

Teachers' Retirement System

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Description	FY 2004 Actual	FY 2005 Approved	FY 2006 Proposed	% Change from FY 2005
Operating Budget	\$0	\$9,200,000	\$15,500,000	68.5

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

District Code (2001 edition) Division I, Title 1, Chapter 9, Subchapter IV, Section 1-907.03 sets forth the procedure to determine the annual contribution that is required through a prescribed actuarial study that is certified by the D.C. Retirement Board and submitted to the Mayor. Pursuant to section 1-907.02(a), the District is required by law to budget an amount at least equal to the certified contribution amount.

Based on the certified actuarial report approved by the Retirement Board and submitted to the Mayor on December 17, 2004, a District contribution to the Teachers' Retirement System in the amount of \$15,500,000 will be required for FY 2006.

Gross Funds

The proposed budget is \$15,500,000, representing an increase of \$6,300,000 or 68.5 percent above the FY 2005 approved budget of \$9,200,000. The budget is comprised totally of Local funds. No FTEs are supported by this budget, which represents the District's contribution to a pension plan.

General Fund

Local Funds. The proposed budget is \$15,500,000, representing an increase of \$6,300,000 or 68.5 percent above the FY 2005 approved budget of \$9,200,000.

Changes from the FY 2005 approved budget are:

- An increase of \$6,300,000 to fully fund the required minimum contribution as certified by the D.C. Retirement Board. The increased contribution is due to a number of factors, including: the impact of increased salaries pursuant to collective bargaining agreements with the workforce; refined actuarial assumptions, and market performance of the pension investments.

Programs

Under the National Capital Revitalization and Self-Government Improvement Act of 1997, the federal government assumed the District's unfunded pension liability for the retirement plans of teachers, police officers, firefighters, and judges. Pursuant to the Act, the federal government pays the future retirement and death bene-

Funding by Source

Table GX0-1 shows the source of funding for the Teachers' Retirement System.

Table GX0-1

FY 2006 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
Local Fund	0	0	9,200	15,500	6,300	68.5
Total for General Fund	0	0	9,200	15,500	6,300	68.5
Gross Funds	0	0	9,200	15,500	6,300	68.5

Expenditure by Comptroller Source Group

Table GX0-2 shows the FY 2006 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table GX0-2

FY 2006 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
50 Subsidies and Transfers	0	0	9,200	15,500	6,300	68.5
Subtotal Nonpersonal Services (NPS)	0	0	9,200	15,500	6,300	68.5
Total Proposed Operating Budget	0	0	9,200	15,500	6,300	68.5

fits, and a share of disability benefits, for employees for service accrued prior to June 30, 1997. Benefits earned subsequently are the responsibility of the Government of the District of Columbia. The actuarial report estimates the required District contribution to fund these earned benefits.

Further information on the financing and administration of the District retirement plans for police officers and firefighters can be obtained in the D.C. Code, Division I, Title I, Chapter 9 and by contacting the D.C. Retirement Board [see agency (DY0), Enterprise and Other Funds appropriations title in this volume].