	Change from FY 2016 Approved General Fund FTEs
FK0	District of Columbia National Guard	38.7	39.5	39.5	0.0	0.0	39.5	0.0
BN0	Homeland Security and Emergency Management Agency	19.2	26.5	28.0	0.0	0.0	28.0	1.5
FH0	Office of Police Complaints	22.4	23.3	23.3	0.0	0.0	23.3	0.0
FZ0	District of Columbia Sentencing and Criminal Code Revision Commission	10.4	11.0	6.0	0.0	0.0	6.0	-5.0
FX0	Office of the Chief Medical Examiner	72.9	73.0	82.0	0.0	0.0	82.0	9.0
FS0	Office of Administrative Hearings	69.5	75.3	73.3	0.0	0.0	73.3	-2.0
FJ0	Criminal Justice Coordinating Council	1.3	2.3	2.3	0.0	0.0	2.3	0.0
UC0	Office of Unified Communications	305.5	304.8	336.3	0.0	0.0	336.3	31.5
FR0	Department of Forensic Sciences	122.3	130.3	187.0	0.0	0.0	187.0	56.8
FQ0	Office of the Deputy Mayor for Public Safety and Justice	13.5	6.0	11.0	0.0	0.0	11.0	5.0
FI0	Corrections Information Council	0.0	6.0	6.0	0.0	0.0	6.0	0.0
FO0	Office of Victim Services and Justice Grants	0.0	13.0	10.6	0.0	0.8	11.4	-1.6
Total, Public Safety and Justice		8,121.0	8,308.0	8,643.4	0.0	25.8	8,669.2	361.1
Public Education System								
GA0	District of Columbia Public Schools	7,173.3	7,207.5	7,245.9	0.0	9.8	7,255.7	48.2
GD0	Office of the State Superintendent of Education	256.0	248.2	259.4	16.0	0.4	275.8	27.6
GC0	District of Columbia Public Charter Schools	1.0	1.0	1.0	0.0	0.0	1.0	0.0
CE0	District of Columbia Public Library	596.6	593.1	547.3	0.0	0.0	547.3	-45.8
GN0	Non-Public Tuition	18.5	18.0	18.0	0.0	0.0	18.0	0.0
GO0	Special Education Transportation	1,513.1	1,396.0	1,393.7	0.0	0.0	1,393.7	-2.3
GE0	D.C. State Board of Education	16.9	19.0	19.0	0.0	0.0	19.0	0.0
GW0	Office of the Deputy Mayor for Education	13.9	16.0	18.0	0.0	0.0	18.0	2.0
Total, Public Education System		9,589.3	9,498.8	9,502.2	16.0	10.2	9,528.5	29.6
Human Support Services								
JA0	Department of Human Services	440.3	517.6	538.5	0.0	13.0	551.5	34.0
RL0	Child and Family Services Agency	644.4	672.0	672.0	0.0	0.0	672.0	0.0
RM0	Department of Behavioral Health	1,185.6	1,208.0	1,160.5	0.0	37.5	1,198.0	-10.0

Government of the District of Columbia
FY 2017 Proposed Full-Time Equivalent Employment Authority
General Fund

Appropriation Title

Agency Code	Agency Name	FY 2015 Actuals General Fund FTEs	FY 2016 Approved General Fund FTEs	FY 2017 Proposed Local Funds FTEs	FY 2017 Proposed Dedicated Taxes FTEs	FY 2017 Proposed Other Funds FTEs	Total, FY 2017 Proposed General Fund FTEs	Change from FY 2016 Approved General Fund FTEs
HC0	Department of Health	259.6	277.9	178.3	0.0	110.5	288.8	10.9
HA0	Department of Parks and Recreation	567.0	548.4	739.5	0.0	0.0	739.5	191.1
BY0	D.C. Office on Aging	34.3	34.0	31.0	0.0	0.0	31.0	-3.0
HM0	Office of Human Rights	31.5	35.6	34.7	0.0	0.0	34.7	-1.0
BZ0	Office on Latino Affairs	9.2	10.0	10.0	0.0	0.0	10.0	0.0
AP0	Office on Asian and Pacific Islander Affairs	5.9	6.0	6.0	0.0	0.0	6.0	0.0
VA0	Office of Veterans' Affairs	2.9	4.0	4.0	0.0	0.0	4.0	0.0
JZ0	Department of Youth Rehabilitation Services	557.9	554.5	554.5	0.0	0.0	554.5	0.0
JM0	Department on Disability Services	209.4	210.6	206.1	0.0	0.0	206.1	-4.5
HT0	Department of Health Care Finance	96.2	120.3	104.4	5.5	10.9	120.8	0.4
HG0	Office of the Deputy Mayor for Health and Human Services	9.6	9.0	15.8	0.0	0.0	15.8	6.8
Total, Human Support Services		4,053.8	4,207.9	4,255.1	5.5	171.9	4,432.5	224.7
Public Works								
KT0	Department of Public Works	1,256.9	1,280.0	1,278.0	0.0	28.0	1,306.0	26.0
KA0	District Department of Transportation	544.3	553.4	544.4	0.0	5.0	549.4	-4.0
KV0	Department of Motor Vehicles	261.5	268.0	217.0	0.0	42.0	259.0	-9.0
KG0	Department of Energy and Environment	210.9	248.8	108.6	0.0	148.3	256.9	8.1
TC0	D.C. Taxicab Commission	53.6	63.3	0.0	0.0	64.0	64.0	0.7
Total, Public Works		2,327.2	2,413.5	2,148.0	0.0	287.3	2,435.3	21.8
Financing and Other								
DO0	Non-Departmental	0.0	40.0	40.0	0.0	0.0	40.0	0.0
Total, Financing and Other		0.0	40.0	40.0	0.0	0.0	40.0	0.0
TOTAL GENERAL OPERATING FUNDS		28,533.9	29,022.1	28,398.4	21.5	1,444.8	29,864.7	842.6

Government of the District of Columbia
FY 2017 Proposed Full-Time Equivalent Employment Authority
Gross Funds

Appropriation Title		FY 2017 Proposed Budget by Type of Funding												
Agency Code	Agency Name	FY 2015 Actuals Gross Funds FTEs	FY 2016 Approved Budget Gross Funds FTEs	Local Funds FTEs	Dedicated Taxes FTEs	Other Funds FTEs	Subtotal, General Fund FTEs	Federal Funds FTEs	Private Funds FTEs	Enterprise and Other Funds - Dedicated Taxes FTEs	Enterprise and Other FTEs	Subtotal, Gross Funds - Less Intra-District Funds FTEs	Intra-District Funds FTEs	Total FY 2017 Proposed Budget Gross Funds FTEs
Governmental Direction and Support														
AB0	Council of the District of Columbia	171.2	189.5	197.5	0.0	0.0	197.5	0.0	0.0	0.0	0.0	197.5	0.0	197.5
AC0	Office of the District of Columbia Auditor	31.0	31.0	33.0	0.0	0.0	33.0	0.0	0.0	0.0	0.0	33.0	0.0	33.0
DX0	Advisory Neighborhood Commissions	2.5	2.5	2.5	0.0	0.0	2.5	0.0	0.0	0.0	0.0	2.5	0.0	2.5
AA0	Office of the Mayor	89.3	72.5	79.8	0.0	0.0	79.8	2.3	0.0	0.0	0.0	82.1	4.4	86.5
AH0	Mayor's Office of Legal Counsel	0.0	11.0	10.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0	10.0	0.0	10.0
AI0	Office of the Senior Advisor	0.0	17.0	17.0	0.0	0.0	17.0	0.0	0.0	0.0	0.0	17.0	0.0	17.0
BA0	Office of the Secretary	29.1	25.0	19.0	0.0	6.0	25.0	0.0	0.0	0.0	0.0	25.0	0.0	25.0
AE0	Office of the City Administrator	40.8	53.0	49.5	0.0	2.5	52.0	0.0	0.0	0.0	0.0	52.0	0.0	52.0
EM0	Deputy Mayor for Greater Economic Opportunity	0.0	5.0	14.0	0.0	0.0	14.0	0.0	0.0	0.0	0.0	14.0	4.0	18.0
RK0	D.C. Office of Risk Management	22.3	25.0	36.0	0.0	0.0	36.0	0.0	0.0	0.0	0.0	36.0	0.0	36.0
BE0	D.C. Department of Human Resources	132.4	117.3	84.0	0.0	6.3	90.3	0.0	0.0	0.0	0.0	90.3	44.0	134.3
JR0	Office of Disability Rights	11.0	11.0	8.0	0.0	0.0	8.0	3.0	0.0	0.0	0.0	11.0	0.0	11.0
RJ0	Captive Insurance Agency	0.0	0.0	0.0	0.0	1.0	1.0	0.0	0.0	0.0	0.0	1.0	0.0	1.0
AS0	Office of Finance and Resource Management	46.0	46.0	38.8	0.0	0.0	38.8	0.0	0.0	0.0	0.0	38.8	5.2	44.0
PO0	Office of Contracting and Procurement	180.7	191.0	198.0	0.0	0.0	198.0	0.0	0.0	0.0	0.0	198.0	20.0	218.0
TO0	Office of the Chief Technology Officer	282.5	282.0	195.9	0.0	15.9	211.8	0.0	0.0	0.0	0.0	211.8	75.2	287.0
AF0	Contract Appeals Board	9.6	10.0	10.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0	10.0	0.0	10.0
AM0	Department of General Services	651.4	700.0	667.7	0.0	13.5	681.2	0.0	0.0	0.0	0.0	681.2	22.0	703.2
DL0	Board of Elections	62.4	60.0	60.0	0.0	0.0	60.0	0.0	0.0	0.0	0.0	60.0	0.0	60.0
CJ0	Office of Campaign Finance	32.4	30.0	30.0	0.0	0.0	30.0	0.0	0.0	0.0	0.0	30.0	0.0	30.0
CG0	Public Employee Relations Board	9.3	9.0	9.0	0.0	0.0	9.0	0.0	0.0	0.0	0.0	9.0	0.0	9.0
CH0	Office of Employee Appeals	13.7	15.0	15.0	0.0	0.0	15.0	0.0	0.0	0.0	0.0	15.0	0.0	15.0
AG0	D.C. Board of Ethics and Government Accountability	13.9	15.0	15.0	0.0	0.0	15.0	0.0	0.0	0.0	0.0	15.0	0.0	15.0
CB0	Office of the Attorney General for the District of Columbia	784.5	592.4	401.6	0.0	6.7	408.3	151.8	7.0	0.0	0.0	567.1	22.5	589.6
AR0	Statehood Initiatives	2.3	1.0	1.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	1.0	0.0	1.0
AD0	Office of the Inspector General	113.0	112.0	94.8	0.0	0.0	94.8	17.3	0.0	0.0	0.0	112.0	0.0	112.0
AT0	Office of the Chief Financial Officer	956.8	969.9	881.4	0.0	55.0	936.4	0.0	0.0	0.0	0.0	936.4	45.7	982.0
Total, Governmental Direction and Support		3,688.2	3,593.0	3,168.4	0.0	106.9	3,275.3	174.3	7.0	0.0	0.0	3,456.6	243.0	3,699.6

Government of the District of Columbia
FY 2017 Proposed Full-Time Equivalent Employment Authority
Gross Funds

Appropriation Title		FY 2017 Proposed Budget by Type of Funding												
Agency Code	Agency Name	FY 2015 Actuals Gross Funds FTEs	FY 2016 Approved Budget Gross Funds FTEs	Local Funds FTEs	Dedicated Taxes FTEs	Other Funds FTEs	Subtotal, General Fund FTEs	Federal Funds FTEs	Private Funds FTEs	Enterprise and Other Funds - Dedicated Taxes FTEs	Enterprise and Other FTEs	Subtotal, Gross Funds - Less Intra-District Funds FTEs	Intra-District Funds FTEs	Total FY 2017 Proposed Budget Gross Funds FTEs
Economic Development and Regulation														
EB0	Office of the Deputy Mayor for Planning and Economic Development	79.5	86.0	67.5	0.0	9.0	76.5	2.5	0.0	0.0	0.0	79.0	0.0	79.0
BD0	Office of Planning	70.1	70.0	64.5	0.0	0.0	64.5	3.5	0.0	0.0	0.0	68.0	1.0	69.0
EN0	Department of Small and Local Business Development	37.2	46.0	44.3	0.0	0.0	44.3	3.7	0.0	0.0	0.0	48.0	0.0	48.0
TK0	Office of Motion Picture and Television Development*	5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CI0	Office of Cable Television, Film, Music, and Entertainment	0.0	48.5	6.0	0.0	42.5	48.5	0.0	0.0	0.0	0.0	48.5	0.0	48.5
BJ0	Office of Zoning	19.0	19.0	19.0	0.0	0.0	19.0	0.0	0.0	0.0	0.0	19.0	0.0	19.0
DB0	Department of Housing and Community Development	151.8	170.0	55.5	0.0	0.0	55.5	35.5	0.0	0.0	0.0	91.0	80.0	171.0
CF0	Department of Employment Services	580.2	587.0	190.5	0.0	212.6	403.1	207.9	0.0	0.0	0.0	611.0	0.0	611.0
DA0	Real Property Tax Appeals Commission	10.9	11.0	11.0	0.0	0.0	11.0	0.0	0.0	0.0	0.0	11.0	0.0	11.0
CR0	Department of Consumer and Regulatory Affairs	335.4	356.0	144.0	0.0	251.0	395.0	0.0	0.0	0.0	0.0	395.0	0.0	395.0
CQ0	Office of the Tenant Advocate	15.9	18.0	18.0	0.0	0.0	18.0	0.0	0.0	0.0	0.0	18.0	0.0	18.0
BX0	Commission on the Arts and Humanities	18.0	19.0	21.0	0.0	0.0	21.0	7.0	0.0	0.0	0.0	28.0	0.0	28.0
LQ0	Alcoholic Beverage Regulation Administration	53.0	55.0	0.0	0.0	57.0	57.0	0.0	0.0	0.0	0.0	57.0	0.0	57.0
DH0	Public Service Commission	83.0	83.6	0.0	0.0	80.5	80.5	4.1	0.0	0.0	0.0	84.6	0.0	84.6
DJ0	Office of the People's Counsel	40.0	40.4	0.0	0.0	40.4	40.4	0.0	0.0	0.0	0.0	40.4	0.0	40.4
SR0	Department of Insurance, Securities, and Banking	138.1	149.7	0.0	0.0	149.6	149.6	0.0	0.0	0.0	0.0	149.6	0.0	149.6
CT0	Office of Cable Television*	36.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total, Economic Development and Regulation		1,674.8	1,759.2	641.3	0.0	842.7	1,483.9	264.1	0.0	0.0	0.0	1,748.1	81.0	1,829.1
<i>*In FY 2016, funding and FTEs for the Office of Motion Picture and Television Development (TK0) and the Office of Cable Television (CT0) were transferred to the Office of Cable Television, Film, Music, and Entertainment (CI0).</i>														
Public Safety and Justice														
FA0	Metropolitan Police Department	4,581.0	4,620.0	4,641.0	0.0	0.0	4,641.0	13.0	0.0	0.0	0.0	4,654.0	9.0	4,663.0
FB0	Fire and Emergency Medical Services Department	2,042.8	2,068.0	2,062.0	0.0	0.0	2,062.0	42.0	0.0	0.0	0.0	2,104.0	0.0	2,104.0
FL0	Department of Corrections	917.9	932.0	1,135.2	0.0	25.0	1,160.2	0.0	0.0	0.0	0.0	1,160.2	1.8	1,162.0
FK0	District of Columbia National Guard	117.3	127.0	39.5	0.0	0.0	39.5	89.5	0.0	0.0	0.0	129.0	0.0	129.0
BN0	Homeland Security and Emergency Management Agency	86.5	92.0	28.0	0.0	0.0	28.0	77.1	0.0	0.0	0.0	105.1	0.0	105.1
DQ0	Commission on Judicial Disabilities and Tenure	2.0	2.0	0.0	0.0	0.0	0.0	2.0	0.0	0.0	0.0	2.0	0.0	2.0
DV0	Judicial Nomination Commission	1.3	2.0	0.0	0.0	0.0	0.0	2.0	0.0	0.0	0.0	2.0	0.0	2.0
FH0	Office of Police Complaints	22.4	23.3	23.3	0.0	0.0	23.3	0.0	0.0	0.0	0.0	23.3	0.0	23.3
FZ0	District of Columbia Sentencing and Criminal Code Revision Commission	10.4	11.0	6.0	0.0	0.0	6.0	0.0	0.0	0.0	0.0	6.0	0.0	6.0
FX0	Office of the Chief Medical Examiner	73.9	73.0	82.0	0.0	0.0	82.0	0.0	0.0	0.0	0.0	82.0	4.0	86.0

Government of the District of Columbia
FY 2017 Proposed Full-Time Equivalent Employment Authority
Gross Funds

Appropriation Title		FY 2017 Proposed Budget by Type of Funding												
Agency Code	Agency Name	FY 2015 Actuals Gross Funds FTEs	FY 2016 Approved Budget Gross Funds FTEs	Local Funds FTEs	Dedicated Taxes FTEs	Other Funds FTEs	Subtotal, General Fund FTEs	Federal Funds FTEs	Private Funds FTEs	Enterprise and Other Funds - Dedicated Taxes FTEs	Enterprise and Other FTEs	Subtotal, Gross Funds - Less Intra-District Funds FTEs	Intra-District Funds FTEs	Total FY 2017 Proposed Budget Gross Funds FTEs
FS0	Office of Administrative Hearings	76.8	83.3	73.3	0.0	0.0	73.3	0.0	0.0	0.0	0.0	73.3	10.0	83.3
FJ0	Criminal Justice Coordinating Council	14.0	17.0	2.3	0.0	0.0	2.3	15.0	0.0	0.0	0.0	17.3	0.8	18.0
UC0	Office of Unified Communications	311.1	310.8	336.3	0.0	0.0	336.3	0.0	0.0	0.0	0.0	336.3	6.0	342.3
FR0	Department of Forensic Sciences	131.8	136.0	187.0	0.0	0.0	187.0	5.0	0.0	0.0	0.0	192.0	3.3	195.3
FQ0	Office of the Deputy Mayor for Public Safety and Justice	20.6	6.0	11.0	0.0	0.0	11.0	0.0	0.0	0.0	0.0	11.0	0.0	11.0
FI0	Corrections Information Council	0.0	6.0	6.0	0.0	0.0	6.0	0.0	0.0	0.0	0.0	6.0	0.0	6.0
FO0	Office of Victim Services and Justice Grants	0.0	13.0	10.6	0.0	0.8	11.4	2.6	0.0	0.0	0.0	14.0	0.0	14.0
Total, Public Safety and Justice		8,409.7	8,522.3	8,643.4	0.0	25.8	8,669.2	248.2	0.0	0.0	0.0	8,917.3	34.8	8,952.1
Public Education System														
GA0	District of Columbia Public Schools	8,001.1	8,114.9	7,245.9	0.0	9.8	7,255.7	367.4	0.0	0.0	0.0	7,623.1	562.7	8,185.8
GD0	Office of the State Superintendent of Education	360.1	370.0	259.4	16.0	0.4	275.8	124.1	0.0	0.0	0.0	399.9	3.4	403.3
GC0	District of Columbia Public Charter Schools	1.0	1.0	1.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	1.0	0.0	1.0
CE0	District of Columbia Public Library	602.2	598.1	547.3	0.0	0.0	547.3	4.0	0.0	0.0	0.0	551.3	0.0	551.3
GN0	Non-Public Tuition	18.5	18.0	18.0	0.0	0.0	18.0	0.0	0.0	0.0	0.0	18.0	0.0	18.0
GO0	Special Education Transportation	1,513.1	1,396.0	1,393.7	0.0	0.0	1,393.7	0.0	0.0	0.0	0.0	1,393.7	0.0	1,393.7
GE0	D.C. State Board of Education	16.9	19.0	19.0	0.0	0.0	19.0	0.0	0.0	0.0	0.0	19.0	0.0	19.0
GW0	Office of the Deputy Mayor for Education	13.9	16.0	18.0	0.0	0.0	18.0	0.0	0.0	0.0	0.0	18.0	0.0	18.0
Total, Public Education System		10,526.8	10,533.1	9,502.2	16.0	10.2	9,528.5	495.5	0.0	0.0	0.0	10,024.0	566.1	10,590.0
Human Support Services														
JA0	Department of Human Services	1,214.5	1,046.8	538.5	0.0	13.0	551.5	541.3	0.0	0.0	0.0	1,092.8	21.0	1,113.8
RL0	Child and Family Services Agency	793.4	825.0	672.0	0.0	0.0	672.0	153.0	0.0	0.0	0.0	825.0	0.0	825.0
RM0	Department of Behavioral Health	1,390.5	1,427.8	1,160.5	0.0	37.5	1,198.0	113.0	0.0	0.0	0.0	1,311.0	98.8	1,409.7
HC0	Department of Health	599.4	611.6	178.3	0.0	110.5	288.8	327.2	0.0	0.0	0.0	616.0	12.4	628.3
HA0	Department of Parks and Recreation	569.6	551.4	739.5	0.0	0.0	739.5	0.0	0.0	0.0	0.0	739.5	6.0	745.5
BY0	D.C. Office on Aging	77.4	61.0	31.0	0.0	0.0	31.0	16.3	0.0	0.0	0.0	47.3	15.7	63.0
HM0	Office of Human Rights	33.9	38.0	34.7	0.0	0.0	34.7	2.4	0.0	0.0	0.0	37.0	0.0	37.0
BZ0	Office on Latino Affairs	9.2	10.0	10.0	0.0	0.0	10.0	0.0	0.0	0.0	0.0	10.0	0.0	10.0
AP0	Office on Asian and Pacific Islander Affairs	5.9	6.0	6.0	0.0	0.0	6.0	0.0	0.0	0.0	0.0	6.0	0.0	6.0
VA0	Office of Veterans' Affairs	2.9	4.0	4.0	0.0	0.0	4.0	0.0	0.0	0.0	0.0	4.0	0.0	4.0
JZ0	Department of Youth Rehabilitation Services	557.9	554.5	554.5	0.0	0.0	554.5	0.0	0.0	0.0	0.0	554.5	0.0	554.5
JM0	Department on Disability Services	429.5	439.0	206.1	0.0	0.0	206.1	228.9	0.0	0.0	0.0	435.0	0.0	435.0

Government of the District of Columbia
FY 2017 Proposed Full-Time Equivalent Employment Authority
Gross Funds

Appropriation Title				FY 2017 Proposed Budget by Type of Funding										
Agency Code	Agency Name	FY 2015 Actuals Gross Funds FTEs	FY 2016 Approved Budget Gross Funds FTEs	Local Funds FTEs	Dedicated Taxes FTEs	Other Funds FTEs	Subtotal, General Fund FTEs	Federal Funds FTEs	Private Funds FTEs	Enterprise and Other Funds - Dedicated Taxes FTEs	Enterprise and Other FTEs	Subtotal, Gross Funds - Less Intra-District Funds FTEs	Intra-District Funds FTEs	Total FY 2017 Proposed Budget Gross Funds FTEs
HT0	Department of Health Care Finance	216.7	251.1	104.4	5.5	10.9	120.8	129.3	0.0	0.0	0.0	250.0	0.0	250.0
HG0	Office of the Deputy Mayor for Health and Human Services	9.6	9.0	15.8	0.0	0.0	15.8	0.0	0.0	0.0	0.0	15.8	0.0	15.8
Total, Human Support Services		5,910.3	5,835.1	4,255.1	5.5	171.9	4,432.5	1,511.3	0.0	0.0	0.0	5,943.9	153.8	6,097.7
Public Works														
KT0	Department of Public Works	1,417.2	1,438.0	1,278.0	0.0	28.0	1,306.0	0.0	0.0	0.0	0.0	1,306.0	158.0	1,464.0
KA0	District Department of Transportation	544.3	553.4	544.4	0.0	5.0	549.4	20.0	0.0	0.0	0.0	569.4	0.0	569.4
KV0	Department of Motor Vehicles	263.0	270.0	217.0	0.0	42.0	259.0	0.0	0.0	0.0	0.0	259.0	8.0	267.0
KG0	Department of Energy and Environment	325.3	372.8	108.6	0.0	148.3	256.9	110.7	0.0	0.0	0.0	367.6	13.2	380.8
TC0	D.C. Taxicab Commission	53.6	64.0	0.0	0.0	64.0	64.0	0.0	0.0	0.0	0.0	64.0	0.0	64.0
Total, Public Works		2,603.5	2,698.2	2,148.0	0.0	287.3	2,435.3	130.7	0.0	0.0	0.0	2,566.0	179.2	2,745.2
Financing and Other														
DO0	Non-Departmental	0.0	40.0	40.0	0.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	0.0	40.0
Total, Financing and Other		0.0	40.0	40.0	0.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	0.0	40.0
TOTAL GENERAL OPERATING FUNDS		32,813.3	32,981.0	28,398.4	21.5	1,444.8	29,864.7	2,824.1	7.0	0.0	0.0	32,695.8	1,257.8	33,953.7
Enterprise and Other Funds														
DC0	D.C. Lottery and Charitable Games Control Board	65.8	73.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	73.5	73.5	0.0	73.5
DY0	District of Columbia Retirement Board*		62.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	69.6	69.6	0.0	69.6
GF0	University of the District of Columbia*		968.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	968.4	968.4	0.0	968.4
HI0	D.C. Health Benefit Exchange Authority	29.9	73.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	92.0	92.0	0.0	92.0
Total, Enterprise and Other Funds		95.7	1,177.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,203.5	1,203.5	0.0	1,203.5
GRAND TOTAL, DISTRICT GOVERNMENT		32,909.0	34,158.5	28,398.4	21.5	1,444.8	29,864.7	2,824.1	7.0	0.0	1,203.5	33,899.3	1,257.8	35,157.2

*These agencies do not use the District's financial system for their actual expenditure transactions.

Appendix J:

**Glossary of
Budget Terms**

Glossary of Budget Terms

Accrual Basis of Accounting – An accounting method that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows. Accordingly, revenues are recognized when they are earned and expenses when they are incurred, not when cash changes hands. Contrast this term to "modified accrual basis of accounting."

Activity – A component part of the District's program structure that is comprised of a set of services grouped around a common purpose or result.

Additional Gross Pay – Pay other than base compensation and premium pay. Examples include Holiday Pay, Longevity Pay, Shift Differential, and Terminal Leave.

Agency Financial Operations Program (AFO) – A program within an agency's performance plan under Performance-Based Budgeting. AFO is used to track the funding and FTE count for all Office of the Chief Financial Officer (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 Budget and Finance, in the Office of the City Administrator, in managing 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 performance plan 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. Many agencies do not include all 15 of these activities.

Allocable Revenue – Revenue earned, collected, and used by the agency responsible for generating the revenue.

Allocation – The movement of budget from a central budget item, like a Reserve fund, to a specific budget location. In the case of the Highway Transportation Fund, the movement of capital budget from a master project to a capital project authorized within the master project group.

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 – Authority to collect revenue 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 (or Appropriation Title) – The eight broad areas into which 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 and Other Funds.

Arbitrage – The ability to obtain tax-exempt bond proceeds and invest the funds in higher-yielding taxable securities, resulting in a profit. Generally, tax-exempt bond issues, which were issued on or after September 1, 1986, are subject to the arbitrage rebate requirements issued by the Federal Treasury (IRS), requiring that any profit or “arbitrage” be “rebated” to the U.S. Department of the Government.

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. For fixed rate bonds, 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 principal amount would be repaid to the bondholder on the fifth anniversary of issuance. During that period, \$500,000 would be paid in interest each year or \$250,000 semiannually. Governments may also issue floating rate bonds, where interest accrues at rates that are reset periodically (typically weekly or monthly). Interest payments may be due on a monthly basis, with principal due at maturity.

Bond Rating – A bond rating is an independent assessment of the creditworthiness of a bond issued by a state or municipality (including all short and long-term indebtedness) rated by these agencies. The three primary rating agencies are Standard & Poor's Ratings Services (S & P), Moody's Investors Service, Inc. (Moody's), and Fitch Ratings, Inc. (Fitch). 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

Bond Ratings

Rating	S & P	Moody's	Fitch
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

on the marketability of a bond and lower cost of borrowing for the borrower. The credit rating symbols (long-term) for investment grade bonds range from the highest ratings of AAA, AA, and A to BBB-, the lowest investment grade ratings. Pluses are added to distinguish strength and minuses reflect weaknesses. Bonds rated below BBB- are referred to as speculative, low grade or junk bonds. The Bond Ratings table denotes the bond rating codes of the various rating agencies.

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 budgets are prepared and entered into the formal accounting records of the District.

Budget Formulation – The budget planning and development process from the initial budget call up to and including final approval by Congress.

Budget Modification – A change in any portion of the budget during the fiscal year.

Budget Reserve – Funds that are earmarked to protect the District against shortfalls in revenue and unforeseen expenditures.

Build America Bonds (BABs) – The American Recovery and Reinvestment Act of 2009 provides federal subsidies for state and local governments to borrow at lower costs. Build America Bonds are taxable bonds issued by state and local governments to give them access to the conventional corporate debt markets where a portion of the debt service on these bonds are reimbursed from a direct federal payment subsidy. The Treasury Department directs subsidy payments to participating state or local governmental issuers in an amount equaling up to 35 percent of the interest payment on the Build America Bonds. The federal subsidy payment effectively lowers the net borrowing costs and increases the amount municipalities can borrow, compared to traditional tax-exempt or tax credit bonds.

CAFR – State and local governments issue an annual financial report referred to as the Comprehensive Annual Financial Report or CAFR. The CAFR has, at a minimum, the following three parts: (1) an introductory section, (2) a financial section, and (3) a statistical section. Some of the principal users of the CAFR are credit or bond rating agencies (Fitch Ratings, Moody's Investors Service, Standard and Poor's Ratings Services), institutions which buy and sell bonds, and those charged with managing and governing the state or local government.

Capital Budget – The budget that provides for the acquisition of District-owned assets that help meet the long-term and infrastructure needs, as summarized in the Capital Improvements Program.

Capital Improvements Program (CIP) – A plan for initiating the development, improvement, or replacement of District-owned assets during a six-year period. As annually revised, this plan provides the basis for future-year capital budget requests.

Certificates of Participation (COP) – Borrowing that is secured by the pledge of the issuing municipality to annually appropriate (each year that the COPs are outstanding) an amount sufficient to pay debt service on the bonds. In a typical lease-purchase arrangement, the District as lessee purchases property under contract from a 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.

Chart of Accounts – A chart of expenditure and revenue accounts used to record each type of financial transaction incurred by District agencies.

Charter School – A private non-profit entity that accepts and educates public school students under the terms of a charter granted by the District’s chartering authority. Charter Schools receive the same public funding as D.C. Public Schools pursuant to the District’s uniform per student funding formula; additionally, a facilities allowance is provided.

Collateral – Security pledged to a creditor to assure that the obligor of a municipal credit will meet its payment obligations. When the obligor has performed, the creditor must release the collateral.

Component Unit – Legally separate organizations which meet the following criteria: (a) the primary government appoints a voting majority of the organization’s board; and (b) there is a financial benefit/burden relationship between the primary government and the organization or the primary government is able to impose its will on the organization.

Comptroller Object – This represents the lowest level of the General Ledger Account structure for operating statement statewide accounting purposes. It includes revenue, expenditure, transfer and statistical accounts.

Comptroller Source Group – This is used to group Comptroller Objects for reporting purposes. Also called Object Class.

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 (CDBG), 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.

Controllable Property – Non-capitalized tangible property with a value that is less than \$5,000 that is considered to be sensitive with a high risk of theft or loss; such property typically has an expected useful life of less than three years.

Current Services Funding Level (CSFL) – The CSFL is a Local funds ONLY representation of the true cost of operating District agencies in the next budget year, without consideration of any new policy decisions.

Debt Cap – This is a measure of the District’s long-term debt capacity, supported by District revenues. The District has statutorily mandated debt limits of (a) 17 percent (maximum annual debt service to total General Fund revenues) for general obligation bonds, and (b) 12 percent (annual debt service to total General Fund expenditures) for all tax-supported debt.

Debt Ratio – Debt ratios are a means of measuring the affordability or burden of a municipality’s outstanding debt. Common measurements include debt per capita, debt per general fund expenditures, and debt as a percentage of total income.

Debt Service – The payment of interest and the repayment of principal to bondholders on specified dates. Generally, principal is repaid once a year. Interest on fixed rate bonds is paid twice a year at six-month intervals, and interest on floating rate bonds is generally paid monthly.

Dedicated Taxes – Tax revenues that are dedicated by law to a particular agency for a particular purpose. Dedicated Tax revenue is part of General Fund revenue.

Encumbrance – An amount of funds committed for the payment of goods and services ordered but not yet received.

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 Agreement for Refunding Bonds – The legal document outlining the terms and conditions under which proceeds of refunding bonds are used to pay the debt service of refunded bonds. The escrow (which should be irrevocable) stipulates which bond or bonds are to be refunded, whether the bonds will be redeemed at a call date or paid until maturity and what the refunding bond proceeds are invested in. Usually refunding bonds are invested in U.S. government securities.

Expenditure – A payment for goods or services received.

FMAP (Federal Medicaid Assistance Percentage) – The percentage of Medicaid expenditures that is reimbursed by the Federal Government. For the District, this percentage is generally 70 percent for most Medicaid functions.

Federal Funds

- **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.
- **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.
- **Federal Medicaid Payments:** Funding provided to pay for a portion of the health care costs of eligible individuals, with oversight performed by District and federal authorities.

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, telecommunication, 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 costs, 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 generally equals 2,080 hours and 0.75 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 – Method of organizing and maintaining accounting activities on a fund basis. A fund is defined as a separate, distinct accounting entity that has its own assets, liabilities, equity, revenues, and expenditures/expenses. Funds are established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance – The difference between fund assets and deferred outflows of resources and fund liabilities and deferred inflows of resources. The fund balance is cumulative over the life of the fund.

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standard for accounting and financial reporting. GAAP includes the conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. The standard setting body which establishes GAAP for governmental entities is the Governmental Accounting Standards Board (GASB).

GASB – Established in June 1984, the Governmental Accounting Standards Board (GASB) is the ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. Although GASB standards 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 bond ratings and thus, its attempts to issue bonds.

GFOA – The Government Finance Officers Association of the United States and Canada is the premier association of public finance professionals. Since its inception in 1906, originally as the Municipal Finance Officers Association, the organization has played a major role in the development and promotion of GAAP for state and local government. The GFOA has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946. Under this program, governments that achieve the highest standards in financial reporting are awarded a prestigious Certificate of Achievement. The GFOA also sponsors the Distinguished Budget Presentation Award Program, which recognizes governments whose budgets are deemed exemplary as policy documents, financial guides, operational guides, and communication devices. The GFOA also publishes Governmental Accounting, Auditing, and Financial Reporting (GAAFR), also known as “the Blue Book”.

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 principal operating fund of the District, which is used to account for all financial resources except those required to be accounted for in another fund. General Fund revenues consist of Local, Dedicated Tax, and Special Purpose Revenues.

General Obligation Bonds – Bonds are issued directly by state or local governments or their agencies to meet essential government functions such as schools and highway construction. These bonds are backed by the issuer’s pledge of its full faith, credit and taxing power to meet interest and principal payments.

Gift Funds – Financial donations to the District government, which may only be accepted on behalf of the District by the Mayor, which may be earmarked for a specific purpose.

Grant – Contributions of assets (usually cash) by a government unit or private entity for specified purposes. The District government receives grants from the federal government (and occasionally from private entities) for a variety of purposes. District agencies also make grants to non-profit or other non-District government organizations. When the source of the District’s grant to a non-District government organization is itself a grant, the District’s grant is called a “subgrant.”

Grant Anticipation Revenue Vehicle (GARVEE) Bonds – Bonds used by state or state infrastructure agencies under the guidelines of the National Highway System Designation Act to finance major highway projects receiving Federal funding. States must repay the bonds using federal funds expected to be received in the future; however, the federal government does not guarantee that the funds will be made available to repay the bonds.

Gross Budget – A total budget amount that includes resources from all funding sources.

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).

Income Tax Revenue Secured Bond – Revenue bonds secured by and paid solely from the individual income tax and the business franchise tax received by the District.

Indirect Costs – Administrative overhead costs incurred by the District in managing grant programs.

Industrial Revenue Bond – A bond issued by the District on behalf of a non-profit or other eligible entity to finance or refinance projects including housing, health facilities, transit, higher education, and or other industrial or 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 that are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure include such assets as highways, bridges, drainage systems, and water and sewer systems.

Interest Accrual – The interest that has accumulated on a bond since the last interest payment up to, but not including, the settlement date.

Intra-District – An accounting mechanism used 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 that 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. Local revenue is part of General Fund revenue.

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.

MARC – Maximum Allowable Request Ceiling. The maximum Local fund budget that the agencies are allowed to request at the beginning of the budget formulation process.

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.

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.

Modified Accrual Basis of Accounting – A basis of accounting that recognizes revenues in the period they become measurable and available, and expenditures in the period in which the associated liability is incurred.

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 earned on municipal bonds is exempt from federal income taxes and state and local taxes in the state if the investor lives in the issuing state.

Nonpersonal Services (NPS) – A budget category that includes budget objects for reporting other than personnel-related expenditures. Nonpersonal services includes supplies, utilities, communications, 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). Also called Comptroller Source Group.

Objectives – Measurable activities of a program that are sought to achieve the overall mission.

Obligations – The amount of expenditures already made as well as the cost of commitments requiring future payments.

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.

Overtime Pay – Pay for full-time employees whose work hours exceed their regular tour of duty, generally, for hours of work authorized in excess of 40 hours in a pay status in a workweek in accordance with provisions of section 7 of the Fair Labor Standards Act of 1938 (FLSA), as amended (29 USC 207).

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, overtime, and fringe benefits.

Performance-Based Budgeting (PBB) – A budget system in which budget decisions are based on or informed by performance information that describes the cost or efficiency of producing an activity and the results achieved for customers.

Performance Measures – Measures that describe the information managers and other decision-makers need in order to make good business decisions. Different types of measures include demand/input, output, outcome, and efficiency.

Performance Plan – An agency-level plan that contains the agency's mission, summary of services, objectives, initiatives, and performance measures for a set period of time.

Phase – A budgeted task (e.g. design, project management, construction) necessary to achieve the completion of a capital project.

Private Revenue – Funding from private grants 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.

Project – a capital project is an investment in the infrastructure of the District that results in a new District-owned asset, increases the value of an existing District-owned asset, or increases the life of a District-owned asset by at least 2 years.

Proprietary Fund – Fund category that often emulates the private sector and focuses on the measurement of net income. Expenditures are typically funded by user charges and fees. Governments may have two types of proprietary funds: enterprise funds and/or internal service funds.

Qualified Zone Academy Bond (QZAB) – A federal bond program established to help schools raise funds to: renovate and repair buildings, invest in equipment and up-to-date technology, develop challenging curricula, and train quality teachers. QZABs reduce the burden of interest payments by giving financial institutions holding the bonds (or other debt mechanism) a tax credit in lieu of interest for 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 savings up to 50 percent of the cost of these renovation and improvement projects.

Real (Constant) Dollars – Refers to an adjusted value of currency used to compare dollar values from one period to another. Due to inflation, the purchasing power of the dollar changes over time, so in order to compare dollar values from one year to another, they need to be converted from nominal (current) dollar values to constant dollar values.

Reallocation – The modification of budget from one phase of a capital project to another. The total budget for the project remains the same.

Redirections – The permanent shift of funds or positions within an agency.

Regular Pay – Continuing – Salary and wages for all continuing full-time employees.

Regular Pay – Other – Salary and wages for part-time, part-year, or temporary employees.

Reorganization – A change in the budget and reporting structures within an agency.

Reprogramming – Any budget modification for purposes other than those originally planned, which results in an offsetting reallocation of budget authority from one budget category to another, or from one capital project to another.

Request for Applications (RFA) – The document that describes the requirements for subgrant applications.

Request for Proposals (RFP) – A solicitation document requesting from prospective contractors to submit a business proposal with 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 corporate and financial information, estimate of total cost, and required completion schedule.

Rescission – A legislative cancellation of budget authority previously approved by the Council and the Congress.

Revenue Bond – A special type of municipal bond distinguished by its guarantee of repayment solely from revenues generated by a specified revenue-generating entity or source associated with the purpose of the bonds, rather than from general tax revenue.

Revenue – The annual income or receipts of the District from taxes, charges, grants, and investments.

Revenue Category – General types of revenue, such as taxes.

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 that is replenished as amounts are used, either by additional appropriations or by income/revenue from the programs the fund finances. Therefore, the fund retains a balance at all times.

Service-Level Budgeting – The development of budgets at program level four in SOAR. This is one level below the current level of budgeting for most agencies, which is at the activity level.

Special Purpose Revenue – Funds used to account for proceeds derived from 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, Special Purpose Revenue is part of General Fund revenue.

Strategic Business Plan – A strategic business plan establishes and articulates the purpose, strategic goals, operational organization, and performance expectations for an agency.

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.

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 D.C. Municipal Regulations, Title I, 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.

Supplemental Budget – An increase in the District’s budget during the course of the fiscal year, after the budget has first been approved. After approval by Council and signature by the Mayor, a Supplemental Budget must also go to Congress for review. Within certain limits, the District may implement a Supplemental Budget after a 30-day review by Congress, if Congress does not disapprove it.

Supplies and Materials – The names of the budgetary object class used to allocate funds for consumable materials.

System of Accounting and Reporting (SOAR) – The financial management system currently used by the District as its official accounting system of record.

Tax Abatement – A decrease in the amount of tax as legislated by the Council. The abatement could be in furtherance of an economic development strategy or to generally provide for tax relief.

Tax Increment Financing – 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 property 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 – Fiduciary funds that are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, and other governments.

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 D.C. Public Schools and D.C. Public Charter Schools based on the number of students, the grade level, and the special programs in which they are enrolled.

WAE – The abbreviation for a “when-actually-employed” appointment. This is a temporary appointment under which the employee serves on an intermittent basis.

Weighted Student Formula (WSF) – Funding formula used by the D.C. Public 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.

