

District of Columbia Retirement Board

www.dcrb.dc.gov

Telephone: 202-343-3200

Description	FY 2010 Actual	FY 2011 Approved	FY 2012 Proposed	% Change from FY 2011
Operating Budget	\$86,052,504	\$30,338,398	\$30,338,398	0.0
FTEs	38.2	47.6	50.0	5.0

Note: The District's FY 2010 CAFR shows \$20,945,504 of Fiduciary Trust Fund (Administrative) Expenditures for the D.C. Retirement Board (DCRB). An additional \$65,107,000 of benefit payments, which are non-budgeted expenditures, were made in FY 2010. The \$20,945,504 figure represents the agency's actual administrative expenditures and is analogous to the FY 2009 Actual Expenditures, FY 2011 Approved Budget and FY 2012 Proposed Budget for the agency.

The mission of the District of Columbia Retirement Board (DCRB) is to invest prudently the assets of the police officers, firefighters, and teachers of the District of Columbia, while providing those employees with total retirement services.

Summary of Services

DCRB is an independent agency that has exclusive authority and discretion to manage and control the District's retirement funds for teachers, police officers, and firefighters (hereinafter referred to as the "Fund") pursuant to Section 1-711(a) of the District of Columbia Official Code. In 2005, the responsibility of administering the teachers', police officers' and firefighters' retirement programs was transferred to DCRB.

The federal government assumed the District's unfunded liability for the retirement plans of teachers, police officers, firefighters, and judges under provisions of the National Capital Revitalization and Self-Government Improvement Act of 1997. Under this law, the federal government pays the retirement benefits and death benefits, and a share of disability payments, for members for years of service earned up to the freeze date of June 30, 1997. The District of

Columbia government is responsible for all subsequently earned benefits for the members of the retirement plans.

The proposed budget relies entirely on earnings from the Fund, managed by DCRB, and reimbursements received from the U.S. Department of the Treasury ("Treasury") for DCRB's administration of certain pension payments and other services for which the Treasury is responsible.

The DCRB Board of Trustees is comprised of 12 voting trustees: 3 appointed by the Mayor, 3 appointed by the District Council, and 6 elected by the employee participation groups. The District's Chief Financial Officer or his designee serves as a non-voting, ex-officio member of the Board.

The agency's FY 2012 proposed budget is presented in the following tables:

FY 2012 Proposed Gross Funds Operating Budget, by Revenue Type

Table DY0-1 contains the proposed FY 2012 agency budget compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

Table DY0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
General Fund						
Special Purpose Revenue Funds	18,212	86,053	30,338	30,338	0	0.0
Total for General Fund	18,212	86,053	30,338	30,338	0	0.0
Gross Funds	18,212	86,053	30,338	30,338	0	0.0

*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 2012 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Full-Time Equivalents, by Revenue Type

Table DY0-2 contains the proposed FY 2012 FTE level compared to the FY 2011 approved FTE level by revenue type. It also provides FY 2009 and FY 2010 actual data.

Table DY0-2

Appropriated Fund	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change
General Fund						
Special Purpose Revenue Funds	36.9	38.2	47.6	50.0	2.4	5.0
Total for General Fund	36.9	38.2	47.6	50.0	2.4	5.0
Total Proposed FTEs	36.9	38.2	47.6	50.0	2.4	5.0

FY 2012 Proposed Operating Budget, by Comptroller Source Group

Table DY0-3 contains the proposed FY 2012 budget at the Comptroller Source Group (object class) level compared to the FY 2011 approved budget. It also provides FY 2009 and FY 2010 actual expenditures.

Table DY0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2009	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Percent Change*
11 - Regular Pay - Cont Full Time	2,748	2,912	3,938	3,822	-116	-2.9
12 - Regular Pay - Other	140	335	140	120	-20	-14.3
13 - Additional Gross Pay	132	60	206	0	-206	-100.0
14 - Fringe Benefits - Curr Personnel	551	786	997	965	-32	-3.2
15 - Overtime Pay	0	16	33	65	32	96.8
Subtotal Personal Services (PS)	3,572	4,108	5,314	4,972	-342	-6.4
20 - Supplies and Materials	120	120	160	232	72	45.2
31 - Telephone, Telegraph, Telegram, Etc.	17	13	21	14	-7	-32.1
32 - Rentals - Land and Structures	1,379	1,419	1,552	1,652	100	6.4
34 - Security Services	5	0	6	6	0	0.0
40 - Other Services and Charges	12,903	15,107	21,610	22,149	539	2.5
41 - Contractual Services - Other	154	114	1,249	957	-293	-23.4
50 - Subsidies and Transfers	0	65,107	0	0	0	N/A
70 - Equipment and Equipment Rental	63	65	426	356	-70	-16.4
Subtotal Nonpersonal Services (NPS)	14,640	81,944	25,025	25,367	342	1.4
Gross Funds	18,212	86,053	30,338	30,338	0	0.0

*Percent change is based on whole dollars.

Program Description

The District of Columbia Retirement Board operates through the following program:

DCRB Agency Management - provides administrative support and the required tools to achieve operational and programmatic results.

This program contains the following 8 activities:

- **Board of Trustees** - determines the overall investment strategy for the Fund and monitors staff implementation of the strategy. The Board of Trustees' activity expenses are paid from the earnings derived from the Fund;
- **Executive** - provides executive direction for all activities to achieve the mission of the agency. Executive activity expenses are budgeted using two sources: 1) earnings derived from the Fund;

and 2) reimbursements from Treasury for services provided by DCRB for programs for which the federal government is responsible;

- **Investments** - manages all activities and resources dedicated to the investment of the assets of the Fund. Investment activity expenses are paid from the earnings derived from the Fund;
- **Benefits** - provides administrative services for members and timely and accurate payment of benefits to retirees and survivors. Benefits activity expenses are budgeted using two sources: 1) earnings derived from the Fund; and 2) reimbursements from the Treasury for services provided by DCRB for programs for which the federal government is responsible;
- **General Counsel** - provides legal support to the agency. General Counsel activity expenses are paid from the earnings derived from the Fund;

- **Operations** – provides operational and accounting support. Operations activity expenses are budgeted using two sources: 1) earnings derived from the Fund; and 2) reimbursements from the Treasury for services provided by DCRB for programs for which the federal government is responsible;
- **Information Technology** - provides technology systems support to achieve programmatic results. Information Technology activity expenses are paid from the earnings derived from the Fund; and
- **Projects** - manages the special projects undertaken by the agency. Projects activity expenses are paid from the earnings derived from the Fund.

Program Structure Change

The District of Columbia Retirement Board has no program structure changes in the FY 2012 Proposed Budget.

FY 2012 Proposed Operating Budget and FTEs, by Program and Activity

Table DY0-4 contains the proposed FY 2012 budget by program and activity compared to the FY 2011 approved budget. It also provides the FY 2010 actual data.

Table DY0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011	Actual FY 2010	Approved FY 2011	Proposed FY 2012	Change from FY 2011
(1000) DCRB Investments								
(1100) DCRB	79,598	0	0	0	8.9	0.0	0.0	0.0
Subtotal (1000) DCRB Investments	79,598	0	0	0	8.9	0.0	0.0	0.0
(2000) DCRB Benefits Administration								
(2100) DCRB Benefits Administration	1,758	0	0	0	13.7	0.0	0.0	0.0
Subtotal (2000) DCRB Benefits Administration	1,758	0	0	0	13.7	0.0	0.0	0.0
(3000) DCRB Agency Management								
(3001) Executive	0	1,095	1,122	27	0.0	6.0	7.0	1.0
(3002) Investments	0	16,572	17,396	824	0.0	4.0	6.0	2.0
(3003) Trustees	0	555	526	-29	0.0	1.0	1.0	0.0
(3004) General Counsel	0	1,200	862	-338	0.0	4.0	3.0	-1.0
(3005) Benefits	0	2,273	2,687	415	0.0	18.0	21.0	3.0
(3006) Operations	0	1,997	1,465	-531	0.0	10.6	8.0	-2.6
(3007) Information Technology	0	6,647	2,879	-3,768	0.0	4.0	4.0	0.0
(3008) Projects	0	0	3,400	3,400	0.0	0.0	0.0	0.0
(3100) DCRB Agency Management	4,697	0	0	0	15.6	0.0	0.0	0.0
Subtotal (3000) DCRB Agency Management	4,697	30,338	30,338	0	15.6	47.6	50.0	2.4
Total Proposed Operating Budget	86,053	30,338	30,338	0	38.2	47.6	50.0	2.4

(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 2012 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2012 Proposed Budget Changes

Cost Decreases: DCRB's proposed budget includes decreases of \$341,822 in personal services cost to align with historical spending; \$69,833 in equipment cost; \$6,745 to account for a projected decrease in telephone usage; and \$292,559 in contractual services - other.

Cost Increases: The proposed budget includes increases of \$538,889 in other service and charges; \$99,915 in rent; and \$72,156 in research-related supplies.

FY 2012 Approved Budget to FY 2011 Proposed Budget, by Revenue Type

Table DY0-5 itemizes the changes by revenue type between the FY 2011 approved budget and the FY 2012 proposed budget.

Table DY0-5

(dollars in thousands)

	Program	BUDGET	FTE
SPECIAL PURPOSE REVENUE FUNDS: FY 2011 Approved Budget and FTE		30,338	47.6
Cost Decrease: Decrease in equipment costs	DCRB Agency Management	-70	0.0
Cost Increase: Increase in costs for research supplies	DCRB Agency Management	72	0.0
Cost Decrease: Align personal services cost with historical spending	DCRB Agency Management	-342	2.4
Cost Decrease: Contractual services - other	DCRB Agency Management	-293	0.0
Cost Decrease: Decrease in telephone cost based on historical spending	DCRB Agency Management	-7	0.0
Cost Increase: Increase in rent cost	DCRB Agency Management	100	0.0
Cost Increase: Increase to other services and charges	DCRB Agency Management	539	0.0
FY 2012 Initial Adjusted Budget		30,338	50.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2012 Proposed Budget and FTE		30,338	50.0
Gross for DY0 - District of Columbia Retirement Board		30,338	50.0

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

