
District Retiree Health Contribution

Table RH0-1

Description	FY 2017 Actual	FY 2018 Actual	FY 2019 Approved	FY 2020 Approved	% Change from FY 2019
OPERATING BUDGET	\$31,000,000	\$44,500,000	\$46,000,000	\$47,300,000	2.8
FTEs	0.0	0.0	0.0	0.0	N/A

The mission of the District Retiree Health Contribution is to contribute to the funding of the District’s other post-employment benefits (OPEB) liabilities.

District government retirees who were first employed after September 30, 1987 ("post-87") may obtain health insurance (pursuant to D.C. Code 1-622) and life insurance (pursuant to D.C. Code 1-623) from the District. The federal government is responsible for funding OPEB costs for District government retirees who were first employed prior to October 1, 1987 ("pre-87").

In 1999, the Council of the District of Columbia established the Annuitants' Health and Life Insurance Employer Contribution Trust Fund ("Trust Fund") to pay the District's portion of post-87 retirees' health and life insurance premiums. Through FY 2007, the District contributed to the Trust Fund from available funds. Beginning in FY 2008, the Governmental Accounting Standards Board requires state and local governments, including the District, to recognize any OPEB liability in their financial statements. The District is budgeting an actuarially determined annual OPEB contribution to cover normal costs and other actuarially determined liabilities. The proposed budget of the District Retiree Health Contribution represents the District’s FY 2020 contribution to the funding of its OPEB liabilities.

The District passed permanent legislation effective in FY 2011 changing the calculation of its contribution to the cost of health, vision, and dental insurance premiums for retirees and their dependents to a scale based on the amount of creditable service of the retiree. The District’s maximum contribution for the cost of healthcare for retirees is 75.0 percent, the same as the contribution for all current employees.

The agency's FY 2020 approved budget is presented in the following tables:

FY 2020 Approved Gross Funds Operating Budget and FTEs, by Revenue Type

Table RH0-2 contains the approved FY 2020 budget by revenue type compared to the FY 2019 approved budget. It also provides FY 2017 and FY 2018 actual data.

Table RH0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands							Full-Time Equivalents					
	Actual	Actual	Approved	Approved	Change	%	Actual	Actual	Approved	Approved	Change	%	
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2019	Change*	FY 2017	FY 2018	FY 2019	FY 2020	FY 2019	Change	
GENERAL FUND													
Local Funds	31,000	44,500	46,000	47,300	1,300	2.8	0.0	0.0	0.0	0.0	0.0	N/A	
TOTAL FOR GENERAL FUND	31,000	44,500	46,000	47,300	1,300	2.8	0.0	0.0	0.0	0.0	0.0	N/A	
GROSS FUNDS	31,000	44,500	46,000	47,300	1,300	2.8	0.0	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 2020 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2020 Approved Operating Budget, by Comptroller Source Group

Table RH0-3 contains the approved FY 2020 budget at the Comptroller Source Group (object class) level compared to the FY 2019 approved budget. It also provides FY 2017 and FY 2018 actual expenditures.

Table RH0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	Percentage Change*
50 - Subsidies and Transfers	31,000	44,500	46,000	47,300	1,300	2.8
SUBTOTAL NONPERSONAL SERVICES (NPS)	31,000	44,500	46,000	47,300	1,300	2.8
GROSS FUNDS	31,000	44,500	46,000	47,300	1,300	2.8

*Percent change is based on whole dollars.

FY 2020 Approved Operating Budget and FTEs, by Division/Program and Activity

Table RH0-4 contains the approved FY 2020 budget by division/program and activity compared to the FY 2019 approved budget. It also provides FY 2017 and FY 2018 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table RH0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019
(1000) DISTRICT RETIREE HEALTH CONTRIBUTION										
(1100) District Retiree Health Contribution	31,000	44,500	46,000	47,300	1,300	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (1000) DISTRICT RETIREE HEALTH CONTRIBUTION	31,000	44,500	46,000	47,300	1,300	0.0	0.0	0.0	0.0	0.0
TOTAL APPROVED OPERATING BUDGET	31,000	44,500	46,000	47,300	1,300	0.0	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 2020 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 District Retiree Health Contribution operates through the following program:

District Retiree Health Contribution – provides the contribution for the funding of the District's OPEB liabilities.

Program Structure Change

The District Retiree Health Contribution has no program structure changes in the FY 2020 approved budget.

FY 2019 Approved Budget to FY 2020 Approved Budget, by Revenue Type

Table RH0-5 itemizes the changes by revenue type between the FY 2019 approved budget and the FY 2020 approved budget. For a more comprehensive explanation of changes, please see the FY 2020 Approved Budget Changes section, which follows the table.

Table RH0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2019 Approved Budget and FTE		46,000	0.0
No Change		0	0.0
LOCAL FUNDS: FY 2020 Recurring Budget		46,000	0.0

Table RH0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
Increase: To align budget with certified actuarial projections	Multiple Programs	1,300	0.0
LOCAL FUNDS: FY 2020 Mayor's Proposed Budget		47,300	0.0
No Change		0	0.0
LOCAL FUNDS: FY 2020 District's Approved Budget		47,300	0.0
GROSS FOR RH0 - DISTRICT RETIREE HEALTH CONTRIBUTION		47,300	0.0

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

FY 2020 Approved Budget Changes

The District Retiree Health Contribution's approved FY 2020 gross budget is \$47,300,000, which represents a 2.8 percent increase over its FY 2019 approved gross budget of \$46,000,000. The budget is comprised entirely of Local funds.

Recurring Budget

No Change: The District Retiree Health Contribution's budget proposal reflects no change from the FY 2019 approved budget to the FY 2020 recurring budget.

Mayor's Proposed Budget

Increase: The District Retiree Health Contribution's proposed budget includes an increase of \$1,300,000 over the FY 2019 approved budget to reflect the actuarial valuation of the District of Columbia Annuitants' Health and Life Insurance Employee Contribution Plan. The purpose of the valuation is to provide an estimate of the actuarial accrued liabilities of the Plan and the Annual Required Contribution in accordance with Governmental Accounting Standard Board (GASB) statement numbers 43 and 45.

District's Approved Budget

No Change: The District Retiree Health Contribution's budget reflects no change from the Mayor's proposed budget to the District's approved budget.