
Police Officers' and Fire Fighters' Retirement System

www.dcrb.dc.gov

Telephone: 202-343-3200

Description	FY 2014 Actual	FY 2015 Approved	FY 2016 Proposed	% Change from FY 2015
Operating Budget	\$109,199,482	\$111,330,000	\$136,115,000	22.3

The mission of the Police Officers' and Fire Fighters' Retirement System is to provide the District's required contribution as the employer to these two pension funds, which are administered by the District of Columbia Retirement Board (DCRB).

Summary of Services

Under provisions of the Police Officers, Fire Fighters, and Teachers Retirement Benefit Replacement Plan Act of 1998 ("the Act"), the federal government assumed the District's unfunded pension liability for the retirement plans for teachers, police officers, fire fighters, and judges. Pursuant to the Act, the federal government will pay the retirement and death benefits, and a defined share of disability benefits, for employees for service accrued prior to July 1, 1997. The costs for benefits earned after June 30, 1997 are the responsibility of the Government of the District of Columbia. This budget reflects the required annual District contribution to fund these earned benefits. Pursuant to District Code section 1-907.02(a) (2006 Repl.), the District is required to budget the pension contribution at an amount equal to, or greater than, the amount certified by the DCRB on the basis of a prescribed actuarial study and formula calculation that is set forth in section 1-907.03. On January 7, 2015, DCRB transmitted the certified contribution for inclusion in the District's FY 2016 proposed budget, as reflected in this chapter.

The agency's FY 2016 proposed budget is presented in the following tables:

FY 2016 Proposed Gross Funds Operating Budget, by Revenue Type

Table FD0-1 contains the proposed FY 2016 agency budget compared to the FY 2015 approved budget. It also provides FY 2013 and FY 2014 actual expenditures.

Table FD0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2013	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Percent Change*
General Fund						
Local Funds	96,314	109,199	111,330	136,115	24,785	22.3
Total for General Fund	96,314	109,199	111,330	136,115	24,785	22.3
Gross Funds	96,314	109,199	111,330	136,115	24,785	22.3

*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 2016 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2016 Proposed Operating Budget, by Comptroller Source Group

Table FD0-2 contains the proposed FY 2016 budget at the Comptroller Source Group (object class) level compared to the FY 2015 approved budget. It also provides FY 2013 and FY 2014 actual expenditures.

Table FD0-2
(dollars in thousands)

Comptroller Source Group	Actual FY 2013	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Percent Change*
50 - Subsidies and Transfers	96,314	109,199	111,330	136,115	24,785	22.3
Subtotal Nonpersonal Services (NPS)	96,314	109,199	111,330	136,115	24,785	22.3
Gross Funds	96,314	109,199	111,330	136,115	24,785	22.3

*Percent change is based on whole dollars.

Program Description

The Police Officers' and Fire Fighters' Retirement System operates through the following program:

Police/Fire Fighters' Retirement System – D.C. Code section 1-907.02(a) requires the District to appropriate funds that are equal to, or greater than, the actuarially determined amount certified by the DCRB on the basis of a prescribed actuarial study and formula calculation that is set forth in section 1-907.03.

Program Structure Change

The Police Officers' and Fire Fighters' Retirement System has no program structure changes in the FY 2016 proposed budget.

FY 2016 Proposed Operating Budget and FTEs, by Program and Activity

Table FD0-3 contains the proposed FY 2016 budget by program and activity compared to the FY 2015 approved budget. It also provides FY 2014 actual data.

Table FD0-3

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015	Actual FY 2014	Approved FY 2015	Proposed FY 2016	Change from FY 2015
(1000) Police / Fire Fighters' Retirement System								
(1100) Police / Fire Fighters' Retirement System	109,199	111,330	136,115	24,785	0.0	0.0	0.0	0.0
Subtotal (1000) Police/Fire Fighters' Retirement System	109,199	111,330	136,115	24,785	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	109,199	111,330	136,115	24,785	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 2016 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2016 Proposed Budget Changes

The Police Officers' and Fire Fighters' Retirement System's proposed FY 2016 gross budget is \$136,115,000, which represents a 22.3 percent increase over its FY 2015 approved gross budget of \$111,330,000. 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 2015 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 2016 CSFL adjustments to the FY 2015 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 Police Officers' and Fire Fighters' Retirement System's FY 2016 CSFL budget is \$116,896,500, which represents a \$5,566,500, or 5.0 percent, increase over the FY 2015 approved Local funds budget of \$111,330,000.

Agency Budget Submission

Increase: The pension contribution increased by \$19,218,500, based on an actuarial report certified by the District of Columbia Retirement Board and transmitted to the Mayor in a letter dated January 7, 2015.

The projected FY 2016 retirement contribution for Police Officers is \$76,494,000 which represents a 10.3 percent increase over the FY 2015 contribution of \$69,367,000. Additionally, the projected retirement contribution for Fire Fighters is \$59,621,000, which represents a 42.1 percent increase over the FY 2015 contribution of \$41,963,000.

Mayor's Proposed Budget

No Change: The Police Officers' and Fire Fighters' Retirement System's budget proposal reflects no change from the agency budget submission to the Mayor's proposed budget.

District's Proposed Budget

No Change: The Police Officers' and Fire Fighters' Retirement System's budget proposal reflects no change from the Mayor's proposed budget to the District's proposed budget.

FY 2015 Approved Budget to FY 2016 Proposed Budget, by Revenue Type

Table FD0-4 itemizes the changes by revenue type between the FY 2015 approved budget and the FY 2016 proposed budget.

Table FD0-4
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2015 Approved Budget and FTE		111,330	0.0
Other CSFL Adjustments	Police / Firefighters' Retirement System	5,566	0.0
LOCAL FUNDS: FY 2016 Current Services Funding Level (CSFL) Budget		116,896	0.0
Increase: Actuarial increase to Retirement System	Police / Firefighters' Retirement System	19,218	0.0
LOCAL FUNDS: FY 2016 Agency Budget Submission		136,115	0.0
No Change		0	0.0
LOCAL FUND: FY 2016 Mayor's Proposed Budget		136,115	0.0
No Change		0	0.0
LOCAL FUND: FY 2016 District's Proposed Budget		136,115	0.0
Gross for FD0 - Police Officers' and Fire Fighters' Retirement System		136,115	0.0

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