

BUDGET HEARING
FY 2005 BUDGET REQUEST OF THE OFFICE OF THE
CHIEF FINANCIAL OFFICER (OCFO)

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

The Honorable Jack Evans, Chairman

April 7, 2004, 9:00 a.m.
Council Chamber



Testimony of
N. Anthony Calhoun
Treasurer and Deputy Chief Financial Officer
Office of Finance and Treasury

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

Good morning, Chariman Evans and members of the Committee. My name is Anthony Calhoun. I am the Treasurer and Deputy Chief Financial Officer for the Office of Finance and Treasury (OFT). The information that I will present will address OFT's proposed FY 2005 budget. I thank you for the opportunity to discuss the accomplishments that the Office of Finance and Treasury has realized in generating revenue, managing assets, and serving District residents and our plans for continuing these achievements.

OFT administers the assets and liabilities of the District government. As such, OFT manages the District's cash, processes all cash disbursements, conducts capital market borrowings, collects non tax account receivables, administers the District's 401(a) Defined Contribution Plan and the 457 Deferred Compensation Plan, and the College Savings Plan (529).

During FY 2003 and FY 2004, OFT has continued to improve the various financial processes of the District, with positive results. The improvements have been concentrated in electronic banking enhancements. These include the full implementation of the treasury workstation, electronic representment of dishonored checks, online enrollment and payroll deduction for the college savings 529 participants, paying Medicaid vendors (hospitals and insurance companies), and electronically collecting business taxes via world wide web and interactive voice response (IVR).

FY 2005 Budget Request

The FY 2005 budget request for OFT totals 87 FTEs with a budget of \$16.267 million, which is a net increase of \$1.896 million from the FY 2004 approved budget. This increase is a result of a \$1.397 million technical adjustment for the EBT program. This adjustment was warranted to accommodate the increasing caseload of recipients. The intra-district funds increase resulted in an additional \$499,458 for cashiering costs, armored cars, administration of the master lease program, and the summer youth program.

The FY 2005 budget for the Office of Finance and Treasury was formulated in accordance with the Office's strategic objectives:

- To reduce costs associated with treasury financial transactions;
- To increase revenue from the treasury revenue producing units;
- To improve the service provided to District residents and other District agencies;
- To manage the District's assets and liabilities to improve financial performance; and
- To facilitate economic development through financial transactions.

Mr. Chairman, this concludes my prepared testimony. I would be happy to answer any questions you or other members may have.

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