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

Natwar M. Gandhi
Chief Financial Officer

June 22, 2009

The Honorable Adrian M. Fenty
Mayor of the District of Columbia
1350 Pennsylvania Avenue, NW – 6th Floor
Washington, DC 20004

The Honorable Vincent C. Gray
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW – Suite 504
Washington, DC 20004

Dear Mr. Mayor and Chairman Gray:

This letter certifies revised revenue estimates for the FY 2009-FY 2013 District of Columbia Budget and Financial Plan. The FY 2009 revenue is now estimated to be $4,979.4 million, $190.0 million less than the estimate in February. For FY 2010, total non-dedicated Local Fund revenues are estimated to be $4,879.3 million, which is $150.2 million less than the estimate that was certified in February. Table 1 below compares the current revenue estimate to the previous estimate.

Table 1: June 2009 revenue estimate compared to previous estimate

Local Source, General Fund Revenue Estimate ($ millions)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenue estimate of February 2009	**5,169.4**	**5,029.5**	**5,132.0**	**5,298.8**	**5,540.0**
Change from previous estimate	(190.0)	(150.2)	(211.5)	(223.2)	(251.4)
June 2009 revised estimate	**4,979.4**	**4,879.3**	**4,920.4**	**5,075.6**	**5,288.7**
Percent growth over previous year	*-6.5%*	*-2.0%*	*0.8%*	*3.2%*	*4.2%*

Overview

Deteriorating Economic Outlook

At the time of the February revenue estimates, the U.S. economy was in the midst of a growing recession and there was enormous uncertainty as to how long and how deep the recession would be and the impact that it would have on the District. At this point not all of these issues associated with the recession remain unresolved, but the outlook today is much as it was several months ago. The U.S. recession is in its 18th month, making it the longest recession since World

War II. Although there are some indicators that the recession may be slowing, the outlook remains very uncertain. In the period between February 1st and June 15th, for example, the stock market has gained 11.9 percent yet it remained 32.1 percent below a year ago and was 2.1 percent below just two weeks earlier. In the U.S. labor market, the most hopeful sign at this point is that only 345,000 jobs were lost in May compared to 504,000 the month before.

Credit markets have continued to deteriorate despite considerable efforts by the new administration, Congress, and the Federal Reserve to stimulate corporate and other lending. Activities in the District such as the commercial real estate market are heavily dependent on credit conditions set in national markets, just as gains or losses in the stock market influence the personal income tax base. Although the presence of the federal government generally has a stabilizing effect on the District's economy, the historical record shows that the District's economy is strongly influenced by national trends. The District's economy slowed when the U.S. economy slowed in the downturns of the early 1980's, the early 1990's, and again in 2001. The recent slowdown in District employment, and especially the sharp decline in resident employment, shows that the District labor market is not immune to general problems in the nation's economy.

Revenue Collections

The current revenue estimate is informed to a large extent by tax collections trends through May. March, April and May are significant months for the District's revenue collections. In addition to the monthly sales and withholding tax payments, real property tax payments for first half billing are due March 31st. Final payments for the corporate franchise tax are due March 15th and final estimated payments for the individual income and unincorporated business taxes are due April 15th. Estimated payments for the first quarter of the calendar year for the individual income, corporate franchise and the unincorporated business taxes are also due April 15th. Receipts from these payments are processed and reported in March, April and May, which is why the May report of cash collections is so significant to the current revenue estimate.

The May cash report shows that through May total tax collections (including dedicated taxes) are down 8.6 percent compared to a forecasted decline of 3 percent in the February estimate. Through May individual income tax receipts have fallen 19 percent compared to a forecasted decline of 15 percent. This is mainly because of a greater than expected decline in final payments receipts. Whereas the February forecast assumed that payments would fall by 21 percent for the fiscal year, final payments receipts through May have fallen 44 percent. Individual income tax refunds are up by 12 percent in the May cash report although this increase is less than the 33 percent increase forecasted in February estimate and offset somewhat the higher than expected decline in final payments

The sales and use tax, which grew 4.2 percent through December, has seen a sharp decline in the last three months and is now down 3 percent through May compared to a forecasted 3.5 percent growth in the February estimate. In particular, tourism related sales tax revenues have fallen off sharply, with flat year to date growth through May in the convention center transfer (calculated as a portion of the hotel and restaurant sales tax revenue).

Most surprisingly, after tallying the receipts from first half billing, fiscal year to date real property tax cash receipts through May are growing at only 7 percent compared to a forecasted

annual growth of 14 percent in February, despite the fact that the 2009 first half real property tax billing was 17 percent higher than last year's. A preliminary analysis of the cause of the lower than expected real property tax receipts reveals that:

- An exceptionally high number of class 3 properties have applied for and have been granted exceptions—they have been effectively reclassified since the billing to classes 1 or 2.
- Collections rates for classes 1 and 3 are lower than last year's.
- Fiscal year to date through May refunds are 282 percent more than the same period last year, significantly more than the forecasted 87 percent growth in the February estimate, due to processing of the backlog of refunds that had been held by federal authorities following the tax fraud.

Current Economic Conditions

The U.S. Economy

As noted above, despite considerable efforts by the new administration, Congress, and the Federal Reserve, the U.S. economy has continued to weaken since the last revenue estimate. The U.S. economy is in the midst of its 18th month of recession and the worst financial crisis since the Great Depression. To summarize:

- For the quarter ending in March, U.S. real GDP was down on a seasonally adjusted basis by 3.5 percent from December.
- In June, the vast majority of the Blue Chip Indicator respondents (50 business economists) said that contraction in the economy would most likely be over by the end of CY 2009, but there is large variation in the forecasts about how much the decline will be in CY 2009 and the amount of growth that could be expected some time in CY 2010.
- The federal government has approved several large interventions in the economy in an effort to reverse the downward slide. At this point the degree to which federal interventions will be successful is not known. This adds to the unusual amount of uncertainty in the economic outlook for the nation, including the District of Columbia government.
- The Standard and Poor 500 stock index for June gained 19.3 percent from its low point in February, but remained 35.7 percent below June of 2008.
- U.S. wage and salary employment declined in May 2009 by 345,000 from April on a seasonally adjusted basis, the 17th monthly decline in a row. There were 6 million (4.3 percent) fewer people working in May than when the recession began in December 2007. The national unemployment rate increased to 9.4 percent in May, up from 4.9 percent in December 2007 (on a seasonally adjusted basis).
- According to the National Association of Realtors, housing prices of existing home sales in the U.S. declined 15.4 percent in April from a year earlier, along with a 3.5 percent decline in the number of homes sold in that month. (Forty-five percent of the April 2009 sales were reported to be from foreclosure or other distressed property sales).

The District Economy

The District's economy has weakened appreciably since the last revenue estimate. Wage and salary employment in the District, which had continued to grow during the first eight months of the U.S. recession, on a seasonally adjusted basis fell by 1.2% from January through April. Furthermore, resident employment has now fallen steadily throughout the recession. In the 3 month period ending in May (March, April, and May), collections for withholding, sales, and deed taxes are all well below their levels of a year earlier.

- In April there were 4,500 (0.6 percent) more wage and salary jobs located in D.C. on a seasonally-adjusted basis than there were when the U.S. recession began in December 2007. However, job growth in D.C. peaked in August 2008, and since then, through April 2009, there has been a decrease of 8,400 (1.2 percent), with losses occurring in professional and business services and education, among other sectors.

- Resident employment in D.C. has fallen sharply, at a rate worse than in the U.S. From December 2007, the beginning of the recession, through May 2009, the District lost 17,700 jobs (5.7 percent decline) (seasonally-adjusted). The US decline was 4.4 percent. Furthermore, the District's comparable monthly unemployment rate rose from 5.8 percent (December 2007) to 10.7 percent (May 2009). The forecast of an annual average unemployment rate of 9.9 percent for FY 2009 is consistent with these monthly changes to date.

- The number of sales of single family houses has started to increase, but at significantly lower prices. Condo sales have been down, but the prices are rising.
    - For the 3-month period ending April 30, there was a 19.6 percent increase in single family home sales, with average prices down 21.6 percent, compared with the same period of 2008.
    - The Federal Housing Finance Agency (FHFA—formally OFHEO) index for the purchase price of the same properties in DC was down 15.3 percent in the quarter ending in March compared to a year earlier.
    - Condo sales were down 4.6 percent for the same 3-month period, while prices were up 17.6 percent.

- Commercial office occupancy rate in DC is better than most places, but the vacancy rate (with sublet) rose from 6.4 percent in December 2007 to 8.3 percent in March 2009. The amount of occupied space in DC declined by 1.19 million square feet (1.0 percent) from December 2007 to March 2008.

- Hotel revenues in the 3-month period after the Inauguration (February, March, and April) are down 7.1 percent from the same period of the prior year.

- For the 3-month period ending in May, sales tax collections before earmarking were down 12.1 percent from the same period of 2008, withholding was down 4.2 percent, deed taxes were down 30.0 percent (and down 61.1 percent from May 2007). For the fiscal year to date, corporate income tax collections were down 20.1 percent, unincorporated business tax collections were down 16.4 percent, and the portion of the

individual income tax not accounted for by withholding (i.e., the sum of payments, declarations, and refunds) was down 82.1 percent.[1]

Economic Assumptions

In view of the continued weakness and uncertainty in the U.S. economy, the June revenue estimate assumes that the District economy will experience recession conditions in FY 2009, with effects continuing through FY 2010. The severity of the cutback in economic activity in the District is expected to be not as great as in the U.S. as a whole, and the outlook is marginally better for FY 2009 and FY 2010 for some indicators compared to that contained in the February estimate. Significant recovery would occur in 2011. Estimating assumptions for FY 2009 and FY 2010, respectively, include:

- Change in total jobs located in D.C. of 0.4% in FY 2009 and -0.4% in FY 2010.
- Change in D.C. resident employment of -4.4% in FY 2009 and -0.3% in FY 2010.
- An increase in D.C. personal income (wages, property, and transfer payments but not including capital gains) of 0.8% in FY 2009 and 0.9% in FY 2010.
- A decline in the S&P 500 of 39.1% in the final quarter of CY 2008 compared to the same quarter of CY 2007, and a further 14.0% decrease in the final quarter of CY 2009.
- A decline in the number of home sales of 3.8% in 2009 and an increase of 9.5% in 2010.
- Average home sale price decline of 6.6% in 2009 and an increase of 2.8% in FY 2010.

CHANGE IN KEY ECONOMIC VARIABLES FOR FY 2009: COMPARISON OF ASSUMPTIONS FOR THE SEPTEMBER, DECEMBER, FEBRUARY AND JUNE REVENUE ESTIMATES

(All variables shown as percent change from FY 2008 to FY 2009)

Variable	September estimate	December estimate	February estimate	**June estimate**
Nominal GDP for DC	2.4	0.6	0.1	**0.3**
Real GDP for DC	-0.4	-0.9	-1.2	**-1.0**
DC personal income	2.6	2.7	0.6	**0.8**
Wages earned in DC	2.7	3.2	1.4	**2.3**
Wages earned by DC residents	2.8	2.4	-1.4	**-0.8**
Number of wage and salary jobs in DC	-0.2	0.6	-0.2	**0.4**
Number of households in DC	0.3	0.5	0.3	**0.5**
DC resident employment	-0.8	-1.5	-3.0	**-4.4**
DC unemployment rate	6.8	8.5	9.4	**9.9**
S and P 500 stock index*	-19.2	-41.0	-39.1	**-39.1**

* Percent change from the final quarter of CY 2007 to the final quarter of CY 2008. The change in CY 2008 affects taxes collected in FY 2009.

[1] For withholding and the non-withholding portions of the individual income tax, the percentage calculations in this paragraph reflect adjustments to the timing of collections in April 2008 and May 2008 to facilitate comparison of comparable time periods.

CHANGE IN KEY ECONOMIC VARIABLES FOR FY 2010: COMPARISON OF ASSUMPTIONS FOR THE SEPTEMBER, DECEMBER, FEBRUARY AND JUNE REVENUE ESTIMATES

(All variables shown as percent change from FY 2009 to FY 2010)

Variable	September estimate	December estimate	February estimate	**June estimate**
Nominal GDP for DC	3.5	0.8	0.1	**0.0**
Real GDP for DC	1.3	0.1	-0.7	**-0.5**
DC personal income	4.4	2.1	-0.4	**0.9**
Wages earned in DC	3.5	1.5	-1.1	**0.5**
Wages earned by DC residents	4.7	2.0	-2.3	**0.5**
Number of wage and salary jobs in DC	0.6	-0.3	-0.3	**-0.4**
Number of households in DC	0.3	0.7	0.7	**0.3**
DC resident employment	0.6	-0.5	-1.4	**-0.3**
DC unemployment rate	6.7	9.8	11.5	**10.1**
S and P 500 stock index*	9.4	-3.7	-11.2	**-14.0**

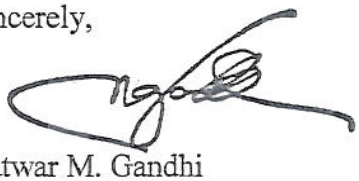
*Percent change from the final quarter of CY 2008 to the final quarter of CY 2009. The change in CY 2009 affects taxes collected in FY 2010.

Risks to the District's Economy

- The uncertainties surrounding the national and District economic outlooks remain very worrisome and require careful monitoring.
- Although the District is likely to benefit from the current short-run expansion of the federal government, over the longer run the District economy is vulnerable to cutbacks in federal spending. The District, in its status as the U.S. capital, is also uniquely vulnerable to national security threats, to cutbacks in corporate spending for legal and other services in D.C., to cutbacks in funding for non-profit organizations, and to reduced convention and tourism activity.
- As the seat of the federal government, the District retains a downtown core that may be able to hold jobs and therefore contribute to a real estate market that retains more value than that of any other major US city. The magnitude of the federal economic stimulus effort may result in increases in federal and contractor employees beyond those contemplated in the estimates, and the stimulus and other federal measures may add to earnings of D.C. employees and to occupancy of office buildings, cutting short what looks now to be an almost open-ended recession.

If you have any questions regarding this matter, please contact me on (202) 727-0065.

Sincerely,



Natwar M. Gandhi

Enclosures

DISTRIBUTION LIST
Councilmember David Catania (At-Large)
Councilmember Phil Mendelson (At-Large)
Councilmember Kwame Brown (At-Large)
Councilmember Michael Brown (At-Large)
Councilmember Jim Graham (Ward 1)
Councilmember Jack Evans (Ward 2)
Councilmember Mary Cheh (Ward 3)
Councilmember Muriel Bowser (Ward 4)
Councilmember Harry Thomas Jr. (Ward 5)
Councilmember Tommy Wells (Ward 6)
Councilmember Yvette Alexander (Ward 7)
Councilmember Marion Barry (Ward 8)
Neil O. Albert, Deputy Mayor and City Administrator
Carrie Kohns, Chief of Staff to the Mayor
Deborah K. Nichols, District of Columbia Auditor
Eric Goulet, Budget Director, Council of the District of Columbia

Estimated Key Variables for the D.C. Economy for the Forecast Period FY 2005 through FY 2014

Fiscal Years	2005 act	2006 act	2007 est	2008 est	2009 est	2010 est	2011 est	2012 est	2013 est	2014 est
Gross State Product ($ billion)	81.79	87.06	92.21	97.81	98.13	98.17	102.09	107.69	112.64	117.48
	7.2%	*6.4%*	*5.9%*	*6.1%*	*0.3%*	*0.0%*	*4.0%*	*5.5%*	*4.6%*	*4.3%*
Real Gross State Product (billions of $2000)	69.03	70.88	73.40	76.43	75.65	75.23	77.03	79.49	81.03	82.34
	3.2%	*2.7%*	*3.5%*	*4.1%*	*-1.0%*	*-0.5%*	*2.4%*	*3.2%*	*1.9%*	*1.6%*
Personal Income ($ billion)	31.25	33.81	36.14	38.14	38.44	38.77	39.91	41.42	43.27	45.11
	9.5%	*8.2%*	*6.9%*	*5.5%*	*0.8%*	*0.9%*	*3.0%*	*3.8%*	*4.5%*	*4.2%*
Real Personal Income (billions of $2000)	28.23	29.62	30.97	31.51	31.76	31.98	32.13	32.36	32.93	33.53
	5.4%	*4.9%*	*4.6%*	*1.7%*	*0.8%*	*0.7%*	*0.5%*	*0.7%*	*1.8%*	*1.8%*
Per Capita Income ($)	53,712	57,796	61,503	64,500	64,697	65,015	66,790	69,169	71,982	74,664
	9.0%	*7.6%*	*6.4%*	*4.9%*	*0.3%*	*0.5%*	*2.7%*	*3.6%*	*4.1%*	*3.7%*
Real Per Capita Income ($2000)	48,519	50,633	52,714	53,297	53,461	53,625	53,764	54,030	54,776	55,502
	5.9%	*4.4%*	*4.1%*	*1.1%*	*0.3%*	*0.3%*	*0.3%*	*0.5%*	*1.4%*	*1.3%*
Wages earned in D.C. ($ billion)	47.79	50.34	53.13	55.72	56.99	57.29	58.80	61.27	63.94	66.53
	5.9%	*5.3%*	*5.6%*	*4.9%*	*2.3%*	*0.5%*	*2.6%*	*4.2%*	*4.4%*	*4.1%*
Wages earned by D.C. residents ($ billion	16.7	18.0	19.4	20.3	20.2	20.3	21.0	21.8	22.7	23.6
	8.7%	*8.2%*	*7.3%*	*5.0%*	*-0.8%*	*0.5%*	*3.6%*	*4.0%*	*4.3%*	*3.9%*
Population ('000)	581.8	584.9	587.5	591.3	594.1	596.3	597.6	598.9	601.2	604.2
	0.4%	*0.5%*	*0.4%*	*0.6%*	*0.5%*	*0.4%*	*0.2%*	*0.2%*	*0.4%*	*0.5%*
Households ('000)	252.4	254.0	255.1	256.6	257.8	258.7	259.2	259.6	260.6	261.9
	0.4%	*0.6%*	*0.4%*	*0.6%*	*0.5%*	*0.3%*	*0.2%*	*0.2%*	*0.4%*	*0.5%*
Civilian Labor Force ('000)	317.8	319.9	325.8	332.0	329.9	329.7	333.4	334.9	336.2	337.9
	2.6%	*0.7%*	*1.8%*	*1.9%*	*-0.6%*	*0.0%*	*1.1%*	*0.4%*	*0.4%*	*0.5%*
At-Place Employment ('000)	680.4	686.3	691.7	702.5	705.5	702.5	710.1	720.2	727.7	733.9
	1.3%	*0.9%*	*0.8%*	*1.6%*	*0.4%*	*-0.4%*	*1.1%*	*1.4%*	*1.0%*	*0.9%*
Resident Employment ('000)	296.0	301.1	307.8	310.7	297.2	296.3	304.0	309.3	313.8	316.4
	3.3%	*1.7%*	*2.2%*	*1.0%*	*-4.4%*	*-0.3%*	*2.6%*	*1.8%*	*1.4%*	*0.8%*
Unemployment Rate	6.8	5.9	5.5	6.4	9.9	10.1	8.8	7.6	6.7	6.4
Housing Starts	1,925	2,020	1,895	613	282	317	378	833	1,377	1,517
Housing Stock ('000)	278.9	282.4	283.7	285.8	287.8	289.1	290.2	292.7	295.2	292.9
	0.9%	*1.2%*	*0.5%*	*0.7%*	*0.7%*	*0.4%*	*0.4%*	*0.9%*	*0.9%*	*-0.8%*
Home sales	12,900	10,800	9,800	7,581	7,296	7,989	8,871	9,364	9,547	9,621
	-1.5%	*-16.3%*	*-9.3%*	*-22.6%*	*-3.8%*	*9.5%*	*11.0%*	*5.6%*	*2.0%*	*0.8%*
Average home sale price ('000)	533.9	574.5	612.0	612.3	592.1	191.6	595.0	627.1	642.9	645.6
	19.9%	*7.6%*	*6.5%*	*0.0%*	*-3.3%*	*-67.7%*	*210.6%*	*5.4%*	*2.5%*	*0.4%*
Change in S & P 500 Index of Common Stock*	5.9%	12.9%	7.5%	-39.1%	-14.0%	15.2%	19.3%	10.7%	7.2%	6.3%
Interest rate on 10-year Treasury notes (%)	4.2	4.8	4.7	3.9	2.9	2.8	3.6	5.7	6.5	6.6
Washington Area Consumer Prices: % change from prior year	3.3	3.8	2.5	5.1	0.4	1.0	2.2	2.2	2.2	2.2

** Change in S and P 500 Index of Common Stock is the change from the 4th quarter to the 4th quarter on a calendar year (rather than fiscal year) basis. (For example, the value in FY 2008 is the % change from CY 2007.4 to CY 2008.4)*

Note: Estimated by the D.C. Office of Revenue Analysis based on forecasts of the D.C. and national economies prepared by Global Insight (May 2009) and Economy.com (May 2009); on forecasts of the national economy prepared by the Congressional Budget Office (January 2009) and Blue Chip Economic Indicators (May2009); on BLS labor market information from April 2008; on the 2000 Census and Census Bureau estimates of the 2008 D.C. population (December 2008); on CY 2007 Census Bureau American Community Survey data for D.C. (September 2008); on Bureau of Economic Analysis estimates of D.C. Personal Income (December 2008); on Metropolitan Regional Information System (MRIS) D.C. home sales data (April 2008), accessed through the Greater Capital Area Association of Realtors (GCAAR); on Delta Associates information on commercial office buildings and residential property in D.C. (March 2009), and on consulation with the D.C. Office of Planning on D.C. housing construction activity (winter 2008).

ORA
June 22, 2009

FY 2008 - FY 2013 Revenue Actuals, Estimates and Projections

(thousands of dollars)

Revenue Source	Actual FY 2008	** Estimate ** FY 2009	FY 2010	** Out year projections ** FY 2011	FY 2012	FY 2013
Real Property	1,672,969	1,803,171	1,781,331	1,743,688	1,743,688	1,824,944
Transfer to TIF/CBF	*(6,654)*	*(29,963)*	*(42,860)*	(48,496)	(52,105)	(56,053)
Real Property (net)	1,666,315	1,773,208	1,738,471	1,695,192	1,691,583	1,768,891
Personal Property	59,690	57,422	56,216	56,834	57,488	58,166
Transfer to Neighborhood Investment Fund	*(10,000)*	*(10,000)*	*(10,000)*	(10,000)	(10,000)	(10,000)
Personal Property (net)	49,690	47,422	46,216	46,834	47,488	48,166
Total Property	**1,716,005**	**1,820,630**	**1,784,687**	**1,742,027**	**1,739,071**	**1,817,057**
General Sales	1,015,182	983,948	987,895	1,025,734	1,070,661	1,123,137
Transfer to convention center	*(91,493)*	*(91,950)*	*(93,054)*	*(97,055)*	*(101,229)*	*(105,581)*
Transfer to TIF/CBF	*(23,450)*	*(27,440)*	*(26,203)*	*(41,648)*	*(32,395)*	*(34,377)*
Transfer to DDOT capital (parking tax)	*(37,420)*	*(26,112)*	*(27,389)*	*(30,378)*	*(31,393)*	*(32,433)*
Transfer to Ballpark Fund	*(12,364)*	*(8,900)*	*(9,212)*	*(9,663)*	*(10,204)*	*(10,766)*
Transfer to School Modernization Fund	*(100,000)*	*(106,000)*	*(112,360)*	*(119,102)*	*(130,279)*	*(138,308)*
General Sales (net)	750,455	723,545	719,677	727,888	765,162	801,671
Alcohol	5,190	5,157	5,126	5,096	5,069	5,043
Cigarette	23,900	47,586	45,411	44,275	43,168	42,380
Motor Vehicle	40,160	40,160	40,963	42,192	43,458	44,762
Motor Fuel Tax	23,199	19,719	20,173	20,637	21,111	21,597
Transfer to Highway Trust Fund	*(23,199)*	*(19,719)*	*(20,173)*	*(20,637)*	*(21,111)*	*(21,597)*
Total Sales	**819,705**	**816,448**	**811,178**	**819,452**	**856,856**	**893,855**
Individual Income	1,342,799	1,112,357	1,069,361	1,103,373	1,166,113	1,215,836
Corp. Franchise	286,204	237,264	252,121	282,428	309,104	326,220
U. B. Franchise	126,891	107,822	124,395	143,020	159,873	173,257
Total Income	**1,755,894**	**1,457,444**	**1,445,877**	**1,528,821**	**1,635,090**	**1,715,313**
Public Utility	153,543	153,627	153,696	153,751	153,796	153,832
Transfer to Ballpark Fund	*(9,228)*	*(10,600)*	*(10,605)*	(10,609)	(10,612)	(10,614)
Public Utility (net)	144,315	143,027	143,091	143,142	143,184	143,217
Toll Telecommunications	65,741	63,283	63,360	63,418	63,463	63,496
Transfer to Ballpark Fund	*(2,559)*	*(2,658)*	*(2,661)*	(2,664)	(2,665)	(2,667)
Toll Telecommunications (net)	63,182	60,625	60,699	60,755	60,797	60,830
Insurance Premiums	52,636	64,050	74,767	74,767	74,767	74,767
Transfer to Healthy DC Fund	*(5,964)*	*(7,593)*	*(17,486)*	(17,486)	(17,486)	(17,486)
Insurance Premiums (net)	46,672	56,457	57,281	57,281	57,281	57,281
Healthcare Provider Tax	13,771	11,000	11,000	11,000	11,000	11,000
Transfer to Nursing Facility Quality of Care Fund	*(13,771)*	*(11,000)*	*(11,000)*	(11,000)	(11,000)	(11,000)
Ballpark fee	24,989	20,748	20,603	20,932	21,414	21,649
Transfer to Ballpark Fund	*(24,989)*	*(20,748)*	*(20,603)*	*(20,932)*	*(21,414)*	*(21,649)*
Total Gross Receipts	**254,169**	**260,109**	**261,070**	**261,178**	**261,262**	**261,328**
Estate	66,899	70,000	60,000	60,000	60,000	60,000
Deed Recordation	155,974	89,014	71,746	72,456	84,795	94,877
Transfer to HPTF	*(23,853)*	*(13,352)*	*(10,762)*	(10,868)	(12,719)	(14,232)
Transfer to Comp. Housing Strategy Fund	*(13,819)*	-	-	-	-	-
Deed Recordation (net)	118,302	75,662	60,984	61,587	72,076	80,646
Deed Transfer	112,434	60,040	47,588	48,156	55,702	60,380
Transfer to HPTF	*(16,735)*	*(9,006)*	*(7,138)*	(7,223)	(8,355)	(9,057)
Transfer to Comp. Housing Strategy Fund	*(9,460)*	-	-	-	-	-
Deed Transfer (net)	86,238	51,034	40,449	40,932	47,346	51,323
Economic Interests	54,815	17,955	14,091	10,545	10,545	10,545
Total Other Taxes	326,254	214,651	175,524	173,065	189,967	202,514
TOTAL TAXES NET OF DEDICATED TAXES	4,872,027	4,569,282	4,478,337	4,524,542	4,682,247	4,890,067
Licenses & Permits	84,921	60,892	60,034	63,043	60,043	63,053
Fines & Forfeits	98,932	129,582	133,211	130,041	129,885	127,540
Charges for Services	43,493	48,050	45,901	48,300	45,925	48,775
Miscellaneous	158,510	101,316	96,032	88,737	91,711	93,462
TOTAL NON-TAX	385,856	339,841	335,178	330,122	327,564	332,830
Lottery/Interfund Transfer	70,300	70,300	65,775	65,775	65,775	65,775
TOTAL REVENUE NET OF DEDICATED TAXES	5,328,183	4,979,423	4,879,290	4,920,439	5,075,586	5,288,672

FY 2008 - FY 2013 Growth Rates by Revenue Source

Revenue Source	** Actual **		** Estimate **		** Out year projections **		
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Real Property	25.6%	15.5%	7.8%	-1.2%	-2.1%	0.0%	4.7%
Transfer to TIF/CBF	208.5%	30.5%	350.3%	43.0%	13.1%	7.4%	7.8%
Real Property (net)	25.3%	15.4%	6.4%	-2.0%	-2.5%	-0.2%	4.6%
Personal Property	2.9%	-11.4%	-3.8%	-2.1%	1.1%	1.2%	1.2%
Transfer to Neighborhood Investment Fund	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Personal Property (net)	3.3%	-13.4%	-4.6%	-2.5%	1.3%	1.4%	1.4%
Public Space Rental	45.2%	-14.1%	10.0%	3.0%	3.0%	3.0%	3.0%
Transfer to DDOT	*45.2%*	*-185.9%*	*-210.0%*	*3.0%*	*3.0%*	*3.0%*	*3.0%*
Total Property	**24.3%**	**14.3%**	**6.1%**	**-2.0%**	**-2.4%**	**-0.2%**	**4.5%**
General Sales	5.6%	5.8%	-3.1%	0.4%	3.8%	4.4%	4.9%
Transfer to convention center	*4.5%*	*9.8%*	*0.5%*	*1.2%*	*4.3%*	*4.3%*	*4.3%*
Transfer to TIF/CBF	*22.9%*	*65.1%*	*17.0%*	*-4.5%*	*58.9%*	*-22.2%*	*6.1%*
Transfer to DDOT capital (parking tax)	*10.4%*	*0.9%*	*-30.2%*	*4.9%*	*10.9%*	*3.3%*	*3.3%*
Baseball sales tax	*-4.5%*	*49.4%*	*-28.0%*	*3.5%*	*4.9%*	*5.6%*	*5.5%*
Transfer to School Modernization Fund	-	*0.0%*	*6.0%*	*6.0%*	*6.0%*	*9.4%*	*6.2%*
General Sales (net)	-7.5%	4.7%	-3.6%	-0.5%	1.1%	5.1%	4.8%
Alcohol	1.6%	0.8%	-0.6%	-0.6%	-0.6%	-0.5%	-0.5%
Cigarette	-7.8%	12.7%	99.1%	-4.6%	-2.5%	-2.5%	-1.8%
Motor Vehicle Excise	2.6%	-8.1%	0.0%	2.0%	3.0%	3.0%	3.0%
Motor Fuel Tax	7.3%	-13.4%	-15.0%	2.3%	2.3%	2.3%	2.3%
Transfer to Highway Trust Fund	*7.3%*	*-13.4%*	*-15.0%*	*2.3%*	*2.3%*	*2.3%*	*2.3%*
Total Sales	**-7.0%**	**4.1%**	**-0.4%**	**-0.6%**	**1.0%**	**4.6%**	**4.3%**
Individual Income	6.5%	2.2%	-17.2%	-3.9%	3.2%	5.7%	4.3%
Corp. Franchise	18.7%	12.0%	-17.1%	6.3%	12.0%	9.4%	5.5%
U.B. Franchise	17.1%	-24.0%	-15.0%	15.4%	15.0%	11.8%	8.4%
Total Income	**9.1%**	**1.1%**	**-17.0%**	**-0.8%**	**5.7%**	**7.0%**	**4.9%**
Public Utility	5.6%	-6.3%	0.1%	0.0%	0.0%	0.0%	0.0%
Transfer to Ballpark Fund	1.4%	-12.1%	14.9%	0.0%	0.0%	0.0%	0.0%
Public Utility (net)	*5.9%*	*-5.9%*	*-0.9%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Toll Telecommunications	4.3%	11.3%	-3.7%	0.1%	0.1%	0.1%	0.1%
Transfer to Ballpark Fund	*11.2%*	*12.0%*	*3.9%*	*0.1%*	*0.1%*	*0.1%*	*0.1%*
Toll Telecommunications (net)	4.1%	11.3%	-4.0%	0.1%	0.1%	0.1%	0.1%
Insurance Prems. (gross)	6.8%	-4.3%	21.7%	16.7%	0.0%	0.0%	0.0%
Transfer to Healthy DC Fund	n/a	-26.4%	27.3%	130.3%	0.0%	0.0%	0.0%
Insurance Premiums (net)	n/a	-0.5%	21.0%	1.5%	0.0%	0.0%	0.0%
Healthcare Provider Tax	36.1%	11.1%	-20.1%	0.0%	0.0%	0.0%	0.0%
Transfer to Nursing Facility Quality of Care Fund	36.1%	11.1%	-20.1%	0.0%	0.0%	0.0%	0.0%
Ballpark fee	56.0%	0.4%	-17.0%	-0.7%	1.6%	2.3%	1.1%
Transfer to Ballpark Fund	*56.0%*	*0.4%*	*-17.0%*	*-0.7%*	*1.6%*	*2.3%*	*1.1%*
Total Gross Receipts	**2.4%**	**-1.1%**	**2.3%**	**0.4%**	**0.0%**	**0.0%**	**0.0%**
Estate	80.1%	23.3%	4.6%	-14.3%	0.0%	0.0%	0.0%
Deed Recordation	14.8%	-31.2%	-42.9%	-19.4%	1.0%	17.0%	11.9%
Transfer to HPTF	21.9%	-31.3%	-44.0%	-19.4%	1.0%	17.0%	11.9%
Transfer to Comp. Housing Strategy Fund		-23.5%	-100.0%	n/a	n/a	n/a	n/a
Deed Recordation (net)	2.9%	-32.0%	-36.0%	-19.4%	1.0%	17.0%	11.9%
Deed Transfer	14.9%	-26.2%	-46.6%	-20.7%	1.2%	15.7%	8.4%
Transfer to HPTF	25.6%	-30.3%	-45.2%	-20.7%	1.2%	15.7%	8.4%
Transfer to Comp. Housing Strategy Fund		-21.5%	-100.0%	n/a	n/a	n/a	n/a
Deed Transfer (net)	2.5%	-25.9%	-40.8%	-20.7%	1.2%	15.7%	8.4%
Econ. Interests	114.0%	-15.4%	-57.2%	-21.5%	-25.2%	0.0%	0.0%
Total Other Taxes	19.4%	-20.3%	-34.2%	-18.2%	-1.4%	9.8%	6.6%
TOTAL TAXES NET OF DEDICATED TAXES	10.7%	3.9%	-6.2%	-2.0%	1.0%	3.5%	4.4%
Licenses & Perm.	8.4%	8.5%	-28.3%	-1.4%	5.0%	-4.8%	5.0%
Fines & Forfeits	-9.8%	-2.5%	31.0%	2.8%	-2.4%	-0.1%	-1.8%
Charges/Services	10.0%	-17.0%	10.5%	-4.5%	5.2%	-4.9%	6.2%
Misc. Revenue	47.9%	-17.3%	-36.1%	-5.2%	-7.6%	3.4%	1.9%
TOTAL NON-TAX	17.1%	-9.0%	-11.9%	-1.4%	-1.5%	-0.8%	1.6%
Lottery	-11.4%	7.5%	0.0%	-6.4%	0.0%	0.0%	0.0%
TOTAL REVENUE NET OF DEDICATED TAXES	10.8%	2.9%	-6.5%	-2.0%	0.8%	3.2%	4.2%