

Teachers' Retirement System (GX0)

Proposed Operating Budget (\$ in thousands)	\$200
--	--------------

FY 2001 Proposed Budget by Control Center

The basic unit of budgetary and financial control in the District's financial management system is a control center. The Teachers' Retirement System is comprised of one control center that serves as the major component of the agency's budget.

FY 2001 Proposed Budget by Control Center

(Dollars in Thousands)

Teachers' Retirement System

Control Center	Proposed FY 2001 Budget
1000 TEACHERS' RETIREMENT SYSTEM	200
GX0 Teachers' Retirement System	200

Agency Overview and Organization

The Teachers' Retirement System provides annuity payments and other retirement and disability benefits for the District of Columbia Public School Teachers. The FY 2001 proposed budget for the Teachers' Retirement System is \$200,000, a decrease of \$10,500,000 from the FY 2000 budget. The FY 2001 funding level is based on the certified actuarial analysis from the D.C. Retirement Board. The FY 2001 employer contribution rate for covered payroll is 2.3 percent.

Under the National Capital Revitalization and Self-Government Improvement Act of 1997 (the "Act"), the federal government assumed the District's unfunded pension liability for the retirement plans of the teachers, police officers, firefighters and judges. Pursuant to the Act, the federal government pays the future retirement, death and a share of the disability benefits earned by the beneficiaries vested prior to June 30, 1997 (the freeze date). Benefits earned after the freeze date by teachers, police officers and firefighters remain the responsibility of the District of Columbia.

The District transferred most of the current pension assets to a trust, established by the U.S. Treasury. The District retained approximately \$1,275,000,000—from the Teachers' and Police Officers and Fire Fighters' Retirement Systems—of the total assets of the pension funds for the benefit of the future pension beneficiaries.

Teachers' Retirement System (GX0)

FY 2001 Proposed Operating Budget

The Teachers' Retirement System's Operating Budget is composed of one category: Nonpersonal Services (NPS).

Within the NPS budget category is object class subsidies and transfers.

Authorized spending levels present the dollars by revenue type. Revenue type is local (tax and non-tax revenue not earmarked for a particular purpose).

FY 2001 Proposed Operating Budget										
(Dollars in Thousands)										
Teachers' Retirement System										
Object Class	Actual FY 1999		Approved FY 2000		Proposed FY 2001		Variance			
Subsidies and Transfers	18,600		10,700		200		-10,500			
Subtotal for: Nonpersonal Services (NPS)	18,600		10,700		200		-10,500			
Total Expenditures:	18,600		10,700		200		-10,500			
Authorized Spending Levels by Revenue Type:										
	FTEs		Dollars		FTEs		Dollars		FTEs Dollars	
Local	0		18,600		0		10,700		0 200 0 -10,500	
Total:	0		18,600		0		10,700		0 200 0 -10,500	

Agency Funding Summary

The proposed FY 2001 operating budget *for all funding sources* is \$200,000, a decrease of \$10,500,000 or 98 percent from FY 2000 approved budget. The Teachers' Retirement System receives 100 percent funding from local sources. There are no FTEs supported by this control center.

- **Local.** The proposed *local* budget is \$200,000, a decrease of \$10,500,000 from the FY 2000 budget. The entire decrease is in nonpersonal services. There are no full-time equivalent positions supported by local sources.

The change in nonpersonal services is comprised of:

- (\$10,500,000) decrease based on the certified FY 2001 actuarial statement. This reduction is due to the fact that the District made an over contribution based on the FY 2000 actuarial statement. Based on information from the District of Columbia Retirement Board, an adjustment for an overpayment or underpayment is provided the following fiscal year; an adjustment or refund within the same fiscal year can not be applied to the Teachers' Retirement System fund.