
Teachers' 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 | \$31,573,264 | \$39,513,000 | \$44,469,000 | 12.5 |

The Teachers' Retirement System provides the District's required contribution to this retirement plan, which is administered by the District of Columbia Retirement Board (DCRB).

Under provisions of the Police Officers, Firefighters, 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, firefighters 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 1-907.03(b) (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 GX0-1 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 GX0-1
(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 | 6,396 | 31,573 | 39,513 | 44,469 | 4,956 | 12.5 |
| Total for General Fund | 6,396 | 31,573 | 39,513 | 44,469 | 4,956 | 12.5 |
| Gross Funds | 6,396 | 31,573 | 39,513 | 44,469 | 4,956 | 12.5 |

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

FY 2016 Proposed Operating Budget, by Comptroller Source Group

Table GX0-2 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 GX0-2
(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 | 6,396 | 31,573 | 39,513 | 44,469 | 4,956 | 12.5 |
| Subtotal Nonpersonal Services (NPS) | 6,396 | 31,573 | 39,513 | 44,469 | 4,956 | 12.5 |
| Gross Funds | 6,396 | 31,573 | 39,513 | 44,469 | 4,956 | 12.5 |

*Percent change is based on whole dollars.

Program Description

The Teachers' Retirement System operates through the following program:

Teachers' Retirement System – D.C. Code section 1-907.03(b) requires the District to appropriate funds that are equal to, or greater than, the actuarially determined amount as the District's annual contribution to the retirement plan.

Program Structure Change

The Teachers' 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 GX0-3 contains the proposed FY 2016 budget by program and activity compared to the FY 2015 approved budget. It also provides the FY 2014 actual data.

Table GX0-3

(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) Teachers' Retirement System | | | | | | | | |
| (1100) Teachers' Retirement System | 31,573 | 39,513 | 44,469 | 4,956 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal (1000) Teachers' Retirement System | 31,573 | 39,513 | 44,469 | 4,956 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Proposed Operating Budget | 31,573 | 39,513 | 44,469 | 4,956 | 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 Teachers' Retirement System's (TRS) proposed FY 2016 gross budget is \$44,469,000, which represents a 12.5 percent increase over its FY 2015 approved gross budget of \$39,513,000. 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/divisions, 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.

TRS's FY 2016 CSFL budget is \$39,513,000, which represents no change from the FY 2015 approved Local funds budget.

Agency Budget Submission

Technical Adjustment: The proposed Local funds budget for TRS reflects an increase of \$4,956,000. This adjustment is based on the District of Columbia Retirement Board's approved actuarial certification as of January 7, 2015.

Mayor's Proposed Budget

No Change: The Teachers' 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 Teachers' 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 GX0-4 itemizes the changes by revenue type between the FY 2015 approved budget and the FY 2016 proposed budget.

Table GX0-4
(dollars in thousands)

| DESCRIPTION | PROGRAM | BUDGET | FTE |
|--|-----------------------------|---------------|------------|
| LOCAL FUNDS: FY 2015 Approved Budget and FTE | | 39,513 | 0.0 |
| No Change | | 0 | 0.0 |
| LOCAL FUNDS: FY 2016 Current Services Funding Level (CSFL) Budget | | 39,513 | 0.0 |
| Technical Adjustment: To align budget with certified actuarial projections | Teachers' Retirement System | 4,956 | 0.0 |
| LOCAL FUNDS: FY 2016 Agency Budget Submission | | 44,469 | 0.0 |
| No Change | | 0 | 0.0 |
| LOCAL FUNDS: FY 2016 Mayor's Proposed Budget | | 44,469 | 0.0 |
| No Change | | 0 | 0.0 |
| LOCAL FUNDS: FY 2016 District's Proposed Budget | | 44,469 | 0.0 |
| Gross for GX0 - Teachers' Retirement System | | 44,469 | 0.0 |

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