

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



**Jeffrey S. DeWitt**  
Chief Financial Officer

July 26, 2018

The Honorable Muriel Bowser  
Mayor of the District of Columbia  
1350 Pennsylvania Avenue, NW, Suite 306  
Washington, DC 20004

The Honorable Phil Mendelson  
Chairman  
Council of the District of Columbia  
1350 Pennsylvania Avenue, NW, Suite 504  
Washington, DC 20004

**SUBJECT: Third Quarter FY 2018 Status Report on the Emergency and Contingency Cash Reserve Funds as of June 30, 2018**

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 June 30, 2018. 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 Source 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 2017 CAFR fund balances included \$138.0 million for the Emergency Cash Reserve Fund and \$275.9 million for the Contingency Cash Reserve Fund, for a combined total of \$413.9 million.

As of June 30, 2018, the third quarter FY 2018 reserve fund balances were as follows:

Emergency Reserve Fund	\$139.0 million
Contingency Reserve Fund	<u>134.6 million</u>
<b>Total</b>	<b><u>\$273.5 million</u></b>

The following is a discussion of activities for the fiscal year through June 30, 2018 and resulting balances in the Emergency and Contingency Cash Reserve Funds.

***Emergency Cash Reserve Fund***

The FY 2017 Emergency Cash Reserve balance increased from \$138.0 million to \$139.0 million because of investment earnings of \$1.0 million.

***Contingency Cash Reserve Fund***

The FY 2017 Contingency Cash Reserve balance of \$275.9 million decreased to \$134.6 million as of June 30, 2018, a net decrease of \$141.4. The net decrease was the result of \$143.0 million drawn from the reserve during the first three quarters, partially offset by investment earnings of \$1.7 million.

During the third quarter, draws were as follows:

- In April, a draw of \$5.0 million was made to the Department of Housing and Community Development to fund the unexpected increase in Home Purchase Assistance and Employer Assisted Housing applications.
- In May, a draw of \$28.4 million was made to the Department of General Services for the following purposes: (1) \$17.6 million for facility needs related to summer activities, (2) \$7.2 million for increased citywide security services, (3) \$1.6 million for construction of a parking facility related to the demolition of DC General Hospital, (4) \$1.4 million for waste and hauling services for the District of Columbia Public Schools, and (5) \$0.5 million related to the closure of a District of Columbia Public Charter School.
- In May, a draw of \$0.6 million was made to the Department of Forensic Sciences to fund continued DNA testing and purchase of supplies and equipment for evidence testing.

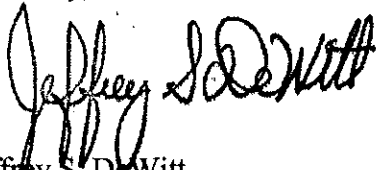
- In June, a draw of \$10.0 million was made to the Not-for-Profit Hospital Corporation Subsidy for transfer to the United Medical Center, to continue operations of the hospital.

**June 30, 2018 Combined Balances**

In summary, the June 30, 2018 fund balances for the Emergency and Contingency Cash Reserve Funds were \$139.0 million and \$134.6 million, respectively. The combined total was \$273.5 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

cc: Rashad M. Young, City Administrator  
Jennifer Reed, Director, Office of Budget and Performance Management, Office of the City Administrator  
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 2018 Emergency Cash Reserve Report**  
**June 30, 2018**

		(\$ in 000s)
Fiscal Month	Transactions/Balances	CAFR Basis Restricted Fund Balance
<b>Sept 2017</b>	<b>FY 2017 ending balance</b>	<b>137,967</b>
Oct	Investment earnings	52
Nov	Investment earnings	189
Dec	Investment earnings	158
<b>Dec</b>	<b>First Quarter ending balance</b>	<b>138,367</b>
Jan. 2018	Investment earnings	117
Feb	Investment earnings	49
Mar	Investment earnings	100
<b>Mar</b>	<b>Second Quarter ending balance</b>	<b>138,633</b>
Apr	Investment earnings	68
	<b>Required Deposits</b>	<b>0</b>
May	Investment earnings	81
Jun	Investment earnings	185
<b>Jun</b>	<b>Third Quarter ending balance</b>	<b>138,967</b>
	Investment earnings, October 2017 - June 2018	1,000

(Details may not add to totals due to rounding.)



**Fiscal Year 2018 Contingency Cash Reserve Report**  
**June 30, 2018**

		(\$ in 000s)
Fiscal Month	Transactions/Balances	CAFR Basis Restricted Fund Balance
<b>Sept. 2017</b>	<b>FY 2017 ending balance</b>	275,934
Oct	Draw: to the Department of General Services (AM0)	(1,700)
	Draw: to the D. C. Department of Human Resources (BE0)	(434)
	Draw: to the Department of Health Care Finance (HT0)	(10,000)
	Investment earnings	141
Nov	Draw: to the Office of the Chief Technology Officer (TO0)	(5,192)
	Investment earnings	125
Dec	Investment earnings	147
<b>Dec</b>	<b>First Quarter ending balance</b>	<b>259,022</b>
Jan. 2018	Draw: to the Office of the Deputy Mayor for Education (GW0)	(850)
	Draw: to the Not-for-Profit Hospital Corporation Subsidy (HX0)	(7,000)
	Draw: to the Metropolitan Police Department (FA0)	(2,800)
	Draw: to the Office of the Attorney General for the District of Columbia (CB0)	(965)
	Draw: to the Fire and Emergency Medical Services Department (FB0)	(6,778)
	Draw: to the Employees' Compensation Fund (BG0)	(1,150)
	Draw: to the Metropolitan Police Department (FA0)	(6,600)
	Draw: to the Department of Behavioral Health (RM0)	(5,500)
	Draw: to the Board of Elections (DL0)	(1,300)
	Draw: to the Department of Corrections (FL0)	(11,040)
	Draw: to the Department on Disability Services (JM0)	(4,000)
	Draw: to the Department of General Services (AM0)	(12,100)
	Investment earnings	169
Feb	Draw: to the Not-for-Profit Hospital Corporation Subsidy (HX0)	(6,194)
	Draw: to the Office of Neighborhood Safety and Engagement (NS0)	(300)
	Draw: to the Office of the Deputy Mayor for Planning and Economic Development (EB0)	(9,000)
	Investment earnings	210
Mar	Draw: to the Not-for-Profit Hospital Corporation Subsidy (HX0)	(3,700)
	Draw: to the Homeland Security and Emergency Management Agency (BN0)	(2,500)
	Investment earnings	239
<b>Mar</b>	<b>Second Quarter ending balance</b>	<b>177,863</b>
Apr	Draw: to the Department of Housing and Community Development (DB0)	(5,000)
	Investment earnings	253
May	Draw: to the Department of General Services (AM0)	(28,383)
	Draw: to the Department of Forensic Sciences (FR0)	(600)
	Investment earnings	235
Jun	Draw: to the Not-for-Profit Hospital Corporation Subsidy (HX0)	(10,000)
	Investment earnings	207
<b>Jun</b>	<b>Third Quarter ending balance</b>	<b>134,575</b>
	Investment earnings, October 2017 - June 2018	1,727

(Details may not add to totals due to rounding.)

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



**Jeffrey S. DeWitt**  
Chief Financial Officer

July 26, 2018

The Honorable Shelley Moore Capito  
Chairman  
Senate Committee on Appropriations  
Subcommittee on Financial Services and General Government  
133 Dirksen Senate Office Building  
Washington, DC 20510

**SUBJECT: Third Quarter FY 2018 Status Report on the Emergency and Contingency  
Cash Reserve Funds as of June 30, 2018**

Dear Chairman Capito:

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 June 30, 2018. The numbers contained in this status report are preliminary and unaudited.

***Summary and Background***

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As of June 30, 2018, the third quarter FY 2018 reserve fund balances were as follows:

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<b>Total</b>	<b><u>\$273.5 million</u></b>

The following is a discussion of activities for the fiscal year through June 30, 2018 and resulting balances in the Emergency and Contingency Cash Reserve Funds.

#### ***Emergency Cash Reserve Fund***

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#### ***Contingency Cash Reserve Fund***

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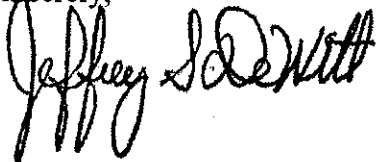
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**June 30, 2018 Combined Balances**

In summary, the June 30, 2018 fund balances for the Emergency and Contingency Cash Reserve Funds were \$139.0 million and \$134.6 million, respectively. The combined total was \$273.5 million.

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**Fiscal Year 2018 Emergency Cash Reserve Report**  
**June 30, 2018**

		(\$ in 000s)
Fiscal Month	Transactions/Balances	CAFR Basis Restricted Fund Balance
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**Fiscal Year 2018 Contingency Cash Reserve Report**  
**June 30, 2018**

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<b>Sept. 2017</b>	<b>FY 2017 ending balance</b>	275,934
Oct	Draw: to the Department of General Services (AM0)	(1,700)
	Draw: to the D. C. Department of Human Resources (BE0)	(434)
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GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE CHIEF FINANCIAL OFFICER



**Jeffrey S. DeWitt**  
Chief Financial Officer

July 26, 2018

The Honorable Christopher Coons  
Ranking Member  
Senate Committee on Appropriations  
Subcommittee on Financial Services and General Government  
125 Hart Senate Office Building  
Washington, DC 20510

**SUBJECT: Third Quarter FY 2018 Status Report on the Emergency and Contingency Cash Reserve Funds as of June 30, 2018**

Dear Senator Coons:

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 June 30, 2018. The numbers contained in this status report are preliminary and unaudited.

***Summary and Background***

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#### ***Emergency Cash Reserve Fund***

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#### ***Contingency Cash Reserve Fund***

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**June 30, 2018 Combined Balances**

In summary, the June 30, 2018 fund balances for the Emergency and Contingency Cash Reserve Funds were \$139.0 million and \$134.6 million, respectively. The combined total was \$273.5 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**

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**Fiscal Year 2018 Emergency Cash Reserve Report**  
**June 30, 2018**

		(\$ in 000s)
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**Fiscal Year 2018 Contingency Cash Reserve Report**  
**June 30, 2018**

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**Jeffrey S. DeWitt**  
Chief Financial Officer

July 26, 2018

The Honorable Tom Graves  
Chairman  
House Committee on Appropriations  
Subcommittee on Financial Services and General Government  
B-300 Rayburn House Office Building  
Washington, DC 20515

**SUBJECT: Third Quarter FY 2018 Status Report on the Emergency and Contingency Cash Reserve Funds as of June 30, 2018**

Dear Chairman Graves:

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***Summary and Background***

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- In May, a draw of \$28.4 million was made to the Department of General Services for the following purposes: (1) \$17.6 million for facility needs related to summer activities, (2) \$7.2 million for increased citywide security services, (3) \$1.6 million for construction of a parking facility related to the demolition of DC General Hospital, (4) \$1.4 million for waste and hauling services for the District of Columbia Public Schools, and (5) \$0.5 million related to the closure of a District of Columbia Public Charter School.
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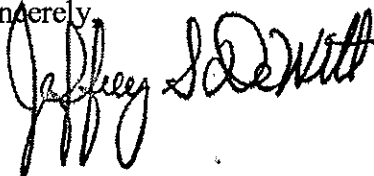
- In June, a draw of \$10.0 million was made to the Not-for-Profit Hospital Corporation Subsidy for transfer to the United Medical Center, to continue operations of the hospital.

**June 30, 2018 Combined Balances**

In summary, the June 30, 2018 fund balances for the Emergency and Contingency Cash Reserve Funds were \$139.0 million and \$134.6 million, respectively. The combined total was \$273.5 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

cc: Rashad M. Young, City Administrator  
Jennifer Reed, Director, Office of Budget and Performance Management, Office of the City Administrator  
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 2018 Emergency Cash Reserve Report**  
**June 30, 2018**

		(\$ in 000s)
Fiscal Month	Transactions/Balances	CAFR Basis Restricted Fund Balance
<b>Sept 2017</b>	<b>FY 2017 ending balance</b>	<b>137,967</b>
Oct	Investment earnings	52
Nov	Investment earnings	189
Dec	Investment earnings	158
<b>Dec</b>	<b>First Quarter ending balance</b>	<b>138,367</b>
Jan. 2018	Investment earnings	117
Feb	Investment earnings	49
Mar	Investment earnings	100
<b>Mar</b>	<b>Second Quarter ending balance</b>	<b>138,633</b>
Apr	Investment earnings	68
	<b>Required Deposits</b>	<b>0</b>
May	Investment earnings	81
Jun	Investment earnings	185
<b>Jun</b>	<b>Third Quarter ending balance</b>	<b>138,967</b>
	Investment earnings, October 2017 - June 2018	1,000

(Details may not add to totals due to rounding.)

**Fiscal Year 2018 Contingency Cash Reserve Report**  
**June 30, 2018**

		(\$ in 000s)
Fiscal Month	Transactions/Balances	CAFR Basis Restricted Fund Balance
Sept. 2017	<b>FY 2017 ending balance</b>	275,934
Oct	Draw: to the Department of General Services (AM0)	(1,700)
	Draw: to the D. C. Department of Human Resources (BE0)	(434)
	Draw: to the Department of Health Care Finance (HT0)	(10,000)
	Investment earnings	141
Nov	Draw: to the Office of the Chief Technology Officer (TO0)	(5,192)
	Investment earnings	125
Dec	Investment earnings	147
Dec	<b>First Quarter ending balance</b>	259,022
Jan. 2018	Draw: to the Office of the Deputy Mayor for Education (GW0)	(850)
	Draw: to the Not-for-Profit Hospital Corporation Subsidy (HX0)	(7,000)
	Draw: to the Metropolitan Police Department (FA0)	(2,800)
	Draw: to the Office of the Attorney General for the District of Columbia (CB0)	(965)
	Draw: to the Fire and Emergency Medical Services Department (FB0)	(6,778)
	Draw: to the Employees' Compensation Fund (BG0)	(1,150)
	Draw: to the Metropolitan Police Department (FA0)	(6,600)
	Draw: to the Department of Behavioral Health (RM0)	(5,500)
	Draw: to the Board of Elections (DL0)	(1,300)
	Draw: to the Department of Corrections (FL0)	(11,040)
	Draw: to the Department on Disability Services (JM0)	(4,000)
	Draw: to the Department of General Services (AM0)	(12,100)
	Investment earnings	169
Feb	Draw: to the Not-for-Profit Hospital Corporation Subsidy (HX0)	(6,194)
	Draw: to the Office of Neighborhood Safety and Engagement (NS0)	(300)
	Draw: to the Office of the Deputy Mayor for Planning and Economic Development (EB0)	(9,000)
	Investment earnings	210
Mar	Draw: to the Not-for-Profit Hospital Corporation Subsidy (HX0)	(3,700)
	Draw: to the Homeland Security and Emergency Management Agency (BN0)	(2,500)
	Investment earnings	239
Mar	<b>Second Quarter ending balance</b>	177,863
Apr	Draw: to the Department of Housing and Community Development (DB0)	(5,000)
	Investment earnings	253
May	Draw: to the Department of General Services (AM0)	(28,383)
	Draw: to the Department of Forensic Sciences (FR0)	(600)
	Investment earnings	235
Jun	Draw: to the Not-for-Profit Hospital Corporation Subsidy (HX0)	(10,000)
	Investment earnings	207
Jun	<b>Third Quarter ending balance</b>	134,575
	Investment earnings, October 2017 - June 2018	1,727

(Details may not add to totals due to rounding.)



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



**Jeffrey S. DeWitt**  
Chief Financial Officer

July 26, 2018

The Honorable Michael Quigley  
Ranking Member  
House Committee on Appropriations  
Subcommittee on Financial Services and General Government  
1016 Longworth House Office Building  
Washington, DC 20515

**SUBJECT: Third Quarter FY 2018 Status Report on the Emergency and Contingency  
Cash Reserve Funds as of June 30, 2018**

Dear Congressman Quigley:

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 June 30, 2018. 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 Source 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 2017 CAFR fund balances included \$138.0 million for the Emergency Cash Reserve Fund and \$275.9 million for the Contingency Cash Reserve Fund, for a combined total of \$413.9 million.

As of June 30, 2018, the third quarter FY 2018 reserve fund balances were as follows:

Emergency Reserve Fund	\$139.0 million
Contingency Reserve Fund	<u>134.6 million</u>
<b>Total</b>	<b><u>\$273.5 million</u></b>

The following is a discussion of activities for the fiscal year through June 30, 2018 and resulting balances in the Emergency and Contingency Cash Reserve Funds.

#### ***Emergency Cash Reserve Fund***

The FY 2017 Emergency Cash Reserve balance increased from \$138.0 million to \$139.0 million because of investment earnings of \$1.0 million.

#### ***Contingency Cash Reserve Fund***

The FY 2017 Contingency Cash Reserve balance of \$275.9 million decreased to \$134.6 million as of June 30, 2018, a net decrease of \$141.4. The net decrease was the result of \$143.0 million drawn from the reserve during the first three quarters, partially offset by investment earnings of \$1.7 million.

During the third quarter, draws were as follows:

- In April, a draw of \$5.0 million was made to the Department of Housing and Community Development to fund the unexpected increase in Home Purchase Assistance and Employer Assisted Housing applications.
- In May, a draw of \$28.4 million was made to the Department of General Services for the following purposes: (1) \$17.6 million for facility needs related to summer activities, (2) \$7.2 million for increased citywide security services, (3) \$1.6 million for construction of a parking facility related to the demolition of DC General Hospital, (4) \$1.4 million for waste and hauling services for the District of Columbia Public Schools, and (5) \$0.5 million related to the closure of a District of Columbia Public Charter School.
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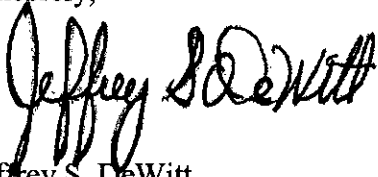
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**June 30, 2018 Combined Balances**

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**Fiscal Year 2018 Emergency Cash Reserve Report**  
**June 30, 2018**

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