

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



Glen Lee
Chief Financial Officer

MEMORANDUM

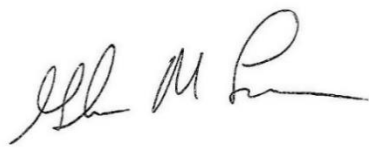
TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Glen Lee
Chief Financial Officer

DATE: May 27, 2025

SUBJECT: Fiscal Impact Statement –Fiscal Year 2026 Local Budget Act of 2025

REFERENCE: Draft bill as provided to the Office of the Chief Financial Officer May 26, 2025



Conclusion

Funds are sufficient in the proposed fiscal year 2026 through fiscal year 2029 budget and financial plan to implement the bill.

Background

The bill authorizes a total of \$11,936,175,315 in fiscal year 2026 expenditures and transfers from Local funds, \$792,560,956 from Dedicated Taxes, and \$788,613,746 from Special Purpose Revenue funds, for a total of approximately \$13.5 billion of General Fund expenditures.

Financial Plan Impact

Funds are sufficient in the proposed fiscal year 2026 through fiscal year 2029 budget and financial plan to implement the bill.

The resources available for the bill's proposed \$11.9 billion of authorized Local fund expenditures and transfers include approximately \$10.6 billion of Local fund revenues certified by the Chief Financial Officer in the February 2025 revenue estimates¹, \$1.0 billion of District fund balance reserved as of September 30, 2024 for future budgets, \$212 million of anticipated additional fund balance that will be reserved as of September 30, 2025, and \$64.5 million of transfers from Enterprise and Other funds. Revenue reductions of approximately \$5 million from proposals included in the

¹ [February 2025 Revenue Estimate Letter](#)

The Honorable Phil Mendelson

FIS: "Fiscal Year 2026 Local Budget Act of 2025," Draft bill as provided to the Office of the Chief Financial Officer May 26, 2025

accompanying proposed Fiscal Year 2026 Budget Support Act of 2025 (BSA) are also accounted for in the available resources for the Local fund expenditures.

The bill's authorized \$792.6 million of expenditures and transfers from Dedicated Tax funds are supported by \$853.1 million of certified revenue from the February revenue estimates and account for \$55.5 million of reduced revenue from proposals included in the proposed BSA.

The bill's authorized \$788.6 million expenditures and transfers from Special Purpose Revenue funds are supported by \$740.7 million of certified revenues, \$66.6 million of fund balance, and account for \$16.8 million of reduced revenue from proposals included in the proposed BSA.

The projected spending for fiscal years 2027, 2028 and 2029 (the remainder of the financial plan) is also supported by sufficient resources.