



2014 APR -3 PM 4:57
OFFICE OF THE
SECRETARY

VINCENT C. GRAY
MAYOR

APR - 3 2014

The Honorable Phil Mendelson
Council of the District of Columbia
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Dear Chairman Mendelson:

On behalf of the residents of the District of Columbia, I submit to you the District of Columbia Fiscal Year 2015 Budget and Financial Plan, entitled "Keeping the Promises." Enclosed you will find the "Fiscal Year 2014 Revised Budget Request Emergency Adjustment Declaration Resolution of 2014"; "Fiscal Year 2014 Revised Budget Request Emergency Adjustment Act of 2014"; and "Fiscal Year 2014 Revised Budget Request Temporary Adjustment Act of 2014."

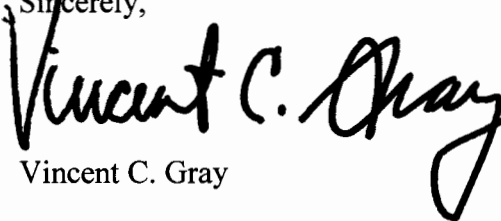
This proposal is the District of Columbia's nineteenth consecutive balanced budget. As you know, the District's economy is experiencing a continuing economic recovery, with more than 34,000 private sector jobs created over the past three years and an unemployment rate that has decreased by three-and-a-half-points -- the lowest unemployment rate we've seen in more than five years. These results have been achieved while still maintaining fiscal responsibility. During the last three years we have insisted on structurally balanced budgets, in which we spent only what we brought in, even when it meant making tough political choices. As a result, we've posted three straight years of budget surpluses and have rebuilt the District's Fund Balance to the highest level in its history -- \$1.75 billion.

To support our growing population and continue building a more prosperous, equitable, safe, sustainable city for all, my proposed budget continues to provide investment to build on our economic successes while at the same time harnessing our increasing prosperity to build a stronger, more inclusive city for everyone. The document also includes hard choices that were required to build a fiscally sound budget and financial plan. Our intention was to strike a balance to maintain government services while meeting our economic goals. In this spirit, we are proposing enhancements that include:

- \$100 million in new funding for affordable housing initiatives between Fiscal Years 2014 and 2015;
- \$116 million in additional funding for public education to tackle the unacceptable achievement gap that persists despite the fact that District students are improving faster than those from any other state in the nation;
- \$300 million for a new East End Medical Center hospital;
- \$409 million for public schools modernization in Fiscal Year 2015; and
- \$475 million for streetcars.

This budget proposal is balanced, structurally sound, and was formulated in a spirit of fiscal discipline. I look forward to the Council's review of this proposal, and to working together to finalize and execute our budget for Fiscal Year 2015.

Sincerely,

A handwritten signature in black ink that reads "Vincent C. Gray". The signature is written in a cursive style with a large, sweeping initial "V".

Vincent C. Gray

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General



Legal Counsel Division



MEMORANDUM

TO: Lolita S. Alston
Director
Office of Legislative Support

FROM: Janet M. Robins
Deputy Attorney General
Legal Counsel Division


DATE: April 3, 2014

SUBJECT: Legal Certification of Draft Bills, the Legal Sufficiency Review of Draft Bills, the "Fiscal Year 2014 Revised Budget Request Emergency Adjustment Act of 2014" and "Fiscal Year 2014 Revised Budget Request Temporary Adjustment Act of 2014" (AD-14-185B)

This is to Certify that this Office has reviewed the above-referenced draft legislation and found it, as to form and format only, to be legally sufficient. If you have any questions in this regard, please do not hesitate to call me at 724-5524.



Janet M. Robins


Chairman Phil Mendelson
at the request of the Mayor

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AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To adjust, on a temporary basis, certain allocations requested in the Fiscal Year 2014 Budget Request Act pursuant to the Omnibus Appropriations Act, 2009.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Fiscal Year 2014 Revised Budget Request Temporary Adjustment Act of 2014".

Sec. 2. Pursuant to section 817 of the Omnibus Appropriations Act, 2009, approved March 13, 2009 (123 Stat. 699; D.C. Official Code § 47-369.02), the fiscal year 2014 budgets for the following agencies shall be adjusted by the following amounts:

TITLE II—DISTRICT OF COLUMBIA FUNDS—SUMMARY OF EXPENSES

\$73,986,000 (of which \$24,790,000 shall be added to local funds (including \$4,054,000 in dedicated tax funds) and \$49,196,000 added to other funds) to be allocated as follows:

Government Direction and Support

The appropriation for Government Direction and Support is increased by \$2,000,000 (including \$2,000,000 added to be available in other funds); to be allocated as follows:

(1) Office of the Chief Financial Officer. - \$2,000,000 (including \$2,000,000 added to be available in other funds).

Economic Development and Regulation

The appropriation for Economic Development and Regulation is increased by \$29,442,000 (including \$26,642,000 in local funds and \$2,800,000 in other funds); to be allocated as follows:

- (1) Office of Planning. - \$686,000 is added to be available from local funds;
- (2) Office of Motion Picture and Television Development. - (\$4,271,000) is removed from local funds;
- (3) Department of Insurance, Securities, and Banking. - \$1,000,000 (including \$1,000,000 added to be available in other funds);
- (4) Office of Cable Television. - \$1,800,000 (including \$1,800,000 added to be available in other funds); and

1 (5) Housing Production Trust Fund Subsidy. - \$30,227,000 is added to be
2 available from local funds.

3
4 **Public Safety and Justice**

5 The appropriation for Public Safety and Justice is increased by \$4,320,000
6 (including \$3,090,000 in local funds and \$1,230,000 in other funds); to be allocated as
7 follows:

8 (1) Metropolitan Police Department. - \$1,220,000 (including \$1,020,000 in
9 local funds and \$200,000 in other funds);

10 (2) Fire and Emergency Medical Services. - \$670,000 is added to be available
11 from local funds; and

12 (3) Department of Corrections. - \$2,430,000 (including \$1,400,000 in local
13 funds and \$1,030,000 added to be available in other funds).

14
15 **Public Education**

16 The appropriation for Public Education is decreased by \$3,704,000 (including
17 (\$6,548,000) in local funds and \$2,844,000 in other funds); to be allocated as follows:

18 (1) District of Columbia Public Schools. – \$2,844,000 (including \$2,844,000
19 added to be available in other funds);

20 (2) District of Columbia Public Charter Schools. – (\$10,000,000) is removed
21 from local funds;

22 (3) Office of the State Superintendent of Education. - \$2,452,000 is added to
23 be available from local funds; and

24 (4) District of Columbia Public Library. - \$1,000,000 is added to be available
25 from local funds.

26
27 **Human Support Services**

28 The appropriation for Human Support Services is increased by \$1,905,000
29 (including \$1,905,000 added to be available in other funds); to be allocated as follows:

30 (1) Department of Parks and Recreation. - \$1,905,000 (including \$1,905,000
31 added to be available in other funds).

32
33 **Public Works**

34 The appropriation for Public Works is increased by \$25,962,000 (including
35 \$17,772,000 in local funds (including \$12,047,000 in dedicated tax funds) and
36 \$8,190,000 in other funds); to be allocated as follows:

37 (1) Department of Public Works. - \$3,725,000 is added to be available from
38 local funds;

39 (2) District Department of Transportation. – \$9,708,000 (including
40 \$2,000,000 in local funds and \$7,708,000 added to be available in other funds); and

41 (3) Washington Metropolitan Area Transit Authority. - \$12,529,000
42 (including \$12,047,000 in local funds (including \$12,047,000 in dedicated tax funds) and
43 \$482,000 added to be available from other funds).

44
45 **Financing and Other**

46 The appropriation for Financing and Other is decreased by \$16,166,000 in local

1 funds (including (\$7,993,000) in dedicated tax funds); to be allocated as follows:
2 (1) Workforce Investments. - \$12,535,000 is added to be available from local
3 funds;
4 (2) District Retiree Health Contribution. – (\$20,708,000) is removed from
5 local funds; and
6 (3) Convention Center Transfer Dedicated Taxes. – (\$7,993,000) (including
7 (\$7,993,000) in local funds (including (\$7,993,000) in dedicated tax funds)).
8

9 **Enterprise and Other**

10 The appropriation for Enterprise and Other is increased by \$30,227,000 in other
11 funds; to be allocated as follows:

12 (1) Housing Production Trust Fund. - \$30,227,000 is added to be available
13 from other funds.
14

15 Sec. 3. \$51,821,000 is swept from available fund balance and utilized in
16 accordance with Title X, Subtitle B. of the Fiscal Year 2015 Budget Support Act of 2014.
17

18 Sec. 4. Remaining fiscal year 2014 unexpended revenue of \$104,788,000 shall be
19 carried over into fiscal year 2015 as fund balance. This revenue shall be used in
20 accordance with the Fiscal Year 2015 Budget Request Act of 2014.
21

22 Sec. 5. Fiscal impact statement.

23 The Council adopts the fiscal impact statement of the Office of the Chief
24 Financial Officer as the fiscal impact statement required by section 602(c)(3) of the
25 District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C.
26 Official Code § 1-206.02(c)(3)).
27

28 Sec. 6. Effective date.

29 (a) This act shall take effect following approval by the Mayor (or in the event of
30 veto by the Mayor, action by the Council to override the veto), a 30-day period of
31 Congressional review as provided in section 602(c)(1) of the District of Columbia Home
32 Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-
33 206.02(c)(1)), and publication in the District of Columbia Register.

34 (b) This act shall expire after 225 days of its having taken effect.

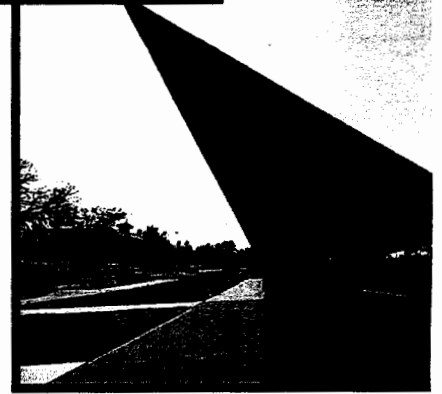
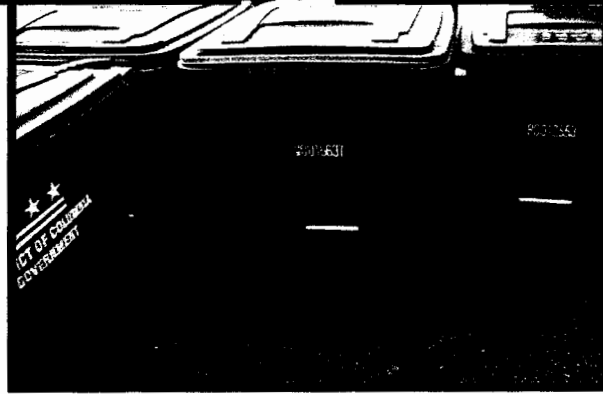
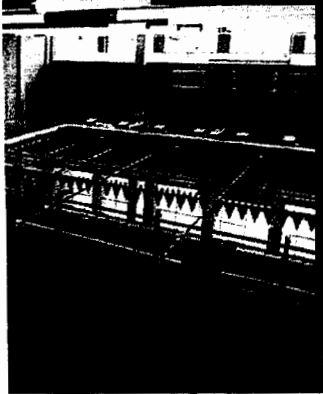
FY 2014

Government of the District of Columbia

Vincent C. Gray, Mayor

Allen Lew, City Administrator

Eric Goulet, Deputy Chief of Staff and Budget Director



FY14 PROPOSED SUPPLEMENTAL BUDGET PLAN

April 3, 2014

The following tables summarize the Mayor's proposed FY14 supplemental budget plan (in millions):

REVENUE AND OTHER RESOURCES VS. EXPENDITURES	
Total FY14 Revenue and Other Resources	\$6,367.9
Total FY14 Current Expenditures	\$6,349.6
Remaining Available Revenue	\$18.3

COST SAVINGS AND FUND BALANCE SWEEPS	
Reduce the D.C. Film Incentive Fund in OMPTD	\$4.3
Reduce D.C. Public Charter Schools Budget as a result of reduced enrollment	\$10.0
Reduce the Other Post-Employment Benefits (OPEB) account to the amount required by the Actuary	\$20.7
Sweep various local, dedicated, and o-type fund balances (per FY 2015 BSA)	\$51.8
Subtotal Cost Savings and Fund Balance Sweeps	\$86.8

SUPPLEMENTAL ONE-TIME EXPENDITURES	
HPTF - Additional funding for the Housing Production Trust Fund	(\$30.2)
WFI - FEMS Arbitration Ruling Payment for FY 2013	(\$12.5)
FEMS - Major Pumper and Ladder Repairs and Testing	(\$0.7)
DPW - PS expenditures for Snow program	(\$3.7)
MPD - Replacement of old computers/ purchase 1,700 modern PCs	(\$1.0)
DDOT - Streetscapes for Ward 8	(\$2.0)
DOC - Security Cameras	(\$1.4)
DCPL - Books and Materials	(\$1.0)
Contingency Cash repayment amount	(\$52.0)
Total One-Time Expenditures	(\$104.5)

Totals	
Total Available Revenue	\$18.3
Total Cost Savings and Fund Balance Sweeps	\$86.8
Total One-Time Expenditures	(\$104.5)
Remaining Unspent Operating Margin	\$0.6

Budget Authority Issues*	
Local Funds:	
OSSE – Community Schools Fund	\$1,000,000
OSSE – Pre-k for All	\$1,452,000
OP – Neighborhood Historic Preservation	\$686,440
O-Type Funds:	
OCFO – Central Collections Unit	\$2,000,000
DOC – Correction Trustee Reimbursement	\$1,030,248
DDOT – Performance Parking Fund	\$2,255,469
DDOT – Pedestrian and Bicycle Safety Fund	\$935,550
DDOT - Transportation Infrastructure Mitigation	\$100,000
DDOT - Sustainable Transportation	\$2,317,296
DDOT - Enterprise - Non Tax Revenue	\$2,100,000
DCPS – ROTC	\$317,754
DCPS - DHHS AFTERSCHOOL PROG-COPAYMENT	\$331,732
DCPS – E-rate	\$2,194,846
MPD – Asset Forfeiture	\$200,000
OCT – Cable Franchise Fees	\$1,800,000
DPR – Enterprise Fund Account	\$1,905,027
WMATA – Parking Meter	\$482,142
DISB – Banking Division Settlement	\$1,000,000
Dedicated Tax Funds:	
WMATA – Parking Tax	\$12,047,151
Total Budget Authority Issues	\$34,155,658

*The revised Budget Request Act included with this package has items for agencies which have the funds but not the authority to spend those funds. Those agencies are listed above. Since they are only securing budget authority, they are not added to the funding lists above.

Agency Supplemental Budget Details

Reduce D.C. Film Incentive Fund Proposed FY 2014 Supplemental Budget Narrative

Supplemental Budget Decrease Description:

(\$4,271,078) Decrease to Prior Request: As part of the Mayor's FY 2014 Supplemental Budget Plan, all available funds in the D.C. Film Incentive Fund will be re-purposed. This is part of an overhaul of this program which is beginning with several key amendments to existing law as part of the FY 2015 Budget Support Act of 2014.

Reduce D.C. Public Charter Schools Budget (GC0) Proposed FY 2014 Supplemental Budget Narrative

Supplemental Budget Decrease Description:

(\$10,000,000) Decrease to Prior Request: As part of the Mayor's FY 2014 Supplemental Budget Plan, funding is being reduced from the D.C. Public Charter Schools to align enrollment from a projected amount of 37,410 to an audited amount of 36,565, a difference of 845 students. This drop in enrollment results in a savings of \$10,000,000.

Reduce Other Post-Employment Benefits (OPEB) Account Proposed FY 2014 Supplemental Budget Narrative

Supplemental Budget Decrease Description:

(\$20,708,450) Decrease to Prior Request: During the FY 2014 budget formulation process, we did not have the benefit of the most recent actuarial analysis, so the FY 2013 budgeted amount for the OPEB Fund was used as the budgeted amount for FY 2014. Based upon the performance of the investments utilized in the fund, along with the mixture of participants accessing the fund, the actuary is requiring a lower amount to be deposited into the Fund, thus providing the surplus availability of these funds for use in other District agencies. There is no intention to reduce the Trust Fund lower than 100 percent of the actuarially required amount.

Sweep Various Local, Dedicated, and O-type Fund Balances Proposed FY 2014 Supplemental Budget Narrative

Supplemental Budget Decrease Description:

(\$51,821,042) Decrease to Prior Request: As part of the Mayor's FY 2014 Supplemental Budget Plan process, the Mayor's Office of Budget and Finance and the Office of the Chief Financial Officer engaged in a full scale review of all non-lapsing local, dedicated, and o-type funds to determine if these funds could be made lapsing or repealed in their entirety and shifted to local. This required a thorough search of the D.C. Official Code for organic laws which created these funds to determine why they were created and how the funding could be spent. It also required close collaboration with Executive branch agencies potentially impacted to make sure a nexus was established between the fund and its expenditures to justify its continued status as a non-lapsing fund. This detailed review resulted in the decision to make 15 of these funds lapsing and to repeal another 14 funds. This will be done as part of the FY 2015

Budget Support Act of 2014 with an effective date of September 30, 2014 (i.e. FY 2014). While no funding was swept from the newly lapsing funds, each of the 14 repealed funds had some level of FY 2013 available fund balance (see BSA chart) which results in a savings of \$51,821,042.

**Housing Production Trust Fund Subsidy (HP0)
Proposed FY 2014 Supplemental Budget Narrative**

Supplemental Budget Increase Description:

\$30,227,000 Increase to Prior Request: The mission of the Housing Production Trust Fund (HPTF) is to provide financial assistance to a variety of affordable housing programs and opportunities across the District of Columbia. The subsidy account for this entity shows the annual transfer of local funds to the HPTF. As part of the Mayor's additional \$100 million affordable housing investment, the HPTF is being allocated an additional \$30,227,000.

**Workforce Investments (UP0)
Proposed FY 2014 Supplemental Budget Narrative**

Supplemental Budget Increase Description:

\$12,535,312 Increase to Prior Request: This funding is being provided in the Workforce Investments account in order to cover the retroactive compensation that was ordered to members of the International Association of Firefighters, Local 36, AFL-CIO, in a February 20, 2014 arbitration award. The arbitration award included retroactive salary adjustments of 3% effective April 1, 2012 and 3.5% effective April 1, 2013.

**Fire and Emergency Medical Services (FB0)
Proposed FY 2014 Supplemental Budget Narrative**

Supplemental Budget Increase Description:

\$670,000 Increase to Prior Request: The D.C. FEMS Department is responsible for performing rescue operations with aerial ladder trucks and for performing fire suppression with water pumping apparatus. The National Fire Protection Association (NFPA) recommends that Aerial and Pumper Trucks be tested on an annual basis. The current age of the trucks requires more extensive repairs to pass the certification tests. The Department currently has 20 Aerial Ladder Trucks and 53 Pumper trucks which require inspection and repair and these funds will cover that need.

**Department of Public Works (KT0)
Proposed FY 2014 Supplemental Budget Narrative**

Supplemental Budget Increase Description:

\$3,725,000 Increase to Prior Request: As part of the Mayor's FY 2014 Supplemental Budget Plan, DPW is being allocated an additional \$3.7 million to cover PS expenditures for the snow removal program as a result of the myriad of storms this winter. The program's costs have increased because the terms of temporary personnel from the leaf collection program were extended to provide additional assistance to the snow removal program. Additionally, DPW staff incurred costs during government weather closures when program staff is required to be paid double-time.

**Metropolitan Police Department (FA0)
Proposed FY 2014 Supplemental Budget Narrative**

Supplemental Budget Increase Description:

\$1,020,000 Increase to Prior Request: MPD has made significant advances in leveraging technology to improve policing. Not long ago, nearly every aspect of policing was a paper driven exercise which was time-consuming and geographically restrictive. This meant that the timeliness of sharing data among partner agencies and even internally was restricted to how fast someone could physically transport the data package. In the last few years, MPD has made significant improvements with network video downloads from CCTVs, automated fingerprint identification systems and database management. What continues to hamper MPD's progress is the outdated hardware still in use. MPD currently has 4,000 PCs in inventory. Of this amount, approximately 1,700 are outdated and in need of replacement and these additional funds will alleviate that need.

**District Department of Transportation (KA0)
Proposed FY 2014 Supplemental Budget Narrative**

Supplemental Budget Increase Description:

\$2,000,000 Increase to Prior Request: This funding will go towards a five-year plan for neighborhoods in Ward 8 to add light pole banners, welcome signs with logos, hanging seasonal planters, trashcans, holiday decorations, and landscaping. The project will also include new bricked sidewalks, and newly paved alleys. Key corridors include Good Hope Rd. SE, Martin Luther King Jr. Ave. SE, Alabama Ave. SE, So. Capitol St. SE, and Minnesota Ave. SE.

**Department of Corrections (FLO)
Proposed FY 2014 Supplemental Budget Narrative**

Supplemental Budget Increase Description:

\$1,400,000 Increase to Prior Request: This funding will be provided as an operating budget enhancement to the DOC for security camera upgrades at the Central Detention Facility (CDF). This funding will supplement existing capital resources to fully fund these needed upgrades and improvements such as replacement of existing conditions, addition of major new infrastructure, and technology upgrades among others.

**District of Columbia Public Library (CEO)
Proposed FY 2014 Supplemental Budget Narrative**

Supplemental Budget Increase Description:

\$1,000,000 Increase to Prior Request: The core mission of the library is to provide content and access to information. The publishing industry continues to evolve, and the Library's demand to provide content in all formats - physical, electronic, and digital - continues to be challenging in a budget environment that fluctuates greatly and where there is reduced purchasing power. DCPL continues to transform its services and use continues to grow. DCPL has now renovated or built 15 of its 26 library locations. The new and renovated facilities spur greater interest and excitement in the Library and are associated with increased customer use, such as use of library collections. This \$1 million will help

ensure that DCPL can continue to purchase books and other library materials to meet the growing need and demand of the community.