



MURIEL BOWSER
MAYOR

April 26, 2017

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004

Dear Chairman Mendelson:

The purpose of this letter is to request that the Council of the District of Columbia ("Council") make the following corrections and amendments to the proposed FY 2018 Revised Budget, as well as the proposed FY 2019 Budget and Financial Plan, both of which were submitted to the Council on March 21, 2018.

I. FISCAL YEAR 2018 REVISED LOCAL BUDGET EMERGENCY ADJUSTMENT ACT OF FY 2018

1. Emergency and Temporary Measures

(a) Amend the emergency and temporary measures for the Public Safety and Justice section to read as follows:

Public Safety and Justice

The appropriation for Public Safety and Justice is decreased by \$400,000 in local funds; to be allocated as follows:

- (1) Department of Forensic Sciences. – (\$400,000) is removed from local funds.

Background – Funding is increased by \$600,000 from the proposed reduction of \$1,000,000 due to an acceleration of hiring from the first quarter above what was originally estimated.

II. FISCAL YEAR 2019 BUDGET AND FINANCIAL PLAN

A. FISCAL YEAR 2019 BUDGET LOCAL ACT OF 2018

1. Office of the State Superintendent of Education

(a) Under the Heading, “Part B—Division of Expenses,” on page 13, at the end of line 3, insert the phrase, “provided further, that all funds deposited, without regard to fiscal year, into the Special Education Compliance Fund are authorized for expenditure and shall remain available for expenditure until September 30, 2019;”.

Background – This was a drafting error. This language is required to provide budget authority within the Special Education Compliance Fund.

(b) Reallocate various funds in the Division of Health and Wellness to align resources with operational spending goals.

Sources:

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|------|---------|----------|------|--------|------------|--|---|
| 0100 | E500 | E501 | 0040 | 0408 | 42,700.00 | Realignment of spending from Office of Strategic Operations to Office of Nutrition Programs to align with projected procurement priorities | D-30 Table GD0-4 |
| 0100 | E500 | E501 | 0041 | 0409 | 80,000.00 | Realignment of spending from Office of Strategic Operations to Office of Nutrition Programs to align with projected procurement priorities | D-30 Table GD0-4 |
| 0100 | E500 | E501 | 0050 | 0506 | 36,918.26 | Realignment of spending from Office of Strategic Operations to Office of Nutrition Programs to align with projected funding priorities | D-30 Table GD0-4 |
| 0111 | E500 | E501 | 0041 | 0409 | 617,614.63 | Realignment of spending from Office of Strategic Operations to Office of Policy and Planning to align with projected procurement priorities | D-30 Table GD0-4 D-30 Table GD0-4 |
| 8200 | E500 | E504 | 0011 | 0111 | 69,858.77 | Transfer of FTE and funding from Office of Nutrition Programs to Office of Healthy Schools/Wellness Programs to align federal grant funding with program | D-30 Table GD0-4 Grant No: 73PREP |

Errata Letter for the FY 2018/2019 Budget Submission

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|------|---------|----------|------|--------|------------|--|--|
| 8200 | E500 | E504 | 0014 | 0147 | 16,067.62 | Transfer of FTE and funding from Office of Nutrition Programs to Office of Healthy Schools/Wellness Programs to align federal grant funding with program | D-30 Table GD0-4 Grant No: 73PREP Position No: 75539 |
| 0100 | E500 | E505 | 0050 | 0507 | 124,150.00 | Realignment of spending from Office of Healthy Schools/Wellness Programs to Office of Nutrition Programs to align with projected funding priorities | D-30 Table GD0-4 Grant No: 73PREP/ Position No: 75539 |

Destinations:

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|------|---------|----------|------|--------|------------|--|---|
| 0100 | E500 | E504 | 0040 | 0408 | 42,700.00 | Realignment of spending from Office of Strategic Operations to Office of Nutrition Programs to align with projected procurement priorities | D-30 Table GD0-4 |
| 0100 | E500 | E504 | 0041 | 0409 | 80,000.00 | Realignment of spending from Office of Strategic Operations to Office of Nutrition Programs to align with projected procurement priorities | D-30 Table GD0-4 |
| 0100 | E500 | E504 | 0050 | 0506 | 36,918.26 | Realignment of spending from Office of Strategic Operations to Office of Nutrition Programs to align with projected funding priorities | D-30 Table GD0-4 |
| 0111 | E500 | E503 | 0041 | 0409 | 617,614.63 | Realignment of spending from Office of Strategic Operations to Office of Policy and Planning to align with projected procurement priorities | D-30 Table GD0-4 |
| 8200 | E500 | E505 | 0011 | 0111 | 69,858.77 | Transfer of FTE and funding from Office of Nutrition Programs to Office of Healthy Schools/Wellness Programs to align federal grant funding with program | D-30 Table GD0-4 Grant No: 73PREP/Posit ion No: 75539 |
| 8200 | E500 | E505 | 0014 | 0147 | 16,067.52 | Transfer of FTE and funding from Office of Nutrition Programs to Office of Healthy | D-30 Table GD0-4 |

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|------|---------|----------|------|--------|------------|---|---|
| | | | | | | Schools/Wellness Programs to align federal grant funding with program | Grant No: 73PREP Position No: 75539 |
| 0100 | E500 | E504 | 0050 | 0507 | 124,150.00 | Realignment of spending from Office of Healthy Schools/Wellness Programs to Office of Nutrition Programs to align with projected funding priorities | D-30 Table GD0-4 |

2. District of Columbia Public Library

(a) Reallocate funds within the six year Capital Improvements Plan from General Improvements - Libraries project to the Martin Luther King Jr. Memorial Central Library project due to a drafting error when submitting the budget.

Source:

| Agency/Fiscal Year | Project No. | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|--------------------|-------------|-----------|--|---|
| DCPL/FY 2019 | LB310C | (500,000) | General Improvements – Libraries This project addresses critical capital upgrades and replacements at various library facilities. | (Volume 5) Pg. 33 - CEO |

Destination:

| Agency | Project No. | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|--------------|-------------|---------|--------------------------------|---|
| DCPL/FY 2019 | MCL03C | 500,000 | MLK Central Library Renovation | (Volume 5) Pg. 36 - CEO |

3. Fire and Emergency Medical Services

(a) Adjust agency request for three training academy instructors (on Page C-25, Table FB0-5 and Page C-26) to: 1 credentials management officer, 1 curriculum development officer and 1 training academy instructor.

4. Office of Unified Communication

(a) Add 23 FTEs to the budget of the Office of Unified Communication. This would allow for the conversion of contractors to FTEs.

5. Metropolitan Police Department

(a) Transfer out \$11,376,798 and 22 FTEs for the Automated Traffic Enforcement Program Budget from the Metropolitan Police Department to the District Department of Transportation (DDOT). Of the \$11,376,798, \$1,794,536 is funding for personnel services and \$9,582,262 for non-personnel services. This will streamline traffic safety by putting automated traffic enforcement, education and engineering within DDOT.

(b) Add \$300,000 to the budget of the Metropolitan Police Department to fully fund and implement the data collection requirements under the NEAR Act. Funding should be added to non-personnel services – Activity 1040 – Program Code 040J – Object 0408. In addition to this amount, add \$200,000 to the budget of the Department of Motor Vehicles--this request is further detailed in the Department of Motor Vehicles section.

(c) Add \$574,000 to the budget of the Metropolitan Police Department to provide sufficient funding in fleet operating. Funding should be added to non-personnel services – Activity 1070 – Program Code 070B – Object 0409.

6. Office of Neighborhood and Safety Engagement

(a) Reallocate funds from various activities totaling \$2,385,654, which includes \$310,654 and 4 FTEs, within the Office of Neighborhood and Safety Engagement into a new activity, “Violence Intervention (2040).”

Sources:

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page #/Paragraph Identifier) |
|------|---------|----------|---------|-----------|-----------|--------------------------------|--|
| 100 | 1000 | 1090 | 50 | 0506 | 2,075,000 | Sub-Grants | FY 2019 Proposed Volume 2, C-118 |
| 100 | 2000 | 2010 | 11 & 14 | 0111 0147 | 154,868 | Salaries and Fringe for 2 FTEs | FY 2019 Proposed Volume 2, C-118 |
| 100 | 2000 | 2020 | 11 & 14 | 0111 0147 | 155,786 | Salaries and Fringe for 2 FTEs | FY 2019 Proposed Volume 2, C-118 |

Destination:

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|------|---------|----------|----------------|----------------------|-----------|--|---|
| 100 | 2000 | 2040 | 11 14 50 | 0111 0147 0506 | 2,385,654 | Sub-Grants, and Salaries and Fringe for 4 FTEs | New activity added to budget structure |

7. Office of the Attorney General

(a) Add \$88,000 to the Office of the Attorney General, non-personnel services (34-Security) due to a drafting error in submitting the budget.

8. Office of Risk Management

(a) Reallocate funds from non-personnel costs to personnel costs to align resources with operational spending goals.

Source:

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|------|---------|----------|------|--------|---------|-------------|---|
| 0110 | 1000 | 1055 | 0040 | 0408 | 188,746 | Reduce NPS | Table RK0-3 p. A-74 |

Destination:

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|-------|---------|----------|--------------|--------------|-------------------|-------------|---|
| 01000 | 4100 | 4100 | 0011 0014 | 0111 0147 | 148,921 39,825 | Increase PS | Table RK0-3 p. A-74 |

9. Department of General Services

(a) Reallocate various funds within the Department of General Services due to drafting errors in submitting the budget.

Sources:

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|------|---------|----------|-------|--------|-----------|---|---|
| 0100 | 3000 | 3002 | 35 | 0310 | 7,975,000 | Will be moved from Facilities (3002) to Public Education (3009) to reflect projected occupancy budget for DCPS facilities | Table AM0-4 p. A-166 |
| 0100 | 7000 | 7007 | 30 | 0331 | 191,000 | Will be moved from Sustainable DC (7007) to Environmental – Public Ed (1195) to fund the Healthy Schools Act of 2015 implementation | Table AM0-4 p. A-166 |
| 0100 | 5000 | 5001 | 40 | 0408 | 417,500 | Will be moved from Construction Services (5001) to Office of Planning (5010) to fund the Urban Farming and Food Security Act of 2015 implementation | Table AM0-4 p. A-166 |
| 0100 | 1000 | 1090 | 11/14 | | 463,624 | Will be moved from Performance Management (1090) to Energy Management (1095) to move four (4) FTE positions to appropriate activity | Table AM0-4 p. A-165 |
| 0100 | 5000 | 5001 | 11/14 | | 506,488 | Will be moved from Constructions Services (5001) to Office of Planning (5010) to move three (3) FTE positions to appropriate activity | Table AM0-4 p. A-166 |
| 0100 | 3000 | 3002 | 11/14 | | 264,035 | Will be moved from Facilities (3002) to Environmental – Public Ed (1195) to move two (2) FTE positions to appropriate activity | Table AM0-4 p. A-166 |

Destinations:

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|------|---------|----------|-------|--------|-----------|---|---|
| 0100 | 3000 | 3009 | 35 | 0310 | 7,975,000 | Will be moved from Facilities (3002) to Public Education (3009) to reflect projected occupancy budget for DCPS facilities | Table AM0-4 p. A-166 |
| 0100 | 1000 | 1195 | 40 | 0409 | 191,000 | Will be moved from Sustainable DC (7007) to Environmental – Public Ed (1195) to fund the Healthy Schools Act of 2015 implementation | Table AM0-4 p. A-165 |
| 0100 | 5000 | 5010 | 40 | 0408 | 417,500 | Will be moved from Construction Services (5001) to Office of Planning (5010) to fund the Urban Farming and Food Security Act of 2015 implementation | Table AM0-4 p. A-166 |
| 0100 | 1000 | 1095 | 11/14 | | 463,624 | Will be moved from Performance Management (1090) to Energy Management (1095) to move four (4) FTE positions to appropriate activity | Table AM0-4 p. A-165 |
| 0100 | 5000 | 5001 | 11/14 | | 506,488 | Will be moved from Constructions Services (5001) to Office of Planning (5010) to move three (3) FTE positions to appropriate activity | Table AM0-4 p. A-166 |
| 0100 | 1000 | 1195 | 11/14 | | 264,035 | Will be moved from Facilities (3002) to Environmental – Public Ed (1195) to move two (2) FTE positions to appropriate activity | Table AM0-4 p. A-165 |

10. District Department of Transportation

(a) Transfer in \$11,376,798 and 22 FTEs for the Automated Traffic Enforcement Program Budget from the Metropolitan Police Department to the District Department of Transportation (DDOT). This will streamline traffic safety by putting automated traffic enforcement, education

and engineering within DDOT. Of the \$11,376,798, \$1,794,536 is funding for personnel services and \$9,582,262 for non-personnel services.

(b) Reallocate funds from non-personnel costs to personnel costs to align resources with operational spending goals.

Sources:

| Fund | Program | Activity | CSG | Object | Amount | Description | Location of Item (Page # /Paragraph Identifier) |
|------|--|----------------------------------|------|--------|------------|---|---|
| 0100 | (PD00) Project Delivery Administration | (TDDV) Transit Delivery Division | 0011 | 0111 | 194,489.41 | Funding for 5.0 FTEs to support the operations and management of the Circulator Bus System. | F-24, Mayor's Policy - Enhance |
| 0100 | (PD00) Project Delivery Administration | (TDDV) Transit Delivery Division | 0014 | 0147 | 53,485 | Funding for 5.0 FTEs to support the operations and management of the Circulator Bus System. | F-24, Mayor's Policy - Enhance |

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|------|--|----------------------------------|------|--------|------------|---|---|
| 0100 | (PD00) Project Delivery Administration | (TDDV) Transit Delivery Division | 0011 | 0111 | 194,489.41 | Funding for 5.0 FTEs to support the operations and management of the Circulator Bus System. | F-24, Mayor's Policy - Enhance |
| 0100 | (PD00) Project Delivery Administration | (TDDV) Transit Delivery Division | 0014 | 0147 | 53,485 | Funding for 5.0 FTEs to support the operations and management of the Circulator Bus System. | F-24, Mayor's Policy - Enhance |

11. Department of Motor Vehicles

(a) Add \$200,000 to the budget of the Department of Motor Vehicles to fully fund and implement the data collection requirements under the Neighborhood Engagement Achieves Results ACT (NEAR). Funding should be split as follows: \$100,000 in non-personnel services

within Program 2000 Activity 2030 Object 41 and \$100,000 in non-personnel services to Program 4000- Activity 4010 – Object 040.

12. Department of Energy and Environment

(a) Under the Heading, “Part B—Division of Expenses,” on page 19, at the end of line 13, insert the phrase, “provided further, that all funds deposited, without regard to fiscal year, into the Mold Assessment and Remediation Fund are authorized for expenditure and shall remain available for expenditure until September 30, 2019;”

Background – This language is required to provide budget authority within the Mold Assessment and Remediation Fund.

13. Office of the Deputy Mayor for Planning and Economic Development

(a) Reduce the Office of the Deputy Mayor for Planning and Economic Development Budget by \$762,000 in non-personnel services within the Great Streets Initiative (5080) due to a drafting error in the budget. From this amount, \$574,000 will be added to the budget of the Metropolitan Police Department to provide sufficient funding in fleet operating; \$88,000 will be added to the Office of the Attorney General, non-personnel services (34-Security); and, \$100,000 will be added to the budget of the Department of Motor Vehicles to fully fund and implement the data collection requirements under the Neighborhood Engagement Achieves Results ACT (NEAR).

14. Department of Human Services

(a) Reduce the Department of Human Services funding by \$1,000,000 within the Emergency Rental Assistance Program (HC 62) due to a drafting error in the budget. From this amount, \$600,000 will be added to the FY 2018 budget within the Department of Forensic Sciences; \$100,000 will be added to the budget of the Department of Motor Vehicles and \$300,000 will be added to the budget of the Metropolitan Police Department to fully fund and implement the data collection requirements under the NEAR Act.

(b) During the formulation of the proposed budget and financial plan, one-time funding for service level budget HC99 - Overflow Shelters was reduced. Compared to the FY 2018 approved budget of \$16.0 million, the FY 2019 proposed budget is \$5.5 million. Inadvertently, \$10.0 million in FY 2020, and \$11.0 million in FY 2021 and FY 2022 was respectively removed from each of these fiscal years. To correct this error, this funding should be removed from HC54 – Homeless Services Continuum/General by \$4.5 million in FY 2020, \$5 million in FY 2021 and \$5 million in FY 2022.

15. WMATA

Title VI, Subtitle A of the BSA implements an historic commitment on the part of the District to provide a dedicated funding stream for WMATA. In combination with the commitments of Maryland and Virginia, WMATA will receive an additional \$500 million annually, which will leverage \$1.5 billion annually, to fund safety and maintenance-related work and achieve a state of good repair for the Metrorail and Metrobus systems.

A portion of the District's funding would be generated by an increase from 1% to 4.75% in the District's tax on ridesharing trips. This increase will yield an estimated \$17.8 million in FY19. We have now heard interest from residents and Councilmembers in adjusting this proposal, to lower the amount that would be charged for pooled rides. A lower charge on pooled rides will help maintain those rides as a more affordable transportation option.

In order for a tiered structure to be implementable, either as a tax rate or as a per-ride surcharge, ridesharing companies would need to provide more detailed trip data to the District. In addition, it is important to note that decreasing the rate for pooled rides would lead to an increase in the rate for non-pooled rides, since we must maintain the current level of dedicated funding we have committed to the Metro system.

Given the interest that has been expressed in a tiered ridesharing rate structure, and its potential benefit, we are open to further reviewing this option with the Council as the FY19 budget process moves forward.

Thank you for your consideration of these changes.

Sincerely,



Muriel Bowser