

Pay-As-You-Go Capital Fund

Table PA0-1

| Description | FY 2015 | FY 2016 | FY 2017 | % Change |
|------------------|---------------|--------------|---------------|-----------------|
| | Actual | Approved | Proposed | from FY 2016 |
| OPERATING BUDGET | \$136,244,785 | \$72,465,602 | \$125,294,132 | 72.9 |

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 (CIP), and the proposed FY 2017 budget includes such a transfer.

The agency's FY 2017 proposed budget is presented in the following tables:

FY 2017 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table PA0-2 contains the proposed FY 2017 budget by revenue type compared to the FY 2016 approved budget. It also provides FY 2015 actual data.

Table PA0-2

(dollars in thousands)

| Appropriated Fund | Dollars in Thousands | | | | | Full-Time Equivalents | | | | |
|---------------------|----------------------|---------------------|---------------------|---------------------------|-----------------------|-----------------------|---------------------|---------------------|---------------------------|----------------------|
| | Actual FY 2015 | Approved FY 2016 | Proposed FY 2017 | Change from FY 2016 | Percentage Change* | Actual FY 2015 | Approved FY 2016 | Proposed FY 2017 | Change from FY 2016 | Percentage Change |
| GENERAL FUND | | | | | | | | | | |
| LOCAL FUNDS | 98,238 | 21,449 | 75,705 | 54,256 | 253.0 | 0.0 | 0.0 | 0.0 | 0.0 | N/A |
| SPECIAL PURPOSE | | | | | | | | | | |
| REVENUE FUNDS | 38,007 | 51,017 | 49,589 | -1,428 | -2.8 | 0.0 | 0.0 | 0.0 | 0.0 | N/A |
| TOTAL FOR | | | | | | | | | | |
| GENERAL FUND | 136,245 | 72,466 | 125,294 | 52,829 | 72.9 | 0.0 | 0.0 | 0.0 | 0.0 | N/A |
| GROSS FUNDS | 136,245 | 72,466 | 125,294 | 52,829 | 72.9 | 0.0 | 0.0 | 0.0 | 0.0 | N/A |

*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 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2017 Proposed Operating Budget, by Comptroller Source Group

Table PA0-3 contains the proposed FY 2017 budget at the Comptroller Source Group (object class) level compared to the FY 2016 approved budget. It also provides FY 2014 and FY 2015 actual expenditures.

Table PA0-3

(dollars in thousands)

| | Actual FY 2014 | Actual FY 2015 | Approved FY 2016 | Proposed FY 2017 | Change from FY 2016 | Percentage Change* |
|--|-------------------|-------------------|---------------------|---------------------|---------------------------|-----------------------|
| Comptroller Source Group | | | | | | |
| 50 - SUBSIDIES AND TRANSFERS | 59,798 | 136,245 | 72,466 | 125,294 | 52,829 | 72.9 |
| SUBTOTAL NONPERSONAL SERVICES (NPS) | 59,798 | 136,245 | 72,466 | 125,294 | 52,829 | 72.9 |
| GROSS FUNDS | 59,798 | 136,245 | 72,466 | 125,294 | 52,829 | 72.9 |

*Percent change is based on whole dollars.

FY 2017 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table PA0-4 contains the proposed FY 2017 budget by division/program and activity compared to the FY 2016 approved budget. It also provides FY 2015 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table PA0-4

(dollars in thousands)

| Division/Program and Activity | Dollars in Thousands | | | | Full-Time Equivalents | | | |
|--|----------------------|---------------------|---------------------|---------------------------|-----------------------|---------------------|---------------------|---------------------------|
| | Actual FY 2015 | Approved FY 2016 | Proposed FY 2017 | Change from FY 2016 | Actual FY 2015 | Approved FY 2016 | Proposed FY 2017 | Change from FY 2016 |
| (1000) PAY-GO CAPITAL | | | | | | | | |
| (1100) PAY-GO CAPITAL | 136,245 | 72,466 | 125,294 | 52,829 | 0.0 | 0.0 | 0.0 | 0.0 |
| SUBTOTAL (1000) PAY-GO CAPITAL | 136,245 | 72,466 | 125,294 | 52,829 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL PROPOSED OPERATING BUDGET | 136,245 | 72,466 | 125,294 | 52,829 | 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 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website. "No Activity Assigned" indicates budget or actuals that are recorded at the division/program level.

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 agency has no program structure changes in the FY 2017 proposed budget.

FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type

Table PA0-5 itemizes the changes by revenue type between the FY 2016 approved budget and the FY 2017 proposed budget. For a more comprehensive explanation of changes, please see the FY 2017 Proposed Budget Changes section, which follows the table.

Table PA0-5

(dollars in thousands)

| DESCRIPTION | DIVISION/PROGRAM | BUDGET | FTE |
|--|-------------------|----------------|------------|
| LOCAL FUNDS: FY 2016 Approved Budget and FTE | | 21,449 | 0.0 |
| Removal of One-Time Funding | Pay-Go Capital | -175 | 0.0 |
| LOCAL FUNDS: FY 2017 Current Services Funding Level (CSFL) Budget | | 21,274 | 0.0 |
| Increase: Technical Adjustments | Multiple Programs | 21,700 | 0.0 |
| Increase: To align resources with operational spending goals | Multiple Programs | 24,726 | 0.0 |
| LOCAL FUNDS: FY 2017 Agency Budget Submission | | 67,700 | 0.0 |
| Increase: One-Time Mayor's Enhancements | Pay-Go Capital | 8,005 | 0.0 |
| LOCAL FUNDS: FY 2017 Mayor's Proposed Budget | | 75,705 | 0.0 |
| SPECIAL PURPOSE REVENUE FUNDS: FY 2016 Approved Budget and FTE | | 51,017 | 0.0 |
| Decrease: To align resources with operational spending goals | Multiple Programs | -428 | 0.0 |
| SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Agency Budget Submission | | 50,589 | 0.0 |
| Decrease: To align resources with operational spending goals | Multiple Programs | -1,000 | 0.0 |
| SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Mayor's Proposed Budget | | 49,589 | 0.0 |
| GROSS FOR PA0 - PAY-AS-YOU-GO CAPITAL FUND | | 125,294 | 0.0 |

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

FY 2017 Proposed Budget Changes

The Pay-As-You-Go (Paygo) Capital Fund's proposed FY 2017 gross budget is \$125,294,132, which represents a 72.9 percent increase over its FY 2016 approved gross funds budget of \$72,465,602. The budget is comprised of \$75,705,403 in Local funds and \$49,588,729 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 2016 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 2017 CSFL adjustments to the FY 2016 Local funds budget are described in table 5 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 Paygo Capital Fund's proposed FY 2017 CSFL budget is \$21,274,000, which is a decrease of \$175,000 from the FY 2016 approved Local funds budget of \$21,449,000.

CSFL Assumptions

The FY 2017 CSFL calculated for the Paygo Capital Fund included an adjustment entry that is not described in detail on table 5. This adjustment reflects a reduction of \$175,000 to account for the removal of one-time funding appropriated in FY 2016 for the Rewriting of Zoning Regulations capital project.

Agency Budget Submission

The Paygo Capital agency supports funding transfers to various capital improvement program projects.

Increase: The total Local funds Paygo Capital budget is increased by \$21,700,000 in support of the District's contribution to the Washington Metropolitan Area Transit Authority's capital program. In addition, the Local funds budget increased by a net amount of \$24,725,597. This includes increases totaling \$37,735,597:

- \$14,979,943 to the East End Medical Center project;
- \$11,000,000 to the Integrated Tax System Modernization project;
- \$6,441,000 to the Shepherd Elementary School Modernization project;
- \$2,928,654 to the Office of the State Superintendent of Education's Data Infrastructure project;
- \$1,000,000 to the Capital Asset Replacement Scheduling System project;
- \$750,000 to the Power Line Undergrounding project;
- \$400,000 to the Department of Parks and Recreation's (DPR) General Improvements project; and
- \$236,000 to DPR's Park Improvement - Project Management project.

These increases are partially offset by decreases totaling \$13,010,000:

- \$3,955,000 from the District Department of Transportation's (DDOT) Greenspace Management project;
- \$2,590,000 from the Circulator Buses project;
- \$2,500,000 from the Tree Planting project;
- \$2,056,000 from the Circulator Bus Garage project;
- \$820,000 from the Office of the Chief Technology Officer's Government Citywide IT Security Program project;
- \$789,000 from the District of Columbia Public Schools' General Miscellaneous Repairs project; and
- \$300,000 from DDOT's Administrative Cost Transfer project.

Decrease: In Special Purpose Revenue (SPR) funds, the Paygo Capital budget proposal reflects a decrease of \$427,873, which includes a decrease of \$927,873 in lower Rights-of-Way fee revenue transferred to DDOT's local transportation projects, partially offset by an increase of \$500,000 in the Department of Energy and Environment's (DOEE) Waterway Restoration project.

Mayor's Proposed Budget

Enhance: In Local funds, the Paygo Capital Fund's budget increased \$2,500,000 for DDOT's Alley Rehabilitation project, \$2,814,000 for the Tree Planting project, and \$2,691,403 for the East End Medical Center project.

Decrease: In Special Purpose Revenue funds, Paygo's budget proposal decreased \$1,000,000 in DOEE's Waterway Restoration capital project.