

Fiscal Year 2001 Budget Request Hearing

**before
The Committee of the Whole
Honorable Linda W. Cropp
Chairman
Council of the District of Columbia**



**Testimony of Otis E. Williams
Deputy Chief Financial Officer for
Budget and Planning**

**Valerie Holt, CFO
District of Columbia**

**April 5, 2000
10:00 A.M.**

Council Chambers

Good morning Chairman Cropp and members of the committee. My name is Otis Williams, and I am the Deputy CFO for Budget and Planning. I am pleased to appear before you today to present testimony on the Fiscal Year 2001 Budget Request for the Office of Budget and Planning. In my remarks today, I will cover the following three areas:

- First, I will discuss the Fiscal Year 2001 Proposed Budget for OBP;
- Second, I will briefly describe the divisions within the OBP and current objectives for each; and
- Third, I will describe internal supplemental performance measures for the OBP.

Fiscal Year 2001 Proposed Budget

The Fiscal Year 2001 Proposed Budget for the Office of Budget and Planning is \$3,614,133 and 52 full-time employees (FTEs), a decrease of \$49,000 and 1 FTE from Fiscal Year 2000.

The mission of OBP is to prepare, monitor, analyze and execute the District's budget, including operating funds, capital funds and enterprise funds, in a manner that ensures fiscal integrity and maximizes service to taxpayers. Each division within OBP will have an important role in executing this mission in Fiscal Year 2001 and beyond. At this time, I would like to briefly describe the major divisions within OBP and the role that each will play in executing our mission. In this discussion I will describe the roles of the Operating Budget Division, the financial Reporting and Planning Division, the Capital Division, and Data Management.

Operating Budget Division

The Operating Budget Division is responsible for **[ADD]**

Data Management Division

As new technologies are continually introduced to the District to enhance our performance, the Data Management Division of our office has become more critical to our operations. This division provides information system support to perform budget-related duties for the District in a timely and accurate manner. Moreover, it is a critical aspect of the budget development and execution processes.

We will continue to explore better and more innovative ways to provide OBP the system support they need.

Financial Reporting and Planning

Another area within OBP is the Financial Reporting and Planning division. This division has a lead role in all budget execution issues. The continued improvements of the District's financial situation is dependent upon our ability to identify potential spending pressures early and take appropriate action to ensure that expenditures remain within budget. To achieve this objective, we are issuing monthly financial status reports which include expenditure projections based on annualized payroll costs, cash projections, and the status of agency gap-closing actions.

Capital Budget Division

The Capital Improvements Program has made noticeable improvements in recent years in monitoring capital projects. One of the goals for Fiscal Year 2001 is to develop an inventory of all capital assets, condition assessments and capital life-cycle replacement schedules. The assessments and replacement schedules will be another

tool used to evaluate data as necessary to perform planning, budgeting and monitoring functions.

Conclusion

In closing, the Office of Budget and Planning will work within the resources provided to execute our mission. In many respects, this is the most important time in the District's history. As the sun is setting on the control period, it is rising on a new day for the District that must have fiscal prudence as a cornerstone. I look forward to working with the Council and the other policy makers to develop a consensus budget for Fiscal Year 2001.

Madam Chairman, I thank you and the members of the Committee for the opportunity to testify today. I will be happy to answer any questions you might have.