
Pay-As-You-Go Capital Fund

Description	FY 2013 Actual	FY 2014 Approved	FY 2015 Proposed	% Change from FY 2014
Operating Budget	\$88,201,406	\$44,446,774	\$28,936,729	-34.9

The mission of the Pay-As-You-Go Capital Fund is to provide an additional funding source and offset long-term bond borrowing costs for capital projects.

Summary of Services

The Mayor and Council can request the use of Pay-As-You-Go (Paygo) Capital funds following the determination and certification by the Chief Financial Officer that the funds are available and necessary for the designated purpose. Operating funds may be transferred to the capital fund through a Pay-As-You-Go Capital funds budget transfer to support the Capital Improvements Plan, and the proposed FY 2015 budget includes such a transfer.

The agency's FY 2015 proposed budget is presented in the following tables:

FY 2015 Proposed Gross Funds Operating Budget, by Revenue Type

Table PA0-1 contains the proposed FY 2015 agency budget compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table PA0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
General Fund						
Local Funds	33,730	48,439	18,860	5,200	-13,660	-72.4
Special Purpose Revenue Funds	47,148	39,763	25,587	23,737	-1,850	-7.2
Total for General Fund	80,878	88,201	44,447	28,937	-15,510	-34.9
Gross Funds	80,878	88,201	44,447	28,937	-15,510	-34.9

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Operating Budget, by Comptroller Source Group

Table PA0-2 contains the proposed FY 2015 budget at the Comptroller Source Group (object class) level compared to the FY 2014 approved budget. It also provides FY 2012 and FY 2013 actual expenditures.

Table PA0-2
(dollars in thousands)

Comptroller Source Group	Actual FY 2012	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
50 - Subsidies and Transfers	80,878	88,201	44,447	28,937	-15,510	-34.9
Subtotal Nonpersonal Services (NPS)	80,878	88,201	44,447	28,937	-15,510	-34.9
Gross Funds	80,878	88,201	44,447	28,937	-15,510	-34.9

*Percent change is based on whole dollars.

Program Description

The Pay-As-You-Go Capital Fund operates through the following program:

Pay-Go Capital – allows for the transfer of revenue and budget authority between the operating funds budget (General Fund) and the capital funds budget (Capital Improvements Fund).

Program Structure Changes

The Pay-As-You-Go Capital Fund has no program structure changes in the FY 2015 proposed budget.

FY 2015 Proposed Operating Budget and FTEs, by Program and Activity

Table PA0-3 contains the proposed FY 2015 budget by program and activity compared to the FY 2014 approved budget. It also provides the FY 2013 actual data.

Table PA0-3

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Actual FY 2013	Approved FY 2014	Proposed FY 2015	Change from FY 2014
(1000) Pay-Go Capital								
(1100) Pay-Go Capital	88,201	44,447	28,937	-15,510	0.0	0.0	0.0	0.0
Subtotal (1000) Pay-Go Capital	88,201	44,447	28,937	-15,510	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	88,201	44,447	28,937	-15,510	0.0	0.0	0.0	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Budget Changes

The Pay-As-You-Go Capital Fund's (Paygo) proposed FY 2015 gross budget is \$28,936,729, which represents a 34.9 percent decrease from its FY 2014 approved gross budget of \$44,446,774. The budget is comprised of \$5,200,000 in Local funds and \$23,736,729 in Special Purpose Revenue funds.

Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2014 approved budget across multiple programs, and it estimates how much it would cost an agency to continue its current programs and operations into the following fiscal year. The FY 2015 CSFL adjustments to the FY 2014 Local funds budget are described in table 4 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

Paygo's proposed FY 2015 CSFL budget is \$9,199,687, which represents a \$9,660,532, or 51.2 percent, decrease from the FY 2014 approved Local funds budget of \$18,860,219.

CSFL Assumptions

The FY 2015 CSFL calculated for Paygo included adjustment entries that are not described in detail on table 4. These adjustments include a net reduction of \$9,660,532 to account for the removal of one-time funding appropriated in FY 2014 as follows: 1) \$2,800,000 for the upgrade of the D.C. Public Schools student information system; 2) \$1,560,532 for the repair of the fence and field at the Dwight Mosley/Taft Recreation Center; 3) \$1,000,000 for repairs to the field at Shaed Elementary School; and 4) \$4,300,000 for renovations at the Bertie Backus campus of the Community College of the District of Columbia.

Paygo's CSFL funding for recurring budget items is unchanged from FY 2014.

Agency Budget Submission

Increase: Paygo's budget proposal reflects a net increase of \$3,429,211 in Special Purpose Revenue to align the budget with projected revenues. Specifically, this increase includes \$2,179,211 for higher Rights-of-Way Fee revenue to transfer to capital funds for the District's Local Transportation Fund projects, and \$750,000 from storm water fee revenue and \$500,000 from bag tax fee revenue to transfer to District Department of the Environment (DDOE) capital projects.

Technical Adjustment: Paygo's budget proposal reflects a net technical adjustment of \$2,136,313 in Local funds. The technical adjustment is comprised of increases of \$2,933,313 for the transfer to capital for the new Integrated Tax System, \$503,000 to continue the acceleration of neighborhood investment by converting additional planned Tax Increment Financing borrowing to Paygo in support of the District's Great Streets Initiative, and \$200,000 in additional federal Department of Transportation (DOT) PILOT revenue to fund the Canal Park capital project, partially offset by reductions of \$750,000 for improvements to bus operations efficiency and \$750,000 in support of the expansion of performance parking.

Mayor's Proposed Budget

No Change: The Pay-As-You-Go Capital Fund's budget proposal reflects no change from the agency budget submission to the Mayor's proposed budget.

District's Proposed Budget

Reduce: The Pay-As-You-Go Capital Fund's budget proposal reflects a reduction of \$6,136,000 in Local funds. The reduction is comprised of a decrease of \$4,636,000 in funding for the power line undergrounding project and a decrease of \$1,500,000 in funding for the new Integrated Tax System, from the Mayor's proposed budget to the District's proposed budget. The budget proposal also reflects a reduction of \$5,279,037 in Special Purpose Revenue funds, specifically in the Rights-of-Way fee revenue transfer to the capital improvements program in support of Local Transportation Fund projects.

FY 2014 Approved Budget to FY 2015 Proposed Budget, by Revenue Type

Table PA0-4 itemizes the changes by revenue type between the FY 2014 approved budget and the FY 2015 proposed budget.

Table PA0-4
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2014 Approved Budget and FTE		18,860	0.0
Removal of One-Time Funding	Pay-Go Capital	-9,661	0.0
LOCAL FUNDS: FY 2015 Current Services Funding Level Budget (CSFL)		9,200	0.0
Technical Adjustment: To align budget with Paygo estimates	Pay-Go Capital	2,136	0.0
LOCAL FUNDS: FY 2015 Agency Budget Submission		11,336	0.0
No Change		0	0.0
LOCAL FUNDS: FY 2015 Mayor's Proposed Budget		11,336	0.0
Reduce: Funding in capital projects	Multiple Programs	-6,136	0.0
LOCAL FUNDS: FY 2015 District's Proposed Budget		5,200	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Approved Budget and FTE		25,587	0.0
Increase: To align budget with projected revenues	Pay-Go Capital	3,429	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2015 Agency Budget Submission		29,016	0.0
No Change		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2015 Mayor's Proposed Budget		29,016	0.0
Reduce: Funding in capital projects	Pay-Go Capital	-5,279	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2015 District's Proposed Budget		23,737	0.0
Gross for PA0 - Pay-As-You-Go Capital Fund		28,937	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)