
District of Columbia Retirement Board

www.dcrb.dc.gov
Telephone: 202-343-3200

Description	FY 2012 Actual	FY 2013 Approved	FY 2014 Proposed	% Change from FY 2013
Operating Budget	\$0	\$30,338,398	\$30,338,398	0.0
FTEs	0.0	52.0	56.2	8.1

Note: The District of Columbia Retirement Board does not use the District's financial system for its actual transactions.

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 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 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 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 2014 proposed budget is presented in the following tables:

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table DY0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table DY0-1
(dollars in thousands)

Appropriated Fund	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund					
Special Purpose Revenue Funds	0	30,338	30,338	0	0.0
Total for General Fund	0	30,338	30,338	0	0.0
Gross Funds	0	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 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Full-Time Equivalents, by Revenue Type

Table DY0-2 contains the proposed FY 2014 FTE level compared to the FY 2013 approved FTE level by revenue type. It also provides FY 2011 and FY 2012 actual data.

Table DY0-2

Appropriated Fund	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change
General Fund					
Special Purpose Revenue Funds	0.0	52.0	56.2	4.2	8.1
Total for General Fund	0.0	52.0	56.2	4.2	8.1
Total Proposed FTEs	0.0	52.0	56.2	4.2	8.1

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table DY0-3 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget. It also provides FY 2011 and FY 2012 actual expenditures.

Table DY0-3
(dollars in thousands)

Comptroller Source Group	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
11 - Regular Pay - Continuing Full-Time	49	4,292	5,079	788	18.4
12 - Regular Pay - Other	-8	120	0	-120	-100.0
13 - Additional Gross Pay	-2	186	204	19	10.1
14 - Fringe Benefits - Current Personnel	-38	1,220	1,323	103	8.4
15 - Overtime Pay	-2	64	10	-53	-83.5
Subtotal Personal Services (PS)	0	5,880	6,617	736	12.5
20 - Supplies and Materials	0	346	228	-118	-34.0
31 - Telephone, Telegraph, Telegram, Etc.	0	45	56	11	24.1
32 - Rentals - Land and Structures	0	1,550	1,702	152	9.8
34 - Security Services	0	6	13	7	121.1
40 - Other Services and Charges	0	20,726	20,009	-717	-3.5
41 - Contractual Services - Other	0	1,200	1,077	-123	-10.2
50 - Subsidies and Transfers	0	0	0	0	N/A
70 - Equipment and Equipment Rental	0	585	636	51	8.7
Subtotal Nonpersonal Services (NPS)	0	24,458	23,721	-736	-3.0
Gross Funds	0	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 paid from two sources: (1) earnings derived from the Fund; and (2) reimbursements from the United States Department of the Treasury (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 paid from 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** – provide operational and accounting support. Operations activity expenses are paid from 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;
- **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 2014 proposed budget.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table DY0-4 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget. It also provides the FY 2012 actual data.

Table DY0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Actual FY 2012	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(3000) DCRB Agency Management								
(3001) Executive	-52	1,489	1,804	315	0.1	9.0	11.0	2.0
(3002) Investments	-44	15,853	14,031	-1,822	0.1	5.0	5.0	0.0
(3003) Trustees	0	584	500	-83	0.0	1.0	0.0	-1.0
(3004) General Counsel	-19	909	858	-52	0.0	3.0	3.0	0.0
(3005) Benefits	-70	2,257	2,026	-231	0.2	18.0	20.6	2.6
(3006) Operations	-48	1,690	3,417	1,728	0.0	9.0	9.6	0.6
(3007) Information Technology	-20	4,157	4,283	126	0.0	6.0	6.0	0.0
(3008) Projects	0	3,400	3,420	20	0.0	1.0	1.0	0.0
Subtotal (3000) DCRB Agency Management	-254	30,338	30,338	0	0.5	52.0	56.2	4.2
(9960) Year End Close								
(9961) Year End Close	254	0	0	0	0.0	0.0	0.0	0.0
Subtotal (9960) Year End Close	254	0	0	0	0.0	0.0	0.0	0.0
Total Proposed Operating Budget	0	30,338	30,338	0	0.5	52.0	56.2	4.2

(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 2014 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Budget Changes

The District of Columbia Retirement Board's (DCRB) proposed FY 2014 gross budget is \$30,338,398, no change from its FY 2013 approved gross budget. The budget is comprised entirely of Special Purpose Revenue funds.

Agency Budget Submission

Increases: The proposed budget includes increases of \$890,804 to adjust personal services to cover projected Fringe Benefits and support 4.2 new FTEs; \$170,098 in Fixed Costs to primarily cover increased rental charges, as well as telephone and security costs; \$50,839 in Equipment and Equipment Rental, for IT infrastructure and projects; and \$18,767 in Additional Gross Pay to cover potential bonuses.

Decrease: The proposed budget includes decreases of \$717,066 in Other Services and Charges due to a reduction in estimated investment fees that are tied to portfolio performance; \$122,617 in Contractual Services – Other, to correspond with the decreased estimate provided by the U.S. Department of the Treasury for their System to Administer Retirement (STAR), which is the federal portion of what DCRB administers; \$120,000 in Regular Pay – Other because the agency will no longer budget in this category for compensation for the Board of Trustee members; \$117,725 in Supplies and Materials to reflect the actual cost of expenditures; and \$53,100 in Overtime Pay due to a reduction in the schedule of planned Data Reclamation and Pension Information Management System projects.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table DY0-5 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table DY0-5

(dollars in thousands)

	PROGRAM	BUDGET	FTE
SPECIAL PURPOSE REVENUE FUNDS: FY 2013 Approved Budget and FTE		30,338	52.0
Increase: To adjust personal services to cover Fringe Benefits and support additional personnel	DCRB Agency Management	891	4.2
Increase: To adjust fixed costs to primarily support increased rental charges, as well as, telephone, and security services	DCRB Agency Management	170	0.0
Increase: To support additional costs in Equipment and Equipment Rental	DCRB Agency Management	51	0.0
Increase: To provide for additional pay for current staff members	DCRB Agency Management	19	0.0
Decrease: To reduce Other Services and Charges due to a reduction in investment fees	DCRB Agency Management	-717	0.0
Decrease: To adjust for the decreased estimate for the agency's System to Administer Retirement (STAR)	DCRB Agency Management	-123	0.0
Decrease: To adjust personal services for the Board of Trustees compensation that is no longer budgeted in Regular Pay - Other	DCRB Agency Management	-120	0.0
Decrease: To more accurately reflect actual expenditures	DCRB Agency Management	-118	0.0
Decrease: To reflect a reduction in the Data Reclamation and Pension Information Management System projects	DCRB Agency Management	-53	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Agency Budget Submission		30,338	56.2
No Changes		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Mayor's Proposed Budget		30,338	56.2
Gross for DY0 - District of Columbia Retirement Board		30,338	56.2

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