

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER



Jeffrey S. DeWitt
Chief Financial Officer

FEB - 6 2015

The Honorable Muriel Bowser
Mayor of the District of Columbia
1350 Pennsylvania Avenue, N.W., Suite 306
Washington, D.C. 20004

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004

**SUBJECT: First Quarter FY 2015 Status Report on the Emergency and Contingency
Cash Reserve Funds as of December 31, 2014**

Dear Mayor Bowser and Chairman Mendelson:

Enclosed is the status report on the monthly activities and balances in the District of Columbia's Emergency and Contingency Cash Reserve Funds as of December 31, 2014. The numbers contained in this status report are preliminary and unaudited.

Summary and Background

The Emergency Cash Reserve Fund may be used for unanticipated and nonrecurring extraordinary needs of an emergency nature, including a natural disaster or calamity and unexpected obligations created by federal law. The Contingency Cash Reserve Fund may be used for nonrecurring or unforeseen needs that arise during the fiscal year, including natural disasters, unexpected obligations created by federal law, new public safety or health needs identified after the budget process has occurred, and revenue shortfalls experienced by the District for three consecutive months that are 5 percent or more below the budget forecast. Both funds may be used for cash flow management purposes.

The District is required to maintain minimum balances (including required replenishment of permitted draws) in the Emergency and Contingency Cash Reserve Funds of 2 percent and 4 percent, respectively, of Local Fund operating expenditures less repayment of bonds and interest, for which a separate fund is already established. The minimum levels are based on the operating expenditures contained in the most recently published Comprehensive Annual Financial Report (CAFR) of the District for the fiscal year immediately preceding the current fiscal year.

The year-end FY 2014 CAFR fund balances included \$116.0 million for the Emergency Cash Reserve Fund and \$239.4 million for the Contingency Cash Reserve Fund, for a combined total of \$355.4 million.

As of December 31, 2014, the first quarter FY 2015 reserve fund balances were as follows:

Emergency Reserve Fund	\$116.0 million
Contingency Reserve Fund	<u>232.0 million</u>
Total	<u>\$348.0 million</u>

The following is a discussion of activities for the fiscal year through December 31, 2014 and resulting balances in the Emergency and Contingency Cash Reserve Funds.

Emergency Cash Reserve Fund

The Emergency Cash Reserve FY 2014 CAFR fund balance of \$116.0 million increased by the amount of investment earnings of \$7,504.

Contingency Cash Reserve Fund

The Contingency Cash Reserve FY 2014 CAFR fund balance of \$239.4 million decreased to \$232.0 million as of December 31, 2014, a net decrease of \$7.4 million. The net decrease was the result of \$7.5 million drawn from the reserve during the quarter offset by investment earnings of \$15,387.

During the fourth quarter, draws and repayments were as follows:

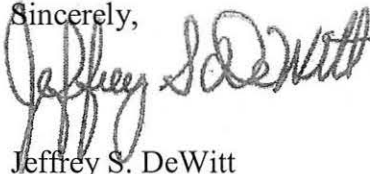
- In November, a draw for \$7.5 million was made to the Non-Departmental agency to pay for severance pay, leave payout, and other transitional activities related to the November election.

December 31, 2014 Combined Balances

In summary, the December 31, 2014 fund balances for the Emergency and Contingency Cash Reserve Funds were \$116.0 million and \$232.0 million, respectively. The combined total was \$348.0 million.

If you have any questions or need additional information, please contact Gordon McDonald, Deputy Chief Financial Officer for Budget and Planning, at 727-1239.

Sincerely,



Jeffrey S. DeWitt
Chief Financial Officer

Enclosures

Distribution List:

cc: Rashad M. Young, City Administrator
Matthew Brown, Director, Office of Budget and Finance
Jennifer Budoff, Budget Director, Council of the District of Columbia
Angell Jacobs, Deputy Chief Financial Officer and Chief of Staff, Office of the Chief
Financial Officer
David Tseng, General Counsel, Office of the Chief Financial Officer
Gordon McDonald, Deputy Chief Financial Officer, Office of Budget and Planning
Jeffrey Barnette, Deputy Chief Financial Officer and Treasurer
Bill Slack, Deputy Chief Financial Officer, Office of Financial Operations and Systems

Fiscal Year 2015 Emergency Cash Reserve Report
December 31, 2014

		(\$ in 000s)
Fiscal Month	Transactions/Balances	CAFR Basis Restricted Fund Balance
Sept, 2014	FY 2014 ending balance	116,016
Oct	Investment earnings	6
Nov	Investment earnings	1
Dec	Investment earnings	1
Dec	First Quarter ending balance	116,023
	Investment earnings, October - December	8

(Investment earnings are calculated based on whole numbers and may not add due to rounding.)

Fiscal Year 2015 Contingency Cash Reserve Report
December 31, 2014

		(\$ in 000s)
Fiscal Month	Transactions/Balances	CAFR Basis Restricted Fund Balance
Sept, 2014	FY 2014 ending balance	239,401
Oct	Investment earnings	3
Nov	Draw: to Non-Departmental for severance pay, leave payout, and other transitional activities related to the November election	(7,457)
Nov	Investment earnings	6
Dec	Investment earnings	6
Dec	First Quarter ending balance	231,959
	Investment earnings, October - December	15

(Investment earnings are calculated based on whole numbers and may not add due to rounding.)

1 This table reports budgetary uses and replenishments of the reserve on a CAFR basis. Cash balances may differ.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER



Jeffrey S. DeWitt
Chief Financial Officer

FEB - 6 2015

The Honorable Ander Crenshaw
Chairman
U.S. House of Representatives Committee on Appropriations
Financial Services and General Government Subcommittee
B-300 Rayburn House Office Building
Attn: John F. Martens
Washington, D.C. 20515

SUBJECT: First Quarter FY 2015 Status Report on the Emergency and Contingency Cash Reserve Funds as of December 31, 2014

Dear Chairman Crenshaw:

Enclosed is the status report on the monthly activities and balances in the District of Columbia's Emergency and Contingency Cash Reserve Funds as of December 31, 2014. The numbers contained in this status report are preliminary and unaudited.

Summary and Background

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December 31, 2014 Combined Balances

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Enclosures

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GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER



Jeffrey S. DeWitt
Chief Financial Officer

FEB - 6 2015

The Honorable José E. Serrano
Ranking Member
U.S. House of Representatives Committee on Appropriations
Financial Services and General Government Subcommittee
2227 Rayburn House Office Building
Attn: Angela Ohm
Washington, D.C. 20515

**SUBJECT: First Quarter FY 2015 Status Report on the Emergency and Contingency
Cash Reserve Funds as of December 31, 2014**

Dear Congressman Serrano:

Enclosed is the status report on the monthly activities and balances in the District of Columbia's Emergency and Contingency Cash Reserve Funds as of December 31, 2014. The numbers contained in this status report are preliminary and unaudited.

Summary and Background

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GOVERNMENT OF THE DISTRICT OF COLUMBIA
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Jeffrey S. DeWitt
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FEB - 6 2015

The Honorable John Boozman
Chairman
Senate Committee on Appropriations
Financial Services and General Government Subcommittee
125 Hart Senate Office Building
Attn: Dale Cabaniss
Washington, D.C. 20510

**SUBJECT: First Quarter FY 2015 Status Report on the Emergency and Contingency
Cash Reserve Funds as of December 31, 2014**

Dear Chairman Boozman:

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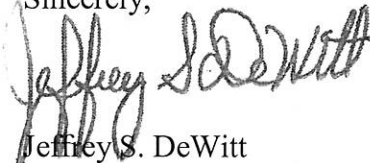
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Jeffrey S. DeWitt
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FEB - 6 2015

The Honorable Christopher A. Coons
Ranking Member
Senate Committee on Appropriations
Financial Services and General Government Subcommittee
133 Dirksen Senate Office Building
Attn: Marianne Upton
Washington, D.C. 20510

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Dear Senator Coons:

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