
Pay-As-You-Go Capital Fund

Description	FY 2011 Actual	FY 2012 Approved	FY 2013 Proposed	% Change from FY 2012
Operating Budget	\$31,726,244	\$37,448,264	\$35,802,765	-4.4

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 budget transfer to support the Capital Improvements Plan, and the proposed FY 2013 budget includes such a transfer.

The agency's FY 2013 proposed budget is presented in the following tables:

FY 2013 Proposed Gross Funds Operating Budget, by Revenue Type

Table PA0-1 contains the proposed FY 2013 agency budget compared to the FY 2012 approved budget. It also provides FY 2010 and FY 2011 actual expenditures.

Table PA0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
General Fund						
Local Funds	499	18,683	0	4,270	4,270	N/A
Special Purpose Revenue Funds	14,434	13,043	37,448	31,533	-5,915	-15.8
Total for General Fund	14,933	31,726	37,448	35,803	-1,645	-4.4
Gross Funds	14,933	31,726	37,448	35,803	-1,645	-4.4

*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 2013 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2013 Proposed Operating Budget, by Comptroller Source Group

Table PA0-2 contains the proposed FY 2013 budget at the Comptroller Source Group (object class) level compared to the FY 2012 approved budget. It also provides FY 2010 and FY 2011 actual expenditures.

Table PA0-2
(dollars in thousands)

Comptroller Source Group	Actual FY 2010	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Percent Change*
50 - Subsidies and Transfers	14,933	31,726	37,448	35,803	-1,645	-4.4
Subtotal Nonpersonal Services (NPS)	14,933	31,726	37,448	35,803	-1,645	-4.4
Gross Funds	14,933	31,726	37,448	35,803	-1,645	-4.4

*Percent change is based on whole dollars.

Program Description

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

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

Program Structure Changes

The Pay-As-You-Go Capital Fund has no program structure changes in the FY 2013 proposed budget.

FY 2013 Proposed Operating Budget and FTEs, by Program and Activity

Table PA0-3 contains the proposed FY 2013 budget by program and activity compared to the FY 2012 approved budget. It also provides the FY 2011 actual data.

Table PA0-3

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012	Actual FY 2011	Approved FY 2012	Proposed FY 2013	Change from FY 2012
(1000) Pay-Go Capital								
(1100) Pay-Go Capital	31,726	37,448	35,803	-1,645	0.0	0.0	0.0	0.0
Subtotal (1000) Pay-Go Capital	31,726	37,448	35,803	-1,645	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	31,726	37,448	35,803	-1,645	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 2013 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2013 Proposed Budget Changes

The Pay-As-You-Go Capital Fund's (Paygo) proposed FY 2013 gross budget is \$35,802,765, which represents a 4.4 percent decrease from its FY 2012 approved gross funds budget of \$37,448,264. The budget is comprised of \$4,270,000 Local funds and \$31,532,765 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 2012 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 2013 CSFL budget and not necessarily changes made to the FY 2012 Local funds budget. The FY 2013 CSFL adjustments to the FY 2012 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 FY 2013 CSFL budget is \$49,849,750, which represents a \$49,849,750 increase over the FY 2012 approved Local funds budget of \$0.

Major CSFL Cost Drivers

Paygo's CSFL funding is for legislated deposits into the Pay-As-You-Go Capital (Paygo) account, as required by the FY 2011 Budget Support Act (BSA) of 2010 (D.C. Law 18-223, effective September 24, 2010). The BSA created the Pay-As-You-Go Capital Account for the purposes of reducing future District borrowing for capital projects by using the funds in this new account in lieu of bond borrowing. Subtitle B of Title VII of the Fiscal Year 2012 Budget Support Act of 2011 (D.C. Law 19-0021, effective September 14, 2011) made FY 2013 the first year the requirement would take effect. Funding of the Paygo Capital Account would not be required if debt service expenditures on all general fund, tax-supported debt is less than or equal to 5 percent of general fund expenditures. The FY 2013 CSFL reflects the amount calculated according to this legislation.

Initial Adjusted Budget

Cost Decrease: Special Purpose Revenue funds – a reduction of \$5,800,000 in Subsidies and Transfers due to less Stormwater Fee revenue being transferred to capital by the District Department of the Environment.

Policy Initiatives

Cost Increase: Local funds – an addition of \$4,270,000 for a one-time transfer for the capital acquisition of specialized vehicles for the Metropolitan Police Department.

Cost Decrease: Local funds – a reduction of \$49,849,750 in Subsidies and Transfers to reflect the decision to delay initial funding of the Pay-As-You-Go-Capital account. Special Purpose Revenue funds - a reduction of \$115,499 in Subsidies and Transfers from less Rights-of-Way fee revenue being transferred to capital in support of the District's Highway Trust Fund Local funds matching requirement.

FY 2012 Approved Budget to FY 2013 Proposed Budget, by Revenue Type

Table PA0-4 itemizes the changes by revenue type between the FY 2012 approved budget and the FY 2013 proposed budget.

Table PA0-4

(dollars in thousands)

	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2012 Approved Budget and FTE		0	0.0
Other Adjustments	Pay-Go Capital	49,850	0.0
FY 2013 Current Services Funding Level Budget (CSFL):		49,850	0.0
FY 2013 Policy Initiatives:			
Reduce: Revenue reduction - base year to be changed	Pay-Go Capital	-49,850	0.0
Cost Increase: One-time adjustment	Pay-Go Capital	4,270	0.0
LOCAL FUNDS: FY 2013 Proposed Budget and FTE		4,270	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2012 Approved Budget and FTE		37,448	0.0
Other Adjustments: No transfer to capital of Stormwater fee revenue	Pay-Go Capital	-5,800	0.0
FY 2013 Initial Adjusted Budget		31,648	0.0
FY 2013 Policy Initiatives			
Other Adjustments: Adjust match for ROW	Pay-Go Capital	-115	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2013 Proposed Budget and FTE		31,533	0.0
Gross for PA0 - Pay-As-You-Go Capital Fund		35,803	0.0

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