

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



Natwar M. Gandhi
Chief Financial Officer

February 29, 2012

The Honorable Vincent C. Gray
Mayor of the District of Columbia
1350 Pennsylvania Avenue, NW – 6th Floor
Washington, DC 20004

The Honorable Kwame R. Brown
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW – Suite 504
Washington, DC 20004

Re: February 2012 Revenue Estimate

Dear Mayor Gray and Chairman Brown:

This letter certifies, as of February 2012, revenue estimates for the FY.2012 – FY 2016 District of Columbia Budget and Financial Plan. Revenue for FY 2012 is revised upward by \$34.8 million from the December estimate to \$5.7 billion. For FY 2013, the estimate is increased by \$35.7 million to \$5.76 billion. The estimate for FY 2013 includes a \$24.1 million reduction in revenue to account for the impact of current federal law requiring sequestration of federal FY 2013 expenditures beginning January 1, 2013. The table below compares the current revenue estimate to the previous estimate.

February 2012 Revenue Estimate Compared to Previous Estimate

Local Source, General Fund Revenue Estimate (\$ millions)	Estimate			--- Projected ---	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
December 2011 Forecast	5,670.1	5,727.4	5,856.2	6,004.3	
Revisions to estimate	34.8	13.1	(14.1)	(19.4)	
Additional revenue from lower impact of federal sequestration*		22.6	24.9	22.2	
Total Changes	34.8	35.7	10.8	2.8	
February 2012 Revenue Estimate	5,704.9	5,763.0	5,867.0	6,007.1	6,164.7
<i>Percent growth over previous year</i>	<i>5.8%</i>	<i>1.0%</i>	<i>1.8%</i>	<i>2.4%</i>	<i>2.6%</i>

* The December 2011 forecast included an estimate of the impact of federal sequestration on the District. The estimate has been updated to be consistent with the latest Congressional Budget Office's (CBO) estimate. The additional revenue is the difference between the revised estimate and our December estimate as shown below.

Impact of Federal Sequestration (\$ millions)

	FY 2013	FY 2014	FY 2015
Dec 2011 Estimate	46.7	86.1	93.5
Feb 2012 Estimate	24.1	61.2	71.3
Difference	22.6	24.9	22.2

Overview

Despite a brightening of the District's economic and fiscal prospects over the past year, a high degree of uncertainty clouds the future course of the international, national and local economies. The District's economy, in particular, is now caught between slowing growth in the federal sector and modest growth in the private sector. The threat of federal cutbacks poses the greatest risk to the District's economic and fiscal outlook. The federal sequestration, if implemented in its current form, will have a severe impact on the District's economy and finances. Yet the possibility of federal government cutbacks is not the only threat to the District's economy. Financial ripple effects from the ongoing European debt crisis, disruptions to oil supplies from the Middle East, and a downturn in the still fragile national economy could all derail the nascent District economic recovery.

Impact of Federal Sequestration

In preparing this estimate, we revisited the estimate of the federal sequestration's impact on the District's finances. As in December, there are no details on exactly which parts of the federal budget will be cut. But, we now have the benefit of the latest Budget and Economic Outlook report from the nonpartisan Congressional Budget Office (CBO), the official budget scorekeepers of the U.S. Congress. In December our analysis of the impact of the federal sequestration on the District's economy was based on a study by the Bipartisan Policy Center as it was the best available analysis of the federal sequestration at that time. That analysis estimated that the federal sequestration would reduce federal defense and non-defense discretionary spending by 8.5 percent. The latest CBO report, however, estimates that the reduction in federal outlays would be about 6.5 percent. We have thus updated the scenario used in the December analysis with the CBO estimate. Under the revised analysis, federal sequestration would reduce the District's revenue by an estimated \$24 million in FY 2013, \$61 million in FY 2014, \$71 million in FY 2015, and \$73 million in FY 2016.

Revenue Highlights

The revenue estimate for FY 2012 is revised upward by \$34.8 million mainly because of stronger than expected first quarter collections in estate and economic interest transfer taxes. In FY 2013, the estimate is revised upward by \$35.7 million, \$22 million of which is from a lower impact of the federal sequestration. Over the financial plan period, revenue growth is about 3 percent, before adjusting for revenue increases enacted as part of the FY 2012 budget. When the revenue

increases are factored in, the growth rate for FY 2012 rises to 5.8 percent. The growth rate falls to 1 percent in FY 2013 because some of the revenue enhancements, such as the exclusion of standard deduction from withholding and the withholding of taxes on lump sum distributions, generate one-time revenue in FY 2012.

National and Regional Economies

The fundamentals underlying the national economy have improved, but there are still significant uncertainties that weigh on the short to medium term outlook. After ten consecutive quarters of fairly slow growth, the U.S. economy has technically entered an expansion period because the level of real GDP has finally surpassed the previous peak of June 2008.

- U.S. employment has added almost 2 million jobs (1.5 percent) from January 2011 to January 2012, but was still 5.6 million (4 percent) below the start of the recession. Falling public sector employment—federal, state and local—is now pulling down the numbers.
- The U.S. unemployment rate (seasonally adjusted) fell to 8.3 percent in January, the lowest rate in almost three years.
- U.S. Personal Income in the December quarter was 3.9 percent above a year ago.
- The S & P 500 stock market index in January was 5.7 percent above its level 3 months ago, but only 1.3 percent more than a year ago.
- In the past few months, the regional economy has stalled. In the three-month period ending December, the region gained only 4,867 (0.2 percent) wage and salary jobs compared to a year earlier; all the gain was in the private sector. The metropolitan area unemployment rate was 5.4 percent in December (not seasonally adjusted).

The District Economy

The District's economy appears to be in a holding pattern, caught between slowing on the federal side and very modest growth in the U.S. economy.

- In December, there were 7,000 (1 percent) more wage and salary jobs located in the District than a year earlier, all in the private sector. Legal services, temporary employment, and finance have gained the most in recent months. Of particular note, there were 2,500 fewer federal government jobs in December than there were a year earlier.
- District resident employment in December was 1,792 (0.6 percent) more than a year earlier. The unemployment rate declined slightly to 10.4 percent (seasonally adjusted rate) and remains above levels not seen since the early 1980s.
- Wages earned in the District of Columbia grew 3.1 percent in the September 2011 quarter compared to the same quarter a year ago. Personal Income was 4.7 percent higher.

- Housing slowed in recent months. Single family sales for the three-month period ending December 2011 were down 14.3 percent from a year ago, and there was a 6.3 percent decrease in the average selling price.
- Condominium sales were up 3.5 percent and the average price was 2.5 percent lower. The value of all home sale contracts for the three-month period ending December was 13.6 percent less than a year ago, little changed from last month.
- In the quarter ending December 2011, occupied office space rose by 1.0 percent from the prior year and the commercial office vacancy rate fell to 8.4 percent (including sublet), still well below the metropolitan area average of 12.1 percent. An additional 3.1 million square feet are expected to be added to inventory over the next two years, but the District's vacancy rate will be 8.9 percent.
- Tourism has been mixed. For the three-month period ending December, the average room-rate for hotels declined 1.2 percent, while the number of hotel room-days sold was up 7 percent. Revenues from room sales were up 5.7 percent. For the three-month period ending December, employment in retail was down 2.2 percent but there was growth in restaurant employment (up 0.6 percent) and accommodations (up 4.3 percent).
- Although the economy is recovering, tax collections for fiscal year 2012 have started out slow and the first quarter of the fiscal year only grew by 0.2 percent. Deed and estate taxes are strong, but there is rising concern about the level of sales activity.

Outlook and Risks

Over the past few months, forecasts for the District's economy have been similar to those for the U.S.: weak growth, no double-dip recession. The primary concern is the federal government's budget decisions. Federal government expansion cushioned the District and the metropolitan area economies from the worst effects of the recession over the past 4 years. The federal government will no doubt continue to anchor the District's economy, but given the current budget scenarios, it can no longer be counted on to be a source of real growth. Although the current revenue estimate includes the impact of federal sequestration on the District, the estimate is based on the particular scenario outlined above. If the federal cutbacks are more severe than the scenario assumes, the fiscal outlook would worsen. On the other hand, if the federal government adopts a budget with less severe cuts than assumed here, the District's fiscal outlook would improve.

If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,


Natwar M. Gandhi

Enclosures

DISTRIBUTION LIST

Councilmember David Catania (At-Large)
Councilmember Phil Mendelson (At-Large)
Councilmember Michael Brown (At-Large)
Councilmember Vincent Orange (At-Large)
Councilmember Jim Graham (Ward 1)
Councilmember Jack Evans (Ward 2)
Councilmember Mary Cheh (Ward 3)
Councilmember Muriel Bowser (Ward 4)
Councilmember Tommy Wells (Ward 6)
Councilmember Yvette Alexander (Ward 7)
Councilmember Marion Barry (Ward 8)
Allen Lew, City Administrator
Christopher Murphy, Chief of Staff to the Mayor
Eric Goulet, Deputy Chief of Staff and Budget Director
Yolanda Branche, District of Columbia Auditor
Jennifer Budoff, Budget Director, Council of the District of Columbia

FY 2011 - FY 2016 Revenue Actuals, Estimates and Projections: February 2012
(thousands of dollars)

Revenue Source	Actual	Estimate		Out year projections		
	FY11	FY12	FY13	FY14	FY15	FY16
Real Property	1,715,069	1,838,290	1,953,196	2,011,067	2,062,799	2,115,859
<i>Transfer to TIF/Pilot</i>	(30,560)	(33,050)	(36,589)	(40,803)	(47,667)	(46,392)
Real Property (net)	1,684,509	1,805,240	1,916,607	1,970,264	2,015,132	2,069,467
Personal Property	52,696	53,154	53,686	54,647	55,193	55,745
<i>Transfer to Neighborhood Investment Fund</i>	(3,092)	-	-	-	-	-
Personal Property (net)	49,604	53,154	53,686	54,647	55,193	55,745
Public Space Rental	32,980	32,604	32,930	33,259	33,592	33,928
<i>Transfer to DDOT Unified</i>	(32,980)	-	-	-	-	-
<i>Transfer to DDOT Enterprise</i>	-	-	-	(500)	(500)	(500)
Public Space Rental (net)	-	32,604	32,930	32,759	33,092	33,428
Total Property (net)	1,734,113	1,890,998	2,003,223	2,057,670	2,103,417	2,158,640
General Sales	1,014,901	1,045,942	1,066,152	1,105,077	1,148,533	1,200,757
<i>Transfer to convention center</i>	(97,996)	(100,748)	(103,729)	(109,005)	(114,054)	(120,132)
<i>Transfer to TIF</i>	(45,379)	(30,335)	(34,872)	(54,382)	(42,468)	(38,902)
<i>Transfer to DDOT (parking tax)</i>	(31,209)	-	-	-	-	-
<i>Transfer to Ballpark Fund</i>	(9,512)	(9,655)	(9,895)	(10,321)	(10,729)	(11,219)
<i>Transfer to Healthy DC Fund</i>	-	(161)	(427)	(854)	(1,709)	(3,418)
<i>Transfer to WMATA</i>	-	(55,254)	(57,202)	(59,864)	(62,428)	(65,102)
<i>Transfer to Healthy Schools</i>	-	(4,266)	(4,266)	(4,266)	(4,266)	(4,266)
<i>Transfer to ABRA</i>	-	(460)	(460)	(460)	(460)	(460)
General Sales (net)	830,805	845,063	855,301	865,925	912,419	957,258
Alcohol	5,630	5,517	5,473	5,407	5,299	5,193
Cigarette	34,405	37,068	36,353	35,963	35,577	35,196
Motor Vehicle	42,564	38,000	38,760	39,535	40,326	41,132
Motor Fuel Tax	30,001	24,000	23,750	23,500	23,250	23,000
<i>Transfer to Highway Trust Fund</i>	(30,001)	(24,000)	(23,750)	(23,500)	(23,250)	(23,000)
Total Sales (net)	913,404	925,648	935,887	946,830	993,621	1,038,779
Individual Income	1,296,598	1,446,449	1,406,185	1,435,811	1,493,816	1,530,871
Corp. Franchise	216,280	237,534	245,424	252,038	263,356	266,310
U. B. Franchise	143,404	150,404	154,666	154,942	162,501	171,172
Total Income	1,656,282	1,834,387	1,806,275	1,842,791	1,919,673	1,968,353
Public Utility	149,745	149,745	149,880	151,552	152,929	155,032
<i>Transfer to Ballpark Fund</i>	(8,897)	(9,594)	(9,603)	(9,710)	(9,799)	(9,933)
Public Utility (net)	140,848	140,151	140,277	141,842	143,130	145,099
Toll Telecommunications	60,820	60,820	61,428	62,042	63,283	63,916
<i>Transfer to Ballpark Fund</i>	(2,373)	(2,373)	(2,397)	(2,421)	(2,469)	(2,494)
Toll Telecommunications (net)	58,447	58,447	59,031	59,621	60,814	61,422
Insurance Premiums	69,738	76,014	76,014	76,014	76,014	76,014
<i>Transfer to Healthy DC Fund</i>	(25,101)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
Insurance Premiums (net)	44,637	51,014	51,014	51,014	51,014	51,014
Healthcare Provider Tax	13,439	12,000	12,000	12,000	12,000	12,000
<i>Transfer to Nursing Facility Quality of Care Fund</i>	(13,439)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
Ballpark fee	33,311	25,000	25,125	25,929	26,125	27,250
<i>Transfer to Ballpark Fund</i>	(33,311)	(25,000)	(25,125)	(25,929)	(26,125)	(27,250)
Hospital Bed Tax	9,008	15,562	15,562	15,562	-	-
<i>Transfer to Hospital Fund</i>	(9,008)	(15,562)	(15,562)	(15,562)	-	-
ICF-MR Assessment	1,254	2,000	2,000	2,000	2,000	2,000
<i>Transfer to Stevie Sellows</i>	(1,254)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
HSC Contribution	5,000	5,000	5,000	5,000	5,000	5,000
<i>Transfer to Healthy DC Fund</i>	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Total Gross Receipts (net)	243,932	249,612	250,322	252,477	254,958	257,535
Estate	87,230	50,000	45,000	45,000	45,000	45,000
Deed Recordation	164,572	156,889	165,393	165,393	165,393	169,080
<i>Transfer to HPTF</i>	(24,686)	(23,533)	(24,809)	(24,809)	(24,809)	(25,362)
Deed Recordation (net)	139,886	133,356	140,584	140,584	140,584	143,718
Deed Transfer	131,710	129,189	137,005	137,005	137,005	139,952
<i>Transfer to HPTF</i>	(15,691)	(19,378)	(20,551)	(20,551)	(20,551)	(20,993)
Deed Transfer (net)	116,019	109,811	116,454	116,454	116,454	118,959
Economic Interests	14,905	25,000	10,000	10,000	10,000	10,000
Total Other Taxes (net)	358,040	318,167	312,038	312,038	312,038	317,677
TOTAL TAXES NET OF DEDICATED TAXES	4,905,771	5,218,812	5,307,745	5,411,806	5,583,707	5,740,984
Licenses & Permits	76,020	74,096	75,440	72,225	73,594	71,478
Fines & Forfeits	126,251	154,396	147,471	147,693	145,053	142,545
Charges for Services	75,612	61,029	60,425	60,656	60,886	59,452
Miscellaneous	130,733	113,443	89,980	91,527	80,687	87,101
Interfund Transfer	14,289	20,762	18,797	19,934	-	-
TOTAL NON-TAX	422,905	423,726	392,113	392,035	360,220	360,576
Lottery	62,175	62,375	63,175	63,175	63,175	63,175
TOTAL REVENUE NET OF DEDICATED TAXES	5,390,851	5,704,913	5,763,033	5,867,016	6,007,102	6,164,735

FY 2011 - FY 2016 Revenue Actuals, Estimates and Projections: February 2012
(percent change from prior year)

Revenue Source	Actual	Estimate		Out year projections		
	FY11	FY12	FY13	FY14	FY15	FY16
Real Property	-5.8%	7.2%	6.3%	3.0%	2.6%	2.6%
<i>Transfer to TIF/Pilot</i>	174.2%	8.1%	10.7%	11.5%	16.8%	-2.7%
Real Property (net)	-6.9%	7.2%	6.2%	2.8%	2.3%	2.7%
Personal Property	1.3%	0.9%	1.0%	1.8%	1.0%	1.0%
<i>Transfer to Neighborhood Investment Fund</i>	19.5%	-100.0%				
Personal Property (net)	0.3%	7.2%	1.0%	1.8%	1.0%	1.0%
Public Space Rental	-3.7%	-1.1%	1.0%	1.0%	1.0%	1.0%
<i>Transfer to DDOT Unified</i>	-3.7%	-100.0%				
<i>Transfer to DDOT Enterprise</i>					0.0%	0.0%
Public Space Rental (net)			1.0%	-0.5%	1.0%	1.0%
Total Property (net)	-6.8%	9.0%	5.9%	2.7%	2.2%	2.6%
General Sales	3.9%	3.1%	1.9%	3.7%	3.9%	4.5%
<i>Transfer to convention center</i>	3.9%	2.8%	3.0%	5.1%	4.6%	5.3%
<i>Transfer to TIF</i>	97.3%	-33.2%	15.0%	55.9%	-21.9%	-8.4%
<i>Transfer to DDOT (parking tax)</i>	10.0%	-100.0%				
<i>Transfer to Ballpark Fund</i>	-4.7%	1.5%	2.5%	4.3%	4.0%	4.6%
<i>Transfer to Healthy DC Fund</i>			165.2%	100.0%	100.1%	100.0%
<i>Transfer to WMATA</i>			3.5%	4.7%	4.3%	4.3%
<i>Transfer to Healthy Schools</i>			0.0%	0.0%	0.0%	0.0%
<i>Transfer to ABRA</i>			0.0%	0.0%	0.0%	0.0%
General Sales (net)	1.2%	1.7%	1.2%	1.2%	5.4%	4.9%
Alcohol	-1.5%	-2.0%	-0.8%	-1.2%	-2.0%	-2.0%
Cigarette	3.0%	7.7%	-1.9%	-1.2%	-1.1%	-1.1%
Motor Vehicle	12.8%	-10.7%	2.0%	2.0%	2.0%	2.0%
Motor Fuel Tax	35.3%	-20.0%	-1.0%	-1.1%	-1.1%	-1.1%
<i>Transfer to Highway Trust Fund</i>	35.3%	-20.0%	-1.0%	-1.1%	-1.1%	-1.1%
Total Sales (net)	1.7%	1.3%	1.1%	1.2%	4.9%	4.5%
Individual Income	16.8%	11.6%	-2.8%	2.1%	4.0%	2.5%
Corp. Franchise	4.3%	9.8%	3.3%	2.7%	4.5%	1.1%
U. B. Franchise	23.2%	4.9%	2.8%	0.2%	4.9%	5.3%
Total Income	15.5%	10.8%	-1.5%	2.0%	4.2%	2.5%
Public Utility	-0.1%	0.0%	0.1%	1.1%	0.9%	1.4%
<i>Transfer to Ballpark Fund</i>	-13.6%	7.8%	0.1%	1.1%	0.9%	1.4%
Public Utility (net)	0.9%	-0.5%	0.1%	1.1%	0.9%	1.4%
Toll Telecommunications	-3.2%	0.0%	1.0%	1.0%	2.0%	1.0%
<i>Transfer to Ballpark Fund</i>	23.4%	0.0%	1.0%	1.0%	2.0%	1.0%
Toll Telecommunications (net)	-4.0%	0.0%	1.0%	1.0%	2.0%	1.0%
Insurance Premiums	1.5%	9.0%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to Healthy DC Fund</i>	3.3%	-0.4%	0.0%	0.0%	0.0%	0.0%
Insurance Premiums (net)	0.5%	14.3%	0.0%	0.0%	0.0%	0.0%
Healthcare Provider Tax	8.2%	-10.7%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to Nursing Facility Quality of Care Fund</i>	8.2%	-10.7%	0.0%	0.0%	0.0%	0.0%
Ballpark fee	40.5%	-24.9%	0.5%	3.2%	0.8%	4.3%
<i>Transfer to Ballpark Fund</i>	40.5%	-24.9%	0.5%	3.2%	0.8%	4.3%
Hospital Bed Tax		72.8%	0.0%	0.0%	-100.0%	
<i>Transfer to Hospital Fund</i>		72.8%	0.0%	0.0%	-100.0%	
ICF-MR Assessment		59.5%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to Stevie Sellows</i>		59.5%	0.0%	0.0%	0.0%	0.0%
HSC Contribution	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Transfer to Healthy DC Fund</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Gross Receipts (net)	-0.4%	2.3%	0.3%	0.9%	1.0%	1.0%
Estate	121.7%	-42.7%	-10.0%	0.0%	0.0%	0.0%
Deed Recordation	45.4%	-4.7%	5.4%	0.0%	0.0%	2.2%
<i>Transfer to HPTF</i>	50.3%	-4.7%	5.4%	0.0%	0.0%	2.2%
Deed Recordation (net)	44.5%	-4.7%	5.4%	0.0%	0.0%	2.2%
Deed Transfer	39.8%	-1.9%	6.1%	0.0%	0.0%	2.2%
<i>Transfer to HPTF</i>	14.2%	23.5%	6.1%	0.0%	0.0%	2.2%
Deed Transfer (net)	44.2%	-5.4%	6.0%	0.0%	0.0%	2.2%
Economic Interests	-18.2%	67.7%	-60.0%	0.0%	0.0%	0.0%
Total Other Taxes (net)	52.5%	-11.1%	-1.9%	0.0%	0.0%	1.8%
TOTAL TAXES NET OF DEDICATED TAXES	5.0%	6.4%	1.7%	2.0%	3.2%	2.8%
Licenses & Permits	24.9%	-2.5%	1.8%	-4.3%	1.9%	-2.9%
Fines & Forfeits	13.2%	22.3%	-4.5%	0.2%	-1.8%	-1.7%
Charges for Services	63.9%	-19.3%	-1.0%	0.4%	0.4%	-2.4%
Miscellaneous	9.2%	-13.2%	-20.7%	1.7%	-11.8%	7.9%
Interfund Transfer	0.0%	45.3%	-9.5%	6.0%	-100.0%	
TOTAL NON-TAX	25.0%	0.2%	-7.5%	0.0%	-8.1%	0.1%
Lottery	-6.9%	0.3%	1.3%	0.0%	0.0%	0.0%
TOTAL REVENUE NET OF DEDICATED TAXES	6.2%	5.8%	1.0%	1.8%	2.4%	2.6%

**Estimated Key Variables for the D.C. Economy
for the Forecast Period FY 2007 through FY 2016**

Fiscal Years	2007 act	2008 act	2009 act	2010 act	2011 est	2012 est	2013 est	2014 est	2015 est	2016 est
Gross State Product (\$ billion)	90.79	96.79	98.01	102.36	105.22	107.38	106.72	107.84	112.33	117.10
	5.4%	6.6%	1.3%	4.4%	2.8%	2.0%	-0.6%	1.0%	4.2%	4.3%
Real Gross State Product (billions \$2000)	84.95	88.37	87.12	90.01	91.54	91.88	90.70	90.36	91.96	93.68
	1.5%	4.0%	-1.4%	3.3%	1.7%	0.4%	-1.3%	-0.4%	1.8%	1.9%
Personal Income (\$ billion)	36.82	40.35	40.32	41.60	44.06	45.51	46.45	47.96	49.93	52.29
	8.1%	9.6%	-0.1%	3.2%	5.9%	3.3%	2.1%	3.2%	4.1%	4.7%
Real Personal Income (billions \$2000)	35.19	37.19	37.07	37.55	38.95	39.78	40.20	40.56	41.24	42.29
	5.6%	5.7%	-0.3%	1.3%	3.7%	2.1%	1.0%	0.9%	1.7%	2.5%
Per Capita Income (\$)	62,867	68,545	67,530	68,915	71,658	72,857	73,727	75,665	78,341	81,591
	7.7%	9.0%	-1.5%	2.1%	4.0%	1.7%	1.2%	2.6%	3.5%	4.1%
Real Per Capita Income (\$2000)	60,091	63,173	62,091	62,217	63,358	63,692	63,812	63,988	64,704	65,981
	5.2%	5.1%	-1.7%	0.2%	1.8%	0.5%	0.2%	0.3%	1.1%	2.0%
Wages earned in D.C. (\$ billion)	51.80	54.28	55.35	57.80	59.77	61.64	62.06	62.99	64.73	67.48
	5.8%	4.8%	2.0%	4.4%	3.4%	3.1%	0.7%	1.5%	2.8%	4.2%
Wages earned by D.C. residents (\$ billion)	19.3	20.6	21.1	21.9	22.7	23.8	24.4	25.0	25.8	26.9
	8.0%	6.7%	2.3%	3.7%	3.8%	4.5%	2.6%	2.3%	3.3%	4.4%
Population ('000)	585.6	588.6	597.1	603.6	614.8	624.6	630.0	633.8	637.3	640.9
	0.4%	0.5%	1.4%	1.1%	1.9%	1.6%	0.9%	0.6%	0.6%	0.6%
Households ('000)	257.4	258.9	262.8	266.0	271.7	276.6	279.0	280.7	282.3	283.8
	0.5%	0.6%	1.5%	1.2%	2.1%	1.8%	0.9%	0.6%	0.6%	0.5%
Civilian Labor Force ('000)	327.0	334.3	332.3	334.0	332.5	338.2	342.9	345.6	348.1	350.5
	2.0%	2.2%	-0.6%	0.5%	-0.4%	1.7%	1.4%	0.8%	0.7%	0.7%
At-Place Employment ('000)	691.6	702.8	701.4	708.2	713.0	716.6	709.7	699.4	704.4	713.0
	0.7%	1.6%	-0.2%	1.0%	0.7%	0.5%	-1.0%	-1.5%	0.7%	1.2%
Resident Employment ('000)	309.2	314.1	302.7	300.4	299.2	302.5	303.9	301.8	304.2	307.8
	2.4%	1.6%	-3.6%	-0.8%	-0.4%	1.1%	0.5%	-0.7%	0.8%	1.2%
Unemployment Rate	5.4	6.0	8.9	10.1	10.0	10.5	11.4	12.7	12.6	12.2
Housing Starts	1,560	693	390	1,320	1,803	2,383	1,602	1,664	1,907	2,031
Housing Stock ('000)	290.5	293.0	294.5	296.2	297.6	301.2	304.0	305.9	307.6	309.3
	1.3%	0.9%	0.5%	0.6%	0.5%	1.2%	0.9%	0.6%	0.6%	0.6%
Home sales	9,800	7,500	7,400	9,400	8,800	8,735	9,315	9,493	9,847	9,844
	-9.3%	-23.5%	-1.3%	27.0%	-6.4%	-0.7%	6.6%	1.9%	3.7%	0.0%
Average home sale price ('000)	608.1	595.6	578.7	613.4	626.8	618.5	635.0	660.9	690.9	722.1
	6.3%	-2.1%	-2.8%	6.0%	2.2%	-1.3%	2.7%	4.1%	4.5%	4.5%
Change in S & P 500 Index of Common Stock*	7.5%	-39.1%	19.7%	10.6%	1.8%	0.0%	3.9%	5.5%	4.7%	5.1%
Interest rate on 10-year Treasury notes (%)	4.7	3.9	3.2	3.4	3.0	2.2	2.7	3.4	4.3	4.9
Washington Area Consumer Prices: % change from prior	2.5	5.1	0.3	2.2	2.8	2.2	1.9	2.4	2.4	2.1

* 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 2011 is the % change from CY 2010.4 to CY 2011.4)

Note: Estimated by the D.C. Office of Revenue Analysis based on forecasts of the D.C. and national economies prepared by Global Insight (January 2012) and Economy.com (January 2012); forecasts of the national economy prepared by the Congressional Budget Office (January 2012) and Blue Chip Economic Indicators (January 2012); BLS labor market information from December 2011; the Census Bureau estimates of the D.C. population (2011); Bureau of Economic Analysis estimates of D.C. Personal Income (September 2011); Metropolitan Regional Information System (MRIS) D.C. home sales data (December 2011), accessed in part through the Greater Capital Area Association of Realtors (GCAAR); Delta Associates information on commercial office buildings and residential property in D.C. (December 2011); and Reis information on apartment buildings in D.C. (December 2011).