

Debt Service

Repayment of Loans and Interest (DS0)

Short-Term Borrowings (ZA0)

Certificates of Participation (CP0)

Debt Service - Issuance Costs (ZB0)

Schools Modernization Fund (SM0)

Repayment of Revenue Bonds (DT0)

Description	FY 2012 Actual	FY 2013 Approved	FY 2014 Proposed	% Change from FY 2013
Repayment of Loans and Interest (DS)	\$434,384,278	\$467,424,282	\$522,793,891	11.8
Short-Term Borrowings (ZA)	\$2,571,678	\$4,390,000	\$5,000,000	13.9
Certificates of Participation (CP)	\$32,233,417	\$32,541,713	\$24,619,294	-24.3
Debt Service - Issuance Costs (ZB)	\$4,347,595	\$6,000,000	\$6,000,000	0.0
Schools Modernization Fund (SM)	\$8,620,712	\$8,625,713	\$11,862,513	37.5
Repayment of Revenue Bonds (DT)	\$5,574,040	\$8,222,000	\$7,823,585	-4.8
Total Operating Budget	\$487,731,721	\$527,203,708	\$578,099,283	9.7

The mission of Debt Service administration is to finance the District's capital and cash flow needs as well as minimize costs associated with such financing, exercise fiscally responsible debt management practices, and make timely payment of all debt service.

Summary of Services

Timely debt service payments are necessary to satisfy the District's commitments to its investors (bondholders) and maintain a good credit standing in the financial marketplace. Under the District of Columbia Home Rule Act, the District may issue debt to finance capital projects or seasonal cash needs, subject to certain limitations. Specifically, no long-term debt may be issued that would cause total debt service on all tax-supported debt to exceed 12 percent of total general fund expenditures in any year during the 6-year capital plan period. No short-term debt may be issued in an amount that would cause total outstanding short-term debt to exceed 20 percent of the projected revenue of the fiscal year in which the debt is issued. Short-term debt must be repaid by the end of the fiscal year in which it is issued. The District's total outstanding tax-supported long-term debt as of December 2012 was \$8.7 billion. The District issued \$675 million of short-term debt in FY 2013, which will be repaid by September 28, 2013. Appropriations are budgeted from Local funds in amounts sufficient to meet the required payments for the various types of debt service.

The agency's FY 2014 proposed budget is presented in the following tables:

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table DS0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table DS0-1
(dollars in thousands)

Repayment of Loans and Interest

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund						
Local Funds	395,764	409,855	462,877	518,066	55,189	11.9
Dedicated Taxes	4,800	0	0	0	0	N/A
Special Purpose Revenue Funds	4,204	4,372	4,547	4,728	181	4.0
Total for General Fund	404,768	414,227	467,424	522,794	55,370	11.8
Federal Resources						
Federal Grant Funds	0	20,157	0	0	0	N/A
Total for Federal Resources	0	20,157	0	0	0	N/A
Gross Funds	404,768	434,384	467,424	522,794	55,370	11.8

*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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table ZA0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table ZA0-1
(dollars in thousands)

Repayment of Interest on Short-Term Borrowings

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund						
Local Funds	2,841	2,572	4,390	5,000	610	13.9
Total for General Fund	2,841	2,572	4,390	5,000	610	13.9
Gross Funds	2,841	2,572	4,390	5,000	610	13.9

*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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table CP0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table CP0-1

(dollars in thousands)

Certificates of Participation

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund						
Local Funds	32,244	32,233	32,542	24,619	-7,922	-24.3
Total for General Fund	32,244	32,233	32,542	24,619	-7,922	-24.3
Gross Funds	32,244	32,233	32,542	24,619	-7,922	-24.3

*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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table ZB0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table ZB0-1

(dollars in thousands)

Debt Service - Issuance Costs

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund						
Local Funds	5,884	4,348	6,000	6,000	0	0.0
Total for General Fund	5,884	4,348	6,000	6,000	0	0.0
Gross Funds	5,884	4,348	6,000	6,000	0	0.0

*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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table SM0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table SM0-1
(dollars in thousands)

Schools Modernization Fund

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund						
Local Funds	8,613	8,621	8,626	11,863	3,237	37.5
Total for General Fund	8,613	8,621	8,626	11,863	3,237	37.5
Gross Funds	8,613	8,621	8,626	11,863	3,237	37.5

*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 2014 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table DT0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table DT0-1
(dollars in thousands)

Repayment of Revenue Bonds

Appropriated Fund	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund						
Dedicated Taxes	4,782	5,574	8,222	7,824	-398	-4.8
Total for General Fund	4,782	5,574	8,222	7,824	-398	-4.8
Gross Funds	4,782	5,574	8,222	7,824	-398	-4.8

*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 2014 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table DS0-2 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table DS0-2
(dollars in thousands)

Repayment of Loans and Interest

	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
Comptroller Source Group						
80 - Debt Service	404,768	434,384	467,424	522,794	55,370	11.8
Subtotal Nonpersonal Services (NPS)	404,768	434,384	467,424	522,794	55,370	11.8
Gross Funds	404,768	434,384	467,424	522,794	55,370	11.8

*Percent change is based on whole dollars.

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table ZA0-2 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table ZA0-2
(dollars in thousands)

Repayment of Interest on Short-Term Borrowings

	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
Comptroller Source Group						
80 - Debt Service	2,841	2,572	4,390	5,000	610	13.9
Subtotal Nonpersonal Services (NPS)	2,841	2,572	4,390	5,000	610	13.9
Gross Funds	2,841	2,572	4,390	5,000	610	13.9

*Percent change is based on whole dollars.

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table CP0-2 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table CP0-2
(dollars in thousands)

Certificates of Participation

	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
Comptroller Source Group						
80 - Debt Service	32,244	32,233	32,542	24,619	-7,922	-24.3
Subtotal Nonpersonal Services (NPS)	32,244	32,233	32,542	24,619	-7,922	-24.3
Gross Funds	32,244	32,233	32,542	24,619	-7,922	-24.3

*Percent change is based on whole dollars.

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table ZB0-2 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table ZB0-2
(dollars in thousands)

Debt Service - Issuance Costs

	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
Comptroller Source Group						
80 - Debt Service	5,884	4,348	6,000	6,000	0	0.0
Subtotal Nonpersonal Services (NPS)	5,884	4,348	6,000	6,000	0	0.0
Gross Funds	5,884	4,348	6,000	6,000	0	0.0

*Percent change is based on whole dollars.

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table SM0-2 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table SM0-2
(dollars in thousands)

Schools Modernization Fund

	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
Comptroller Source Group						
80 - Debt Service	8,613	8,621	8,626	11,863	3,237	37.5
Subtotal Nonpersonal Services (NPS)	8,613	8,621	8,626	11,863	3,237	37.5
Gross Funds	8,613	8,621	8,626	11,863	3,237	37.5

*Percent change is based on whole dollars.

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table DT0-2 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table DT0-2
(dollars in thousands)

Repayment of Revenue Bonds

	Actual FY 2011	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
Comptroller Source Group						
80 - Debt Service	4,782	5,574	8,222	7,824	-398	-4.8
Subtotal Nonpersonal Services (NPS)	4,782	5,574	8,222	7,824	-398	-4.8
Gross Funds	4,782	5,574	8,222	7,824	-398	-4.8

*Percent change is based on whole dollars.

Program Structure Change

The Debt Service agencies have no program structure changes in the FY 2014 proposed budget.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table DS0-3 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

Table DS0-3 Repayment of Loans and Interest

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(1000) Repayment of Loans and Interest								
(1100) Repayment of Loans and Interest	414,227	467,424	522,794	55,370	0.0	0.0	0.0	0.0
(2100) Bad Debt Expense	20,157	0	0	0	0.0	0.0	0.0	0.0
Subtotal (1000) Repayment of Loans and Interest	434,384	467,424	522,794	55,370	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	434,384	467,424	522,794	55,370	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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table ZA0-3 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

Table ZA0-3 Repayment of Interest on Short-Term Borrowings

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(1000) Short-Term Borrowings								
(1100) Short-Term Borrowings	2,572	4,390	5,000	610	0.0	0.0	0.0	0.0
Subtotal (1000) Short-Term Borrowings	2,572	4,390	5,000	610	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	2,572	4,390	5,000	610	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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table CP0-3 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

Table CP0-3 Certificates of Participation

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(1000) Certificate of Participation								
(1100) Certificate of Participation	32,233	32,542	24,619	-7,922	0.0	0.0	0.0	0.0
Subtotal (1000) Certificate Of Participation	32,233	32,542	24,619	-7,922	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	32,233	32,542	24,619	-7,922	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 2014 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table ZB0-3 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

Table ZB0-3 Debt Service - Issuance Costs

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(1000) Debt Service - Issuance Costs								
(1100) Debt Service - Issuance Costs	4,348	6,000	6,000	0	0.0	0.0	0.0	0.0
Subtotal (1000) Debt Service - Issuance Costs	4,348	6,000	6,000	0	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	4,348	6,000	6,000	0	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 2014 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table SM0-3 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

Table SM0-3 Schools Modernization Fund

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(1000) Schools Modernization Fund								
(1100) Schools Modernization Fund	8,621	8,626	11,863	3,237	0.0	0.0	0.0	0.0
Subtotal (1000) Schools Modernization Fund	8,621	8,626	11,863	3,237	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	8,621	8,626	11,863	3,237	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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table DT0-3 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

Table DT0-3 Repayment of Revenue Bonds

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(1000) Repayment of Revenue Bonds								
(1100) Repayment of Revenue Bonds	5,574	8,222	7,824	-398	0.0	0.0	0.0	0.0
Subtotal (1000) Repayment of Revenue Bonds	5,574	8,222	7,824	-398	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	5,574	8,222	7,824	-398	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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Budget Change

The Repayment of Loans and Interest's proposed FY 2014 gross budget is \$522,793,891, which represents an 11.8 percent increase over its FY 2013 approved gross budget of \$467,424,282. The budget is comprised of \$518,065,891 of Local funds and \$4,728,000 of 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 2013 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 initial adjustments in the budget proposal represent changes that should be compared to the FY 2014 CSFL budget and not necessarily changes made to the FY 2013 Local funds budget. The FY 2014 CSFL adjustments to the FY 2013 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.

The Repayment of Loans and Interest's FY 2014 CSFL budget is \$517,761,784, which represents a \$54,884,502, or 11.9 percent, increase over the FY 2013 approved Local funds budget of \$462,877,282.

Major CSFL Cost Drivers

The FY 2014 CSFL calculated for Repayment of Loans and Interest included an adjustment entry that is not described in detail on table 4. This adjustment was made for an increase of \$54,884,502 in nonpersonal services, based on scheduled debt service payments for FY 2014. During the development of the CSFL, some adjustments such as these were categorized as "other adjustments".

Agency Budget Submissions

Increase: The projected FY 2014 budget proposal for Special Purpose Revenue funds reflects an increase of \$181,000 in debt service payments that aligns the budget with revenue projections for the Clear Channel Advertising Agreement.

Decrease: The FY 2014 budget proposal for Local funds reflects a decrease of \$218,450 in Debt Service to align the budget with current debt service cost projections

Mayor's Proposed Budget

The FY 2014 budget for Local funds reflects an increase of \$522,557 in debt service payments that aligns the budget to debt service projections.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table DS0-4 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table DS0-4

(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2013 Approved Budget and FTE		462,877	0.0
Other CSFL Adjustments and Interest Repayment Of Loans		54,885	0.0
LOCAL FUNDS: FY 2014 Current Services Funding Level Budget (CSFL)		517,762	0.0
Decrease: To align with current debt service cost projections	Repayment of Loans and Interest	-218	0.0
LOCAL FUNDS: FY 2014 Agency Budget Submission		517,543	0.0
Increase: To align with revised debt service cost projections	Repayment of Loans And Interest	523	0.0
LOCAL FUNDS: FY 2014 Mayor's Proposed Budget		518,066	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2013 Approved Budget and FTE		4,547	0.0
Increase: To align with revenue projections for Clear Channel Advertising Agreement	Repayment of Loans and Interest	181	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Agency Budget Submission		4,728	0.0
No Changes		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Mayor's Proposed Budget		4,728	0.0
Gross for DS0 - Repayment of Loans and Interest		522,794	0.0

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

FY 2014 Proposed Budget Changes

The Repayment of Interest on Short Term Borrowing's proposed FY 2014 gross budget is \$5,000,000, which represents a 13.9 percent increase over its FY 2013 approved gross budget of \$4,390,000. The budget is comprised entirely of Local 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 2013 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 initial adjustments in the budget proposal represent changes that should be compared to the FY 2014 CSFL budget and not necessarily changes made to the FY 2013 Local funds budget. The FY 2014 CSFL adjustments to the FY 2013 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.

Repayment of Interest on Short Term Borrowing's FY 2014 CSFL budget is \$5,000,000, which represents a \$610,000, or 13.9 percent, increase over the FY 2013 approved Local funds budget of \$4,390,000.

Major CSFL Cost Drivers

The FY 2014 CSFL calculated for Repayment of Interest on Short Term Borrowing included an adjustment entry that is not described in detail on table 4. This adjustment was made for an increase of \$610,000 in nonpersonal services, based on revised debt service projections for FY 2014. During the development of the CSFL, some adjustments such as these were categorized as "other adjustments"

Agency Budget Submission

Repayment of Interest on Short Term Borrowing has no changes from the FY 2014 CSFL to the FY 2014 agency budget submission.

Mayor's Proposed Budget

Repayment of Interest on Short Term Borrowing has no changes from the FY 2013 approved budget to the FY 2014 proposed budget.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table ZA0-4 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table ZA0-4

(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2013 Approved Budget and FTE		4,390	0.0
Other CSFL Adjustments	Short-Term Borrowings	610	0.0
LOCAL FUNDS: FY 2014 Current Services Funding Level Budget (CSFL)		5,000	0.0
No Changes		0	0.0
LOCAL FUNDS: FY 2014 Agency Budget Submission		5,000	0.0
No Changes		0	0.0
LOCAL FUNDS: FY 2014 Mayor's Proposed Budget		5,000	0.0
Gross for ZA0 - Repayment of Interest on Short Term Borrowing		5,000	0.0

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

FY 2014 Proposed Budget Changes

The Certificates of Participation's proposed FY 2014 gross budget is \$24,619,294, which represents a 24.3 percent decrease from its FY 2013 approved gross budget of \$32,541,713. The budget is comprised entirely of Local 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 2013 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 initial adjustments in the budget proposal represent changes that should be compared to the FY 2014 CSFL budget and not necessarily changes made to the FY 2013 Local funds budget. The FY 2014 CSFL adjustments to the FY 2013 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.

The Certificates of Participation's FY 2014 CSFL budget is \$24,619,294, which represents a \$7,922,419, or 24.3 percent, decrease from the FY 2013 approved Local funds budget of \$32,541,713.

Major CFSL Cost Drivers

The FY 2014 CSFL calculated for Certificates of Participation included an adjustment entry that is not described in detail on table 4. This adjustment was made for a decrease of \$7,922,419 in nonpersonal services, based on a debt service adjustment for FY 2014. This occurred because the Certificate of Participation related to One Judiciary Square will be fully paid off in FY 2013, leaving a smaller principal amount remaining in FY 2014. During the development of the CSFL, some adjustments such as these were categorized as "other adjustments".

Agency Budget Submission

Certificates of Participation has no changes from the FY 2014 CSFL to the FY 2014 agency budget submission.

Mayor's Proposed Budget

Certificates of Participation has no changes from the FY 2013 approved budget to the FY 2014 proposed budget.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table CP0-4 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table CP0-4

(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2013 Approved Budget and FTE		32,542	0.0
Other CSFL Adjustments	Certificate of Participation	-7,922	0.0
LOCAL FUNDS: FY 2014 Current Services Funding Level Budget (CSFL)		24,619	0.0
No Changes		0	0.0
LOCAL FUNDS: FY 2014 Agency Budget Submission		24,619	0.0
No Changes		0	0.0
LOCAL FUNDS: FY 2014 Mayor's Proposed Budget		24,619	0.0
Gross for CP0 - Certificate of Participation		24,619	0.0

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

FY 2014 Proposed Budget Changes

The Debt Service - Issuance Costs' proposed FY 2014 gross budget is \$6,000,000, which represents no change from its FY 2013 approved gross budget of \$6,000,000. The budget is comprised entirely of Local 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 2013 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 initial adjustments in the budget proposal represent changes that should be compared to the FY 2014 CSFL budget and not necessarily changes made to the FY 2013 Local funds budget. The FY 2014 CSFL adjustments to the FY 2013 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.

Debt Service - Issuance Costs' FY 2014 CSFL budget is \$6,000,000, which represents no change from the FY 2013 approved Local funds budget of \$6,000,000.

Current Services Funding Level

Debt Service - Issuance Costs has no changes from the FY 2014 CSFL to the FY 2014 agency budget submission.

Mayor's Proposed Budget

Debt Service - Issuance Cost has no changes from the FY 2013 approved budget to the FY 2014 proposed budget.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table ZB0-4 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table ZB0-4

(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2013 Approved Budget and FTE		6,000	0.0
No Changes		0	0.0
LOCAL FUNDS: FY 2014 Current Services Funding Level Budget (CSFL)		6,000	0.0
No Changes		0	0.0
LOCAL FUNDS: FY 2014 Agency Budget Submission		6,000	0.0
No Changes		0	0.0
LOCAL FUNDS: FY 2014 Mayor's Proposed Budget		6,000	0.0
Gross for ZB0 - Debt Service - Issuance Costs		6,000	0.0

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

FY 2014 Proposed Budget Changes

The Schools Modernization Fund's proposed FY 2014 gross budget is \$11,862,513, which represents a 37.5 percent increase over its FY 2013 approved gross budget of \$8,625,713. The budget is comprised entirely of Local funds.

Current Services Funding Level

The Schools Modernization Fund's FY 2014 CSFL budget is \$11,862,513, which represents a \$3,236,800, or 37.5 percent, increase over the FY 2013 approved Local funds budget of \$8,625,713.

Major CFSL Cost Drivers

The FY 2014 CSFL calculated for Schools Modernization Fund included an adjustment entry that is not described in detail on table 4. This adjustment was made for an increase of \$3,236,800 in nonpersonal services, based on a debt service adjustment for FY 2014. This occurred because one loan in the fund has changed from interest only payments to principal payments in FY 2013, increasing the amount in FY 2014. During the development of the CSFL, some adjustments such as these were categorized as "other adjustments".

Agency Budget Submission

The Schools Modernization Fund has no changes from the FY 2014 CSFL to the FY 2014 agency budget submission.

Mayor's Proposed Budget

The Schools Modernization Fund has no changes from the FY 2013 approved budget to the FY 2014 proposed budget.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table SM0-4 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table SM0-4

(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2013 Approved Budget and FTE		8,626	0.0
Other CSFL Adjustments	Schools Modernization Fund	3,237	0.0
LOCAL FUNDS: FY 2014 Current Services Funding Level Budget (CSFL)		11,863	0.0
No Changes		0	0.0
LOCAL FUNDS: FY 2014 Agency Budget Submission		11,863	0.0
No Changes		0	0.0
LOCAL FUNDS: FY 2014 Mayor's Proposed Budget		11,863	0.0
Gross for SM0 - Schools Modernization Fund		11,863	0.0

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

FY 2014 Proposed Budget Changes

The Repayment of Revenue Bonds' proposed FY 2014 gross budget is \$7,823,585, which represents a 4.8 percent decrease from its FY 2013 approved gross budget of \$8,222,000. The budget is comprised entirely of Dedicated Taxes funds.

Agency Budget Submission

Increase: The FY 2014 budget proposal for Dedicated Taxes funds reflects an increase of \$2,256,585 that aligns the budget to debt service projections for Housing Production Trust Fund-related borrowing.

Mayor's Proposed Budget

Decrease: The FY 2014 budget for Dedicated Taxes funds reflects a decrease of \$2,655,000 in debt service payments that aligns the budget to debt service projections.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table DT0-4 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table DT0-4

(dollars in thousands)

	PROGRAM	BUDGET	FTE
DEDICATED TAXES: FY 2013 Approved Budget and FTE		8,222	0.0
Increase: Cost Increase to align with debt service projections	Repayment of Revenue Bonds	2,257	0.0
DEDICATED TAXES: FY 2014 Agency Budget Submission		10,479	0.0
Decrease: Cost Decrease to align with revised debt service projections	Repayment of Revenue Bonds	-2,655	0.0
DEDICATED TAXES: FY 2014 Mayor's Proposed Budget		7,824	0.0
Gross for DT0 - Repayment of Revenue Bonds		7,824	0.0

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