



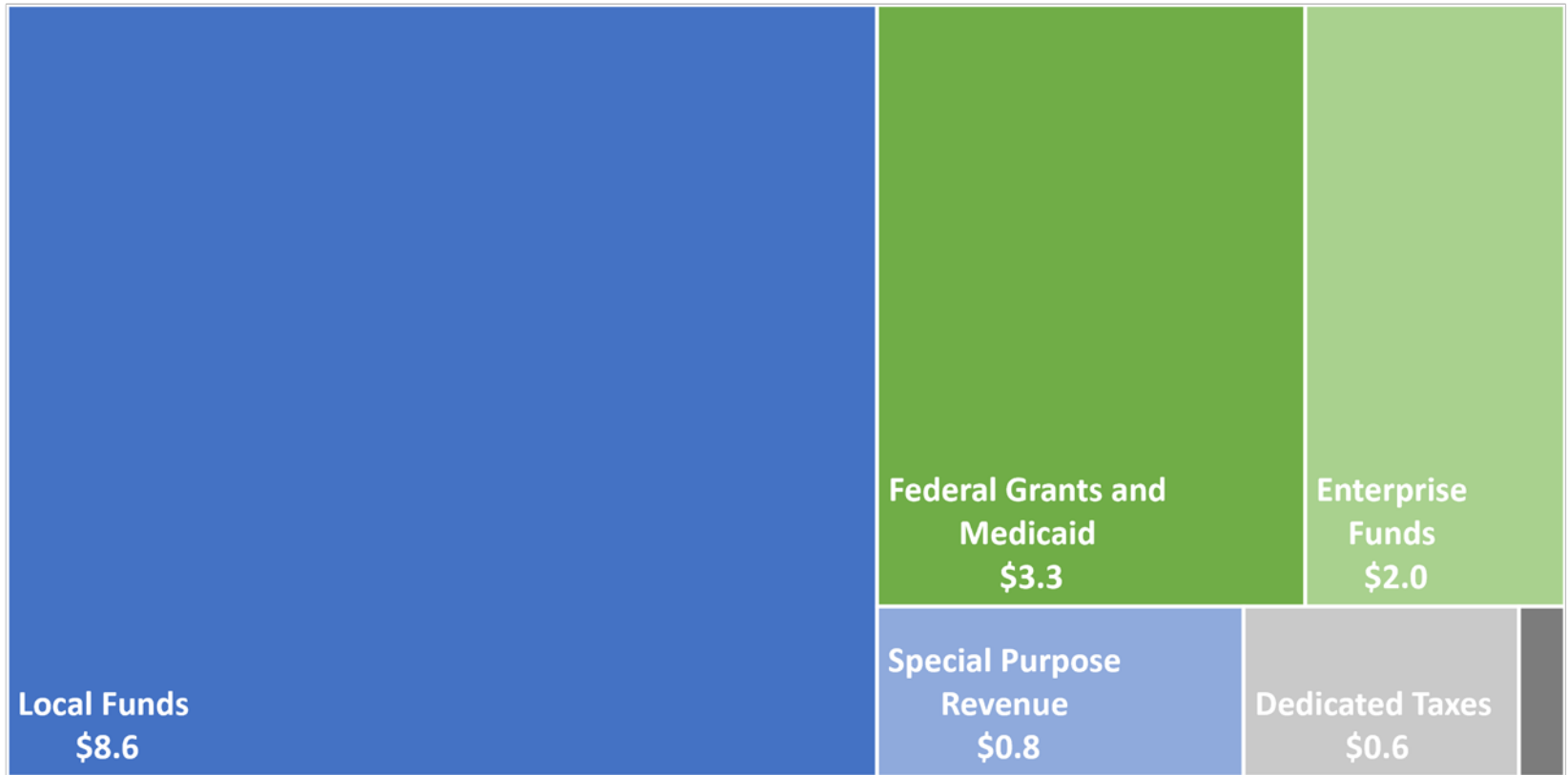
Budget 201

OFFICE OF THE BUDGET DIRECTOR

COUNCIL OF THE DISTRICT OF COLUMBIA

JANUARY 10, 2020

FY 2020 \$15.4 Billion in Gross Revenues

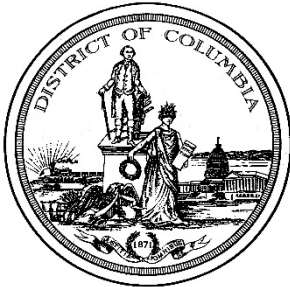


(#'s in billions)

What are the components of DC's \$15.4 Billion budget?

Fund Types

Appropriated Fund Type – identifies the source of funding for a particular program, activity, service, or CSG



Raised and Controlled by the District

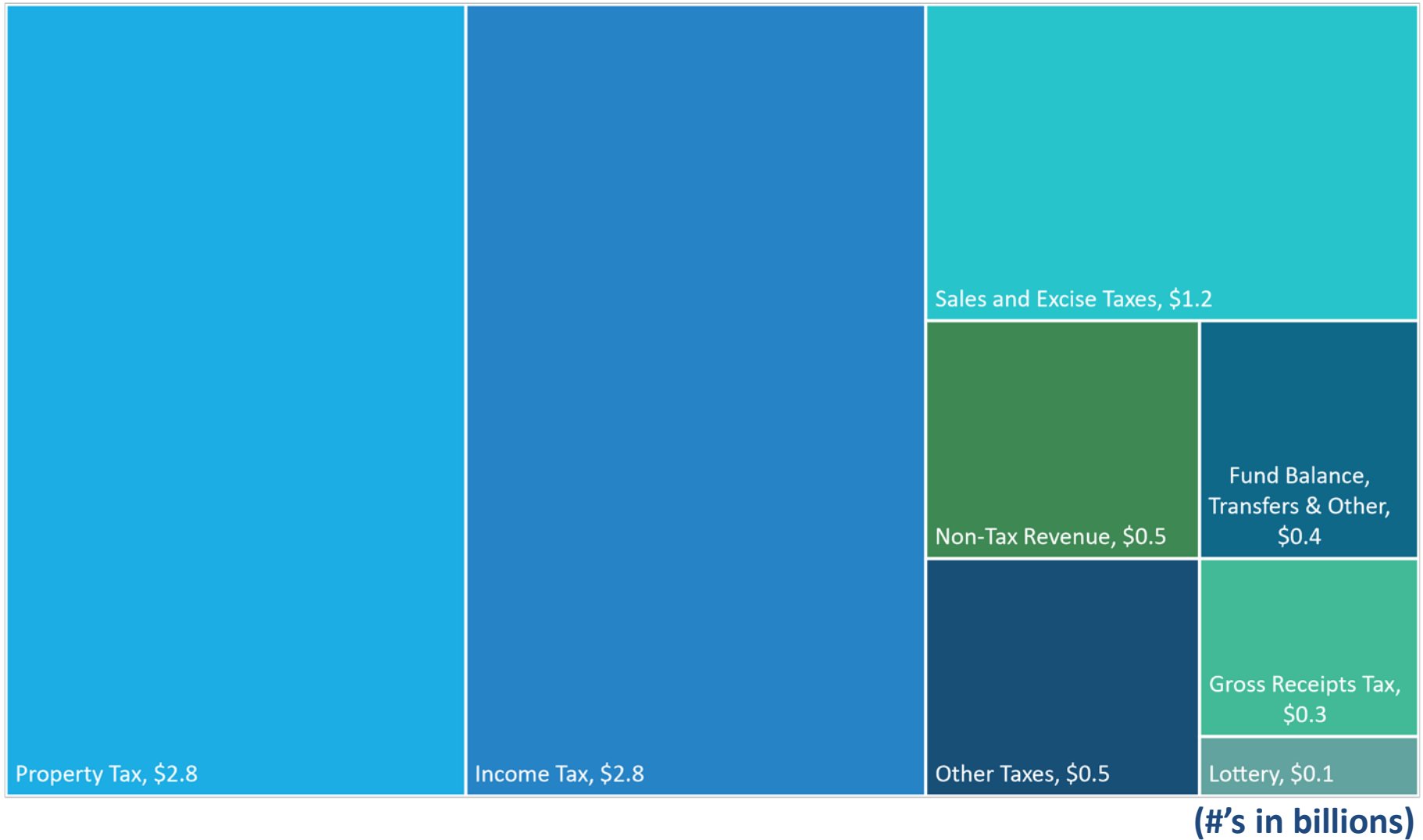
- Local (Fund Code – 100)
- Dedicated Taxes (Fund Code – 110)
- Special Purpose Revenue (Fund Code – 600)
- Enterprise & Other (Fund Codes 610 & 620)
- *Intra-District (Fund Code – 700)



Other Sources of Funding

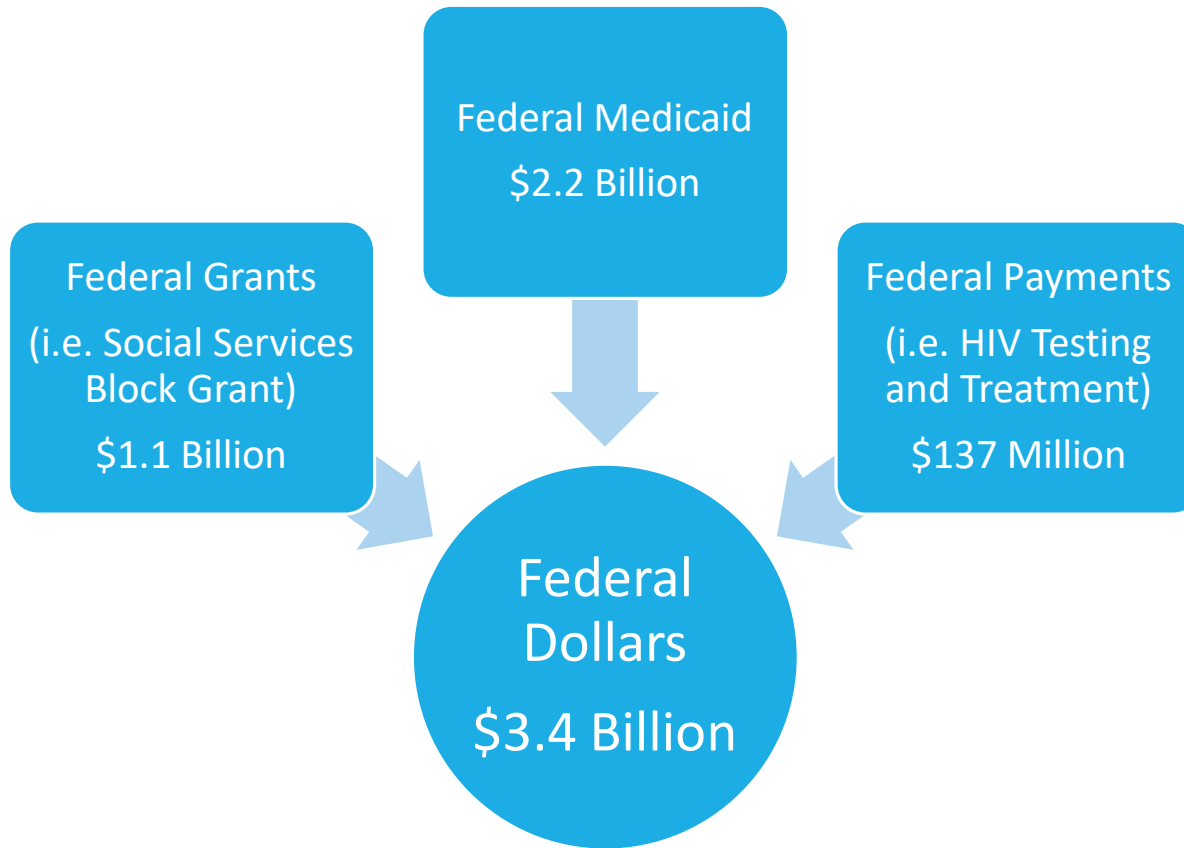
- Federal Payments (Fund Code – 150)
- Federal Grants (Fund Code – 200)
- Federal Medicaid (Fund Code – 250)
- Private Grants and Donations (Fund Codes 400 & 450)

FY2020 - \$8.6 Billion in Local Funds



How does DC raise its local funds?

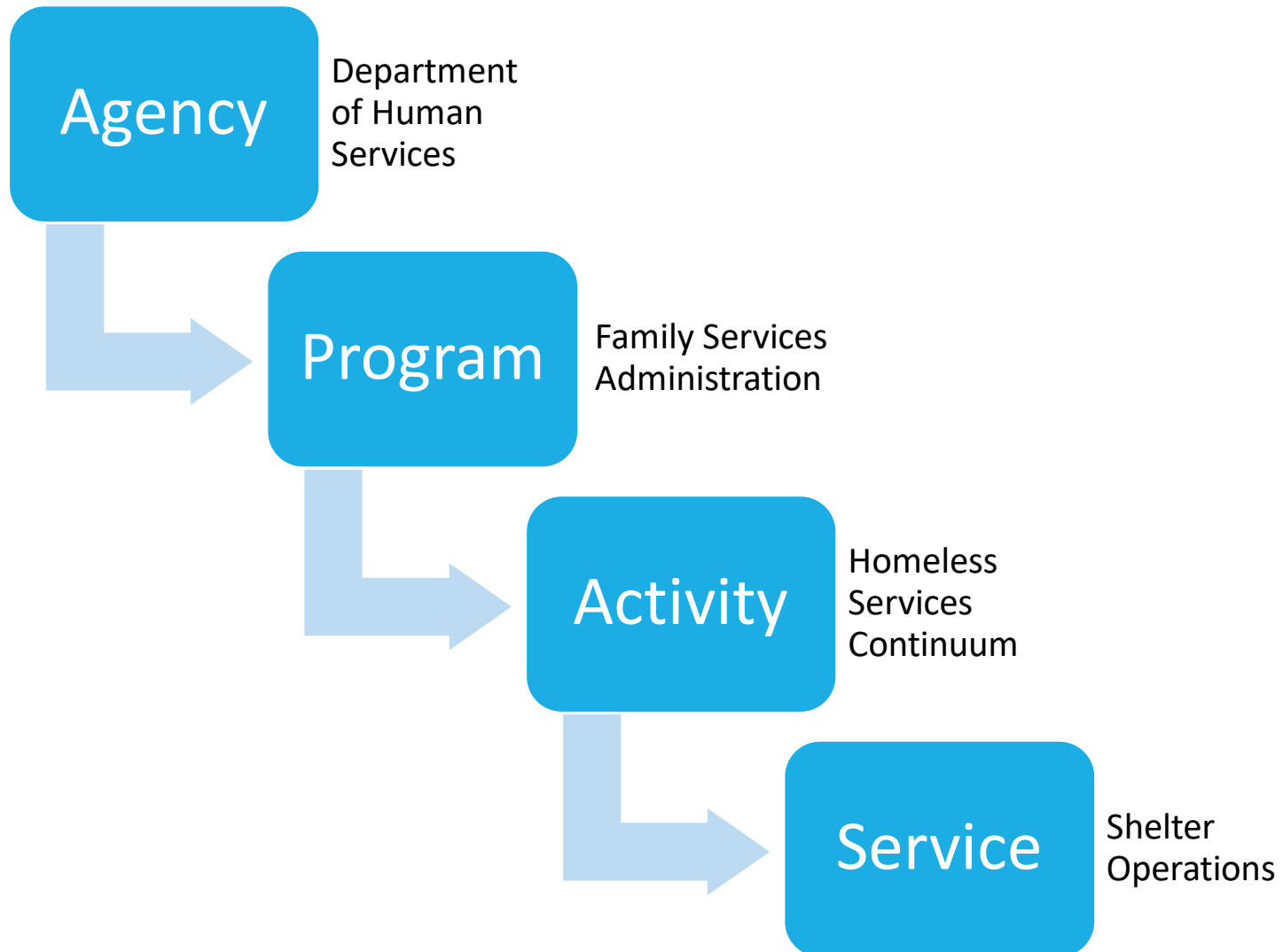
Federal Money in the Budget



Total federal dollars comprise roughly 22% of the District's \$15.4 billion operating budget.

As a percentage of the total budget, the District consistently ranks among the bottom of states and receives roughly half as much as the states with the highest percentage.

District Agency Budget Structure



District Agency Budget Structure (cont'd)

Comptroller Source Group (CSG)

Personnel Services (PS)

- Spending on “people”
- Includes salaries (regular and temporary employees), fringe benefits, bonuses, and overtime
- The most common are CSG 11 (regular pay for full-time continuing employees) and CSG 14 (fringe benefits)



Non-Personnel Services (NPS)

- Spending on good and services
- Includes grants, contracts, and human care agreements
- Includes supplies, materials, and equipment
- Includes fixed costs like rent, electricity, and security services



District Agency Budget Structure (cont'd)

Comptroller Source Group (CSG)

List of the CSGs – numbers and titles – for reference

Personnel Services (PS)

0011-REGULAR PAY - CONT FULL TIME

0012-REGULAR PAY - OTHER

0013-ADDITIONAL GROSS PAY

0014-FRINGE BENEFITS - CURR PERSONNEL

0015-OVERTIME PAY



Non-Personnel Services (NPS)

0020-SUPPLIES AND MATERIALS

0030-ENERGY, COMM. AND BLDG RENTALS

0031-TELEPHONE, TELEGRAPH, TELEGRAM,

0032-RENTALS - LAND AND STRUCTURES

0033-JANITORIAL SERVICES

0034-SECURITY SERVICES

0035-OCCUPANCY FIXED COSTS

0040-OTHER SERVICES AND CHARGES

0041-CONTRACTUAL SERVICES - OTHER

0050-SUBSIDIES AND TRANSFERS

0060-LAND AND BUILDINGS

0070-EQUIPMENT & EQUIPMENT RENTAL

0080-DEBT SERVICE

Proposed vs. Approved vs. Revised vs. Actual

“Proposed” Budget

- As submitted by the Mayor for consideration by the Council

“Approved” Budget

- As passed by the Council, before accounting for changes or movement of money.

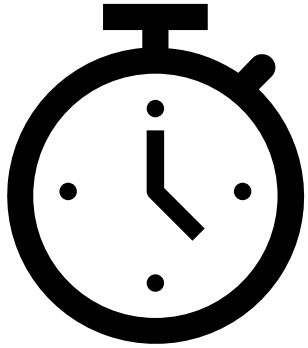
“Revised” Budget

- Updated throughout the year to reflect budgetary changes or movement of money.

“Actual” Budget

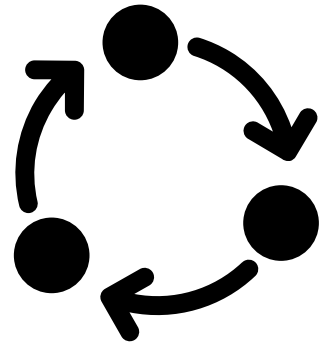
- Final, audited spending for a fiscal year.
- Sometimes listed as “expenditures”.

One Time vs. Recurring



One-Time Funding

- Spending that will only occur in one fiscal year.
- One-time funds cannot be used for costs that will spread over several fiscal years.



Recurring Funding

- Spending that will occur in the budget formulation year and continue throughout the financial plan.
- The OCFO measures inflation rates for spending in different agencies which must be applied when identifying sources and uses of recurring funds.
- Putting recurring funds into the budget does not guarantee that the spending will continue in subsequent fiscal years.

The Four-Year Financial Plan

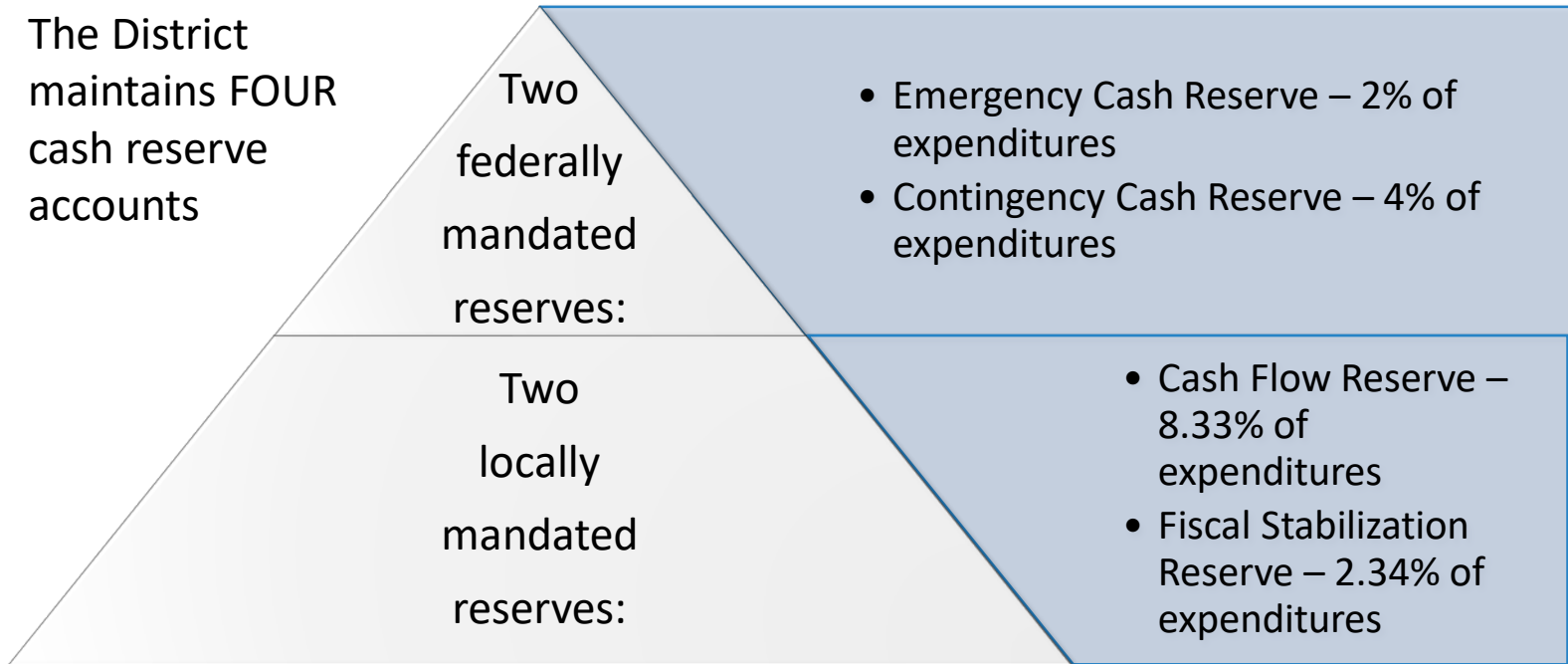
The District's budget must balance in the budget formulation year, and the three subsequent fiscal years.

This means that revenues must match expenditures throughout the four-year financial plan.

Saving for a Rainy Day



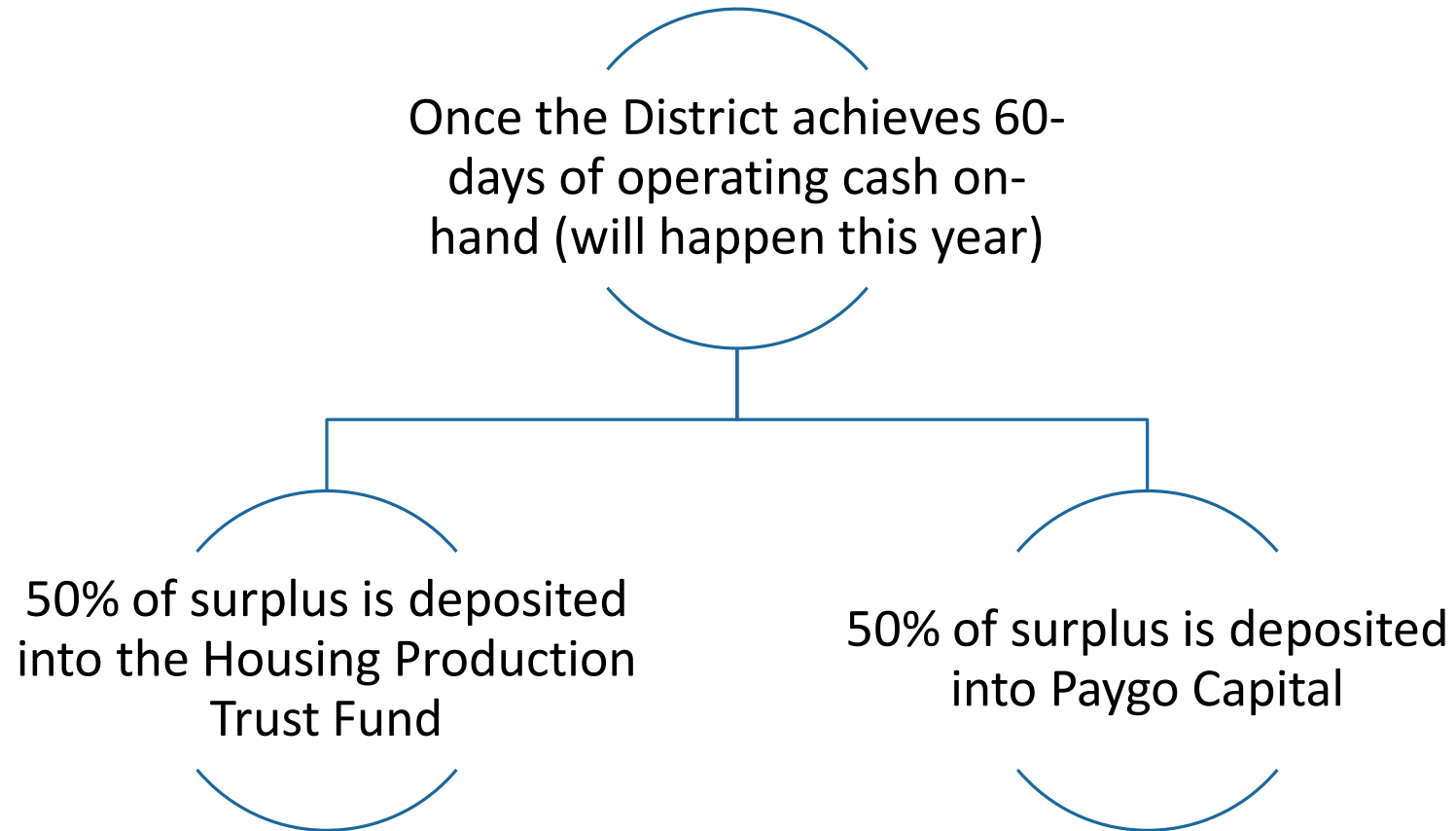
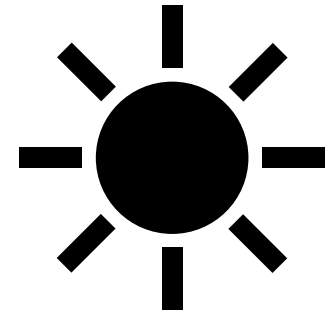
The District maintains FOUR cash reserve accounts



The District's goal is to get balance of all four reserves to 60-days of operating cash-on-hand

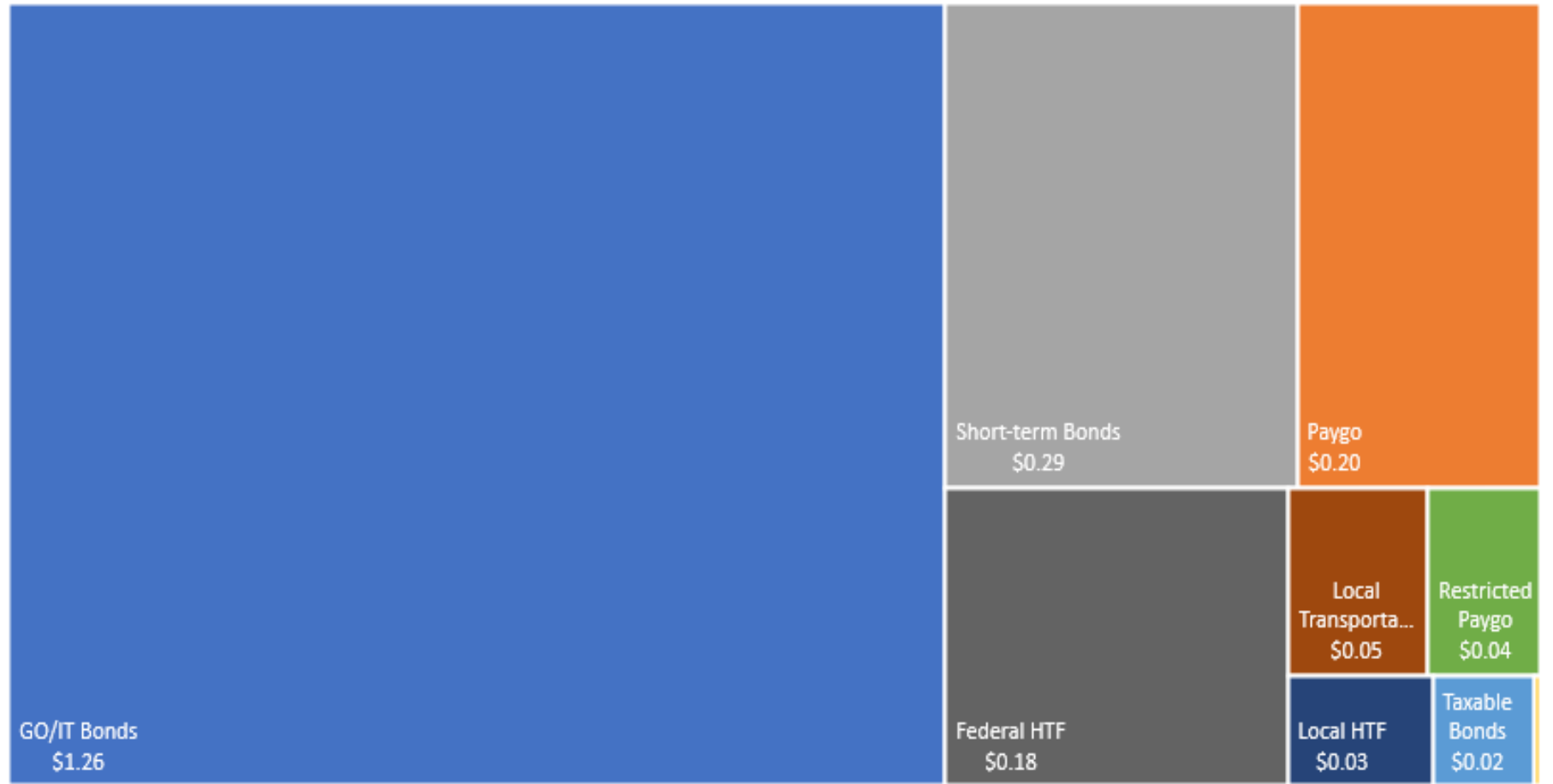
- ✓ $2\% + 4\% + 8.33\% + 2.34\% = 16.67\%$ of annual expenditures
- ✓ $16.67\% * 365 \text{ days in a year} = 60\text{-days of cash on hand}$

Saving for a Rainy Day



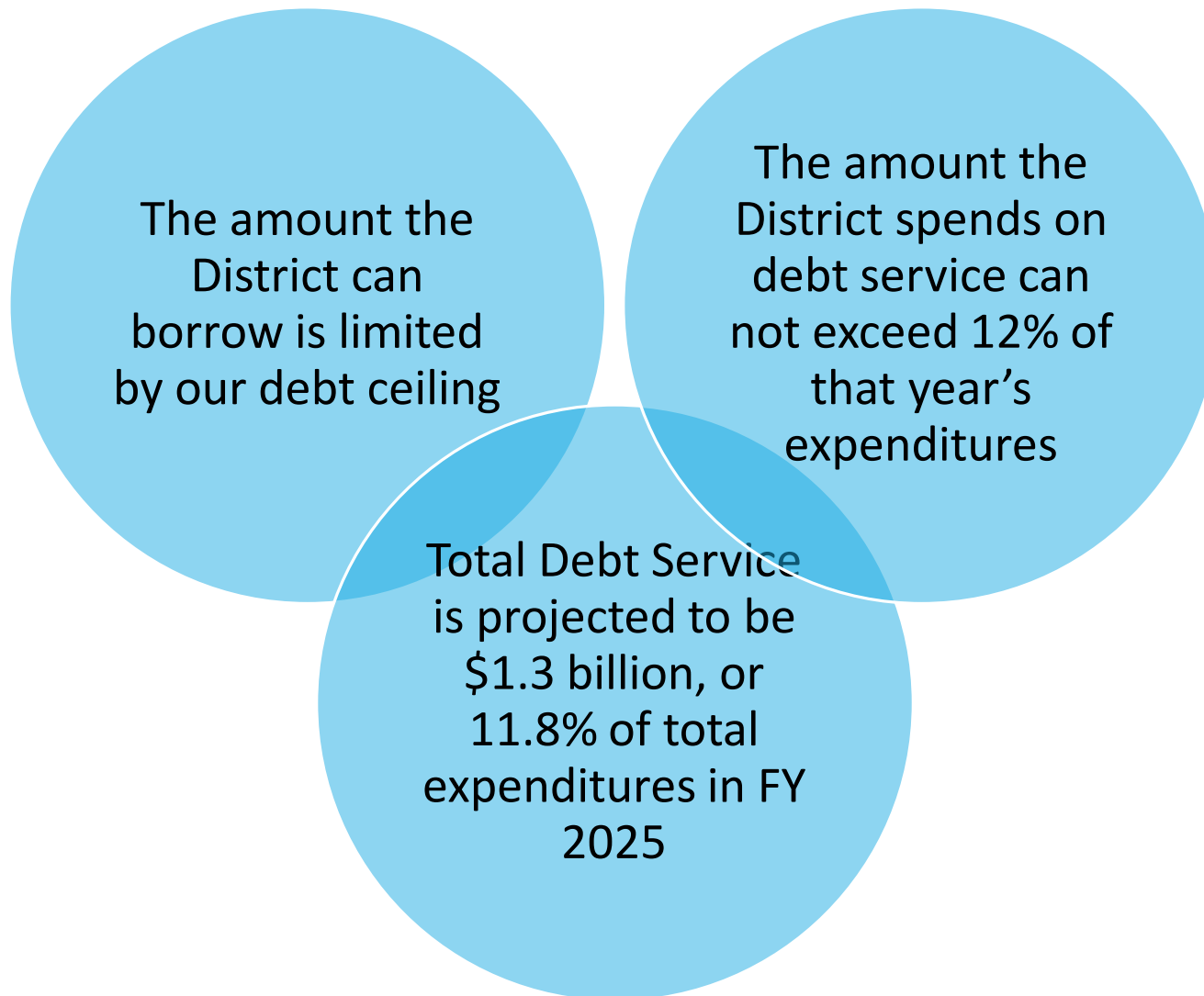
Paying for the Capital Budget

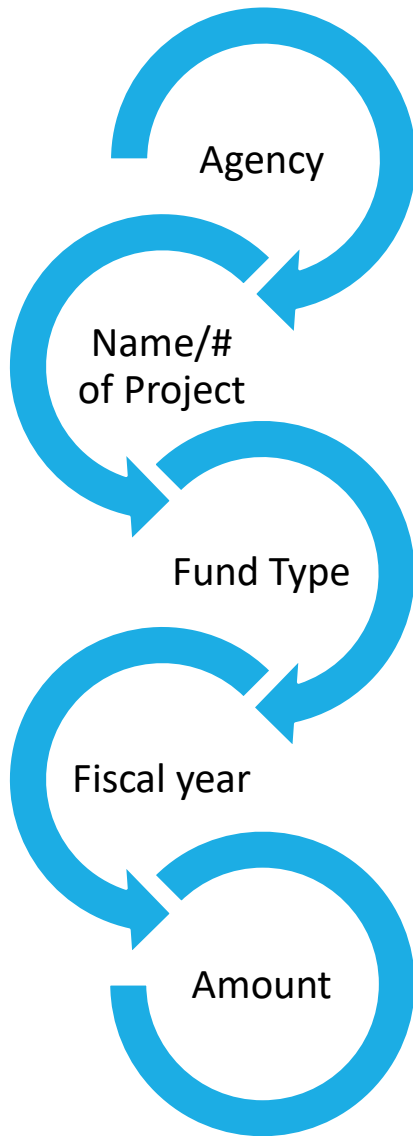
FY 2020 \$2.1 Billion



(#'s in billions)

Capital Budget – Debt Ceiling





Capital Budget Structure

HT0-UMV01-SAINT ELIZABETHS MEDICAL CENTER

Agency: DEPARTMENT OF HEALTH CARE FINANCE (HT0)
Implementing Agency: DEPARTMENT OF HEALTH CARE FINANCE (HT0)
Project No: UMV01

(Dollars in Thousands)

Source	Approved Funding						6 Yr Total
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
GO Bonds - New (0300)	33,000	25,000	0	0	0	0	58,000
Pay Go (0301)	2,000	0	0	0	0	0	2,000
Taxable Bonds - (0309)	0	58,000	198,800	0	0	0	256,800
TOTALS	35,000	83,000	198,800	0	0	0	316,800

Capital Budget – Key Terms

Funding Term

- Approved for the 6-year Capital Improvement Plan period, which is the budget year and the next five years

Budget allotment

- A project's annual spending authority
- Cannot spend more than has been allotted to a project
- Does not expire at end of FY and remains available until spent or reprogrammed

Budget authority

- A project's total spending authority planned through the end of the 6-year period
- Allows agencies to budget and contract for multi-year projects.

Capital Eligible

- A project must be at least \$250,000 and:
 - ✓ result in a District-owned asset,
 - ✓ increase the value of an District-owned asset, or
 - ✓ increase the life of a District-owned asset by < 2 years

This Fiscal Year started...now what?



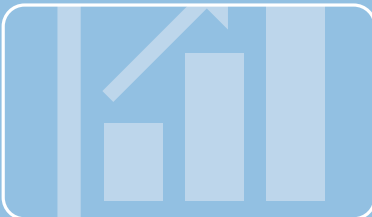
Reprogrammings: Any budget modification for purposes other than those originally planned, which results in an offsetting reallocation of budget authority from one budget category to another (i.e. from one program, agency, object to another) or from one capital project to another. Reprogrammings above \$500,000 require Council approval; any reprogramming below that is included in the OCFO's quarterly reports. NOTE: The Mayor cannot initiate a reprogramming to undo a Council budget action.



Grant Budget Modifications: The Home Rule Act allows the Mayor, in consultation with the OCFO, to accept, obligate, and expend Federal, private, and other grants received by the District government even if they were not included in the annual budget. GMBs undergo passive Council approval.



Contract Review: Prior to award, all multiyear contracts and contracts in excess of \$1M during a 12-month period must be transmitted to Council for review and approval. Multiyear contracts are deemed disapproved if not actively approved by resolution. Contracts over \$1M during a 12-month period, if timely filed, have a 10-day passive review period. If, however, the contract is retroactive, the Council must ratify by emergency legislation.



Supplemental or Deficiency Budgets: The Home Rule Act authorizes additional budget proposals outside the annual proposal "from time to time" as the Mayor deems necessary (or the Council directs to be submitted by resolution). Such proposals must be balanced and include a statement of justifications, including why these changes weren't included in the annual budget.

Future Brown Bag Sessions

Friday February
28, 2020:
Budget
Legislation

Friday February
7, 2020: How to
Read the
Budget Books

Friday March
13, 2020: The
Committee
Process

REMINDER:

*Enter your e-mail at the bottom of our home page to subscribe to updates made on the Budget Office's website:
www.dccouncilbudget.com*

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We respect your need for confidentiality and will honor it. We are here as a resource and stand ready to help – call or stop by.