



# The District's Dime

Going Beyond the Budget Book

The DC Fiscal Policy Institute blog  
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## What's In Store For Next Year's Budget?

By Jessica Fulton

What's in store for the District's fiscal year 2015 budget? Yesterday we got a sneak preview. DCFPI's Policy Director, Jenny Reed, was joined by officials from the Office of the Chief Financial Officer, the Gray administration, the DC Council to share insights on what next year's budget might include and how advocates can get involved in the budget-making process. By law, Mayor Gray must present his budget by April 3rd, and the DC Council then has 56 days to vote on it.

First up was Fitzroy Lee, Deputy Chief Financial Officer and the city's chief economist, who shared data about the latest economic trends and how that impacts the city's resources. He opened his remarks with a focus on two important data points: that DC's population is growing, as well as the portion of wages in the District earned by DC residents. Both of these factors have contributed to an increase in District revenues, primarily through boosts in income and property taxes. This has led to an uptick in resources available to the mayor as he puts together his budget. When the Chief Financial Officer announced the revenue estimate last month, the projection increased by an additional \$139 million. Lee did remind the audience that these revenues are based on projections of property and income tax collections and could change when his office receives its "April Surprise" after the April 15th income tax deadline.

Not everything is rosy, though. A factor that has negatively impacted the District's revenue outlook is sequestration, the automatic budget cuts put in place by Congress to lower the federal deficit. The federal government is the largest employer of District residents, so any impact to federal hiring has reverberations in the local economy. Lee said that the District has lost nearly 6,000 federal jobs from January 2013 to January 2014.

Lee's presentation can be found [here](#).

Next up was Eric Goulet, director of the Mayor's Office of Budget and Finance. Unlike previous appearances in past years, Goulet said he was free to talk about many budget initiatives because the mayor had already announced them earlier this month at his State of the District address. These include an increase in education funding of \$116 million in next year's budget. According to Goulet, \$4 million will be used for early childhood education and will be allocated to the Office of the State Superintendent of Education for child care. The other \$112 million will be allocated to DC public schools and DC public charter schools to fund a number of initiatives, including increased funding for students identified as "at-risk."

The Mayor's budget will also focus on reducing homelessness. Goulet discussed the mayor's efforts to end homelessness among DC's veterans, and that funding will likely be a part of the recently

announced \$50 million commitment to affordable housing. Goulet also said that the mayor will likely support putting funds toward enforcement and implementation of the District's minimum wage and paid sick days legislation.

Goulet was asked about whether the mayor's budget will include recommendations made by DC's Tax Revision Commission. Goulet did not comment on specifics about the proposal, but did note that the Mayor is committed to lowering taxes for our aging residents.

Jennifer Budoff, the DC Council's budget director, stressed that the Council's budget office plays a supportive role in the budget process, helping all 13 members meet their budget goals. The council's role comes into play once the mayor officially presents his budget. Budoff encouraged advocates walking the halls of the John A. Wilson Building to get to know her staff, and work with them to achieve budget success.

DCFPI Policy Director, Jenny Reed, was the clean-up batter of the event. Reed spoke about DCFPI's priorities for the budget season, which include [increasing affordable housing opportunities](#) through additions to both the Housing Production Trust Fund and the Local Rent Supplement Program, a commitment to allocating the funding for at-risk students effectively, creating a more [fair DC tax system](#), and making [critical investments for families](#) receiving benefits through Temporary Assistance for Needy Families.

Reed's presentation can be found [here](#).

Stay tuned to the District's Dime as we get closer to the mayor's budget announcement!