

(TY0)

Repayment of PILOT Financing

Description	FY 2009 Actual	FY 2010 Approved	FY 2011 Proposed	% Change from FY 2010
Operating Budget	\$10,549,848	\$13,886,000	\$12,275,000	-11.6

Repayment of PILOT Financing is a program through which the District pays debt service on borrowing against future receipts of a Payment-in Lieu-of-Taxes (PILOT). The District can encourage economic development by providing project grants from the proceeds of such borrowing, with repayment to come from future payments by developers who have received the grants.

The agency's FY 2011 proposed budget is presented in the following tables:

FY 2011 Proposed Gross Funds Operating Budget, by Revenue Type

Table TY0-1 contains the proposed FY 2011 agency budget compared to the FY 2010 approved budget. It also provides FY 2008 and FY 2009 actual expenditures.

Table TY0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2008	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Percent Change*
General Fund						
Special Purpose Revenue Funds	0	10,550	13,886	12,275	-1,611	-11.6
Total for General Fund	0	10,550	13,886	12,275	-1,611	-11.6
Gross Funds	0	10,550	13,886	12,275	-1,611	-11.6

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

FY 2011 Proposed Operating Budget, by Comptroller Source Group

Table TY0-2 contains the proposed FY 2011 budget at the Comptroller Source Group (object class) level compared to the FY 2010 approved budget. It also provides FY 2008 and FY 2009 actual expenditures.

Table TY0-2
(dollars in thousands)

Comptroller Source Group	Actual FY 2008	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Percent Change*
80 Debt Service	0	10,550	13,886	12,275	-1,611	-11.6
Subtotal Nonpersonal Services (NPS)	0	10,550	13,886	12,275	-1,611	-11.6
Gross Funds	0	10,550	13,886	12,275	-1,611	-11.6

*Percent Change is based on whole dollars.

Program Description

Repayment of PILOT Financing operates through the following program:

Repayment of PILOT Financing - provides budget authority for debt borrowed against the U.S. Department of Transportation headquarters building PILOT to support the District's park and infrastructure improvements in the Anacostia Waterfront Initiative area. A PILOT payment on debt issued under the District's PILOT Act equals the amount the property owner would otherwise pay in property taxes, based on the assessed value of the property. The repayment of the borrowing against this future PILOT revenue is budgeted in this program. Such borrowing is similar in concept to Tax Increment Financing, in which the District borrows against future tax receipts and uses the proceeds to spur economic development.

The debt service payment in FY 2011 is estimated to be \$10,548,000. An additional \$1,727,000 of PILOT debt service payments are projected for the Capper Carrollsburg and Southeast Federal Center PILOT debt, to be issued in FY 2011.

Program Structure Change

Repayment of PILOT Financing had no program structure changes in the FY 2011 Proposed Budget.

FY 2011 Proposed Operating Budget and FTEs, by Program and Activity

Table TY0-3 contains the proposed FY 2011 budget by program and activity compared to the FY 2010 approved budget. It also provides the FY 2009 actual data.

Table TY0-3

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010	Actual FY 2009	Approved FY 2010	Proposed FY 2011	Change from FY 2010
(1000) Repayment of PILOT Financing								
(1100) Repayment of PILOT Financing	10,550	13,886	12,275	-1,611	0.0	0.0	0.0	0.0
Subtotal (1000) Repayment of PILOT Financing	10,550	13,886	12,275	-1,611	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	10,550	13,886	12,275	-1,611	0.0	0.0	0.0	0.0

(Change is calculated by whole numbers and numbers may not add 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 2011 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2011 Proposed Budget Changes

Projected PILOT revenues dedicated to debt service have been decreased by \$1,611,000 to align with estimated PILOT payments on existing PILOT-backed debt while also incorporating two additional planned PILOT debt issuances.

FY 2010 Approved Budget to FY 2011 Proposed Budget, by Revenue Type

Table TY0-4 itemizes the changes by revenue type between the FY 2010 approved budget and the FY 2011 proposed budget.

Table TY0-4

(dollars in thousands)

	PROGRAM	BUDGET	FTE
SPECIAL PURPOSE REVENUE FUNDS: FY 2010 Approved Budget and FTE		13,886	0.0
Reduce: Dedicated taxes required for debt service on PILOT financing	Repayment of PILOT Financing	-1,611	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2011 Proposed Budget and FTE		12,275	0.0
Gross for TY0 - Repayment of PILOT Financing		12,275	0.0

