

Government of the District of Columbia  
Office of the Chief Financial Officer



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Kwame R. Brown  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer

**DATE:** April 17, 2012 

**SUBJECT:** Fiscal Impact Statement - Fiscal Year 2012 Revised Budget Request Adjustment Emergency Act of 2012"

**REFERENCE:** Amendment in the nature of a substitute shared with the Office of Revenue Analysis on April 17, 2012

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**Conclusion**

Funds are sufficient in the FY 2012 budget to implement the bill. The bill increases the District's FY 2012 expenditures by \$14.97 million. The Office of the Chief Financial Officer has certified approximately \$79.5 million in additional revenue since the approval of the FY 2012 budget, and these funds are sufficient to pay for the proposed expenditures. There is no additional fiscal impact on the District's proposed FY 2013 through FY 2016 budget and financial plan.

Notwithstanding this bill, the District continues to face additional spending pressures of approximately \$60.9 to \$65.8 million as outlined in my letter dated April 11, 2011. Agencies with spending pressures are currently on pace to overspend their current budgets, and in the absence of a plan to address these spending pressures, these agencies could be put in a position of either violating the Anti-Deficiency Act or stopping their expenditures and thus the services they provide.

**Background**

The bill proposes a spending plan for a part of these local funds according to the following table:

<b>Fiscal Year 2012 Revised Budget Request Adjustment Emergency Act of 2012 Proposed FY 2012 Expenditures</b>	
District of Columbia Public Charter Schools	\$6,971,000
Unemployment Compensation Fund	\$8,000,000
<b>TOTAL</b>	<b>\$14,971,000</b>

The Honorable Kwame R. Brown

FIS: "Fiscal Year 2012 Revised Budget Request Adjustment Emergency Act of 2012," Amendment in the nature of a substitute shared with ORA on April 17, 2012

### **Financial Plan Impact**

Funds are sufficient in the FY 2012 budget to implement the bill. The bill will increase FY 2012 expenditures by \$14.97 million. Since June 2011, the Office of the Chief Financial Officer twice revised the revenue estimates, certifying additional \$79.5 million local revenue for FY 2012.<sup>1</sup> These funds can be used to cover the proposed expenditures.

There is no additional fiscal impact on the District's proposed FY 2013 through FY 2016 budget and financial plan.

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<sup>1</sup> In December 2011, the revenues were revised up by \$42.2 million, and then in February 2012, by an additional \$34.8 million. Office of Revenue Analysis also certified \$2.5 million revenue for a rebate DC Human Resources Agency received from health care providers. The sum of these three amounts is \$79.5 million.