

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



**Glen Lee**  
Chief Financial Officer

September 10, 2024

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 2024 Status Report on the District Reserve Funds as of June 30, 2024**

Dear Mayor Bowser and Chairman Mendelson:

Enclosed is the status report on the monthly activities and balances in the District of Columbia's Reserve Funds as of June 30, 2024. These funds are comprised of the Contingency Cash, Emergency Cash, Cash Flow, and Fiscal Stabilization Reserve Funds. The numbers contained in this status report are preliminary and unaudited.

***Summary and Background***

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. 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. Both the Emergency and the Contingency Cash Reserve funds may also be used for cash flow management purposes.

The Cash Flow Reserve may be used by the District's CFO as needed to manage the District's cash flow. When a portion of the reserve is used to meet cash flow needs, this reserve must be replenished in the same fiscal year the amounts were used. The Fiscal Stabilization Reserve may be used by the Mayor for the same purposes for which the Contingency Cash Reserve was established. The Fiscal Year 2017 Budget Support Act of 2016 authorized the Chief Financial Officer to use the Fiscal Stabilization Reserve for cash flow management purposes, provided that any amounts used must be replenished in the same fiscal year.

The District is required to maintain minimum balances (including required replenishment of permitted draws) in the Contingency Cash, Emergency Cash, Cash Flow, and Fiscal Stabilization Reserve Funds of

4.0 percent, 2.0 percent, 8.3 percent, and 2.3 percent respectively, of the budget, measured differently for purposes of calculation of each reserve.

The year-end FY 2023 ending District fund balances totaled \$1,552.3 million. This includes:

- \$368.7 million for the Contingency Cash Reserve fund.
- \$184.4 million for the Emergency Cash Reserve fund.
- \$965.7 million for the Cash Flow Reserve fund.
- \$33.5 million for the Fiscal Stabilization Reserve fund.

As of June 30, 2024 the end of the third quarter FY 2024 District reserve fund balances are as follows:

Contingency Cash Reserve Fund	\$ 276.5 million
Emergency Cash Reserve Fund	\$ 190.5 million
Cash Flow Reserve Fund	\$ 1,002.7 million
Fiscal Stabilization Reserve Fund	\$ 36.9 million
<b>Total</b>	<b>\$ 1,506.6 million</b>

The following is a discussion of activities through June 30, 2024, and resulting balances in the District Reserve Funds.

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

The FY 2023 Contingency Cash Reserve ending fund balance of \$368.7 million decreased to \$276.5 million as of June 30, 2024, a decrease of \$92.2 million. The decrease is net of interest, and funds drawn over the period.

Funds drawn through the third quarter, draws of funds were \$88.3 million and were as follows:

- In October a draw of \$3.8 million to the Department of Education to support transporting eligible students with disabilities to and from their schools.
- In October a draw of \$1.2 million to the Department of General Services for repair of homeless shelter.
- In November a draw of \$19.4 million to the Department of Human Services to assist with migrant services, including meals, temporary accommodations, and support services.
- In November a draw of \$7.2 million to the Department of Human Services to fund PEP-V Operations and Services.
- In November a draw of \$2 million to the Department of Human Services to support operations and lease costs at the Talbert Street project.
- In December a draw of \$20.3 million to the Department of Human Services Development to reallocate funds to support interagency with DGS for PEP-V.
- In December a draw of \$3.97 million to the Department of Youth Rehabilitation Services to support expanded capacity for youth services.
- In January a draw of \$4.4 million to the Office of Special Education for cost of transporting students to school.
- In January a draw of \$0.6 million to the Office of Contracting and Procurement for cost of enhanced covid-19 testing.
- In February a draw of \$23 million to the Department of Human Services for cost of migrant services including meals, accommodations, and support services.

- In April a draw of \$7 million to the Not-For-Profit Hospital Corporation Subsidy of to support the hospital as it transitions and winds down operations.
- In May a draw of \$8.2 million to the Office of the Deputy Mayor for Planning and Economic Development to cover earlier than expected project delivery costs to the Department of General Services.
- In June a draw of \$250.4 thousand to the Office of Tenant Advocate to assist clients with emergency housing.

***Emergency Cash Reserve Fund***

The FY 2023 ending Emergency Cash Reserve fund balance increased from \$184.4 million to \$190.5 million as of June 30, 2024, because of investment earnings of \$6.1 million.

***Cash Flow Reserve Fund***

The FY 2023 ending Cash Flow Reserve fund balance increased from \$965.7 million to \$1,002.7 million as of June 30, 2024, because of investment earnings of \$37 million.

***Fiscal Stabilization Reserve Fund***

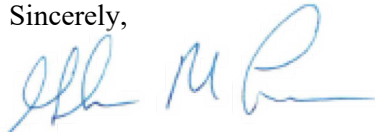
The FY 2023 ending Fiscal Stabilization Reserve fund balance increased from \$33.5 million to \$36.9 million as of June 30, 2024, because of investment earnings and other receipts of \$3.4 million.

***June 30, 2024, Combined Balances***

In summary, the combined total of the District Reserve fund balances as of June 30, 2024 was \$1,506.6 million, comprised of \$276.5 million in the Contingency Cash Reserve Fund, \$190.5 million in the Emergency Cash Reserve Fund, \$1,002.7 million in the Cash Flow Reserve Fund, and \$36.9 million in the Fiscal Stabilization Reserve Fund.

If you have any questions or need additional information, please contact Eric M. Cannady, Deputy Chief Financial Officer for the Office of Budget and Planning at (202) 727-1239.

Sincerely,



Glen Lee  
Chief Financial Officer

Enclosures

cc: Kevin Donahue, 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  
Eric M. Cannady, Deputy Chief Financial Officer, Office of Budget and Planning  
Carmen Pigler, Deputy Chief Financial Officer and Treasurer  
Kimberly Williams, Deputy Chief Financial Officer and Controller, Office of Financial Operations and Systems

**Fiscal Year 2024 Contingency Cash Reserve Report**  
**June 30, 2024**

Fiscal Month	Transactions/Balances	ACFR Basis: Restricted Fund Balance
<b>Sept. 2023</b>	<b>FY 2023 ending balance</b>	<b>368,749,820</b>
Oct	Draw: to the Department of Education (GO0)	(3,820,035)
	Draw: to the Department of General Services (AM0)	(1,201,587)
	Investment earnings	1,644,320
Nov	Draw: to the Department of Human Services (JA0)	(19,405,578)
	Draw: to the Department of Human Services (JA0)	(7,158,820)
	Draw: to the Department of Human Services (JA0)	(2,000,000)
	Investment earnings	1,609,175
Dec	Replenishment: Department of Human Services (JA0)	1,117,999
	Draw: to the Department of Human Services (JA0)	(1,117,999)
	Draw: to the Department of Youth Rehabilitation Services (PO0)	(3,966,707)
	Draw: to the Department of Human Services (JA0)	(20,318,435)
	Investment earnings	1,668,336
<b>Dec</b>	<b>First Quarter ending balance</b>	<b>311,833,782</b>
Jan. 2024	Draw: to the Office of Special Education to support cost associated with transporting eligible students with Disabilities to and from school (GO0)	(4,449,463)
	Investment earnings	1,651,676
	Draw: to the Office of Procurement and Contracting to support enhanced Covid-19 Testing Cost (PO0)	(607,809)
Feb	Investment earnings	1,300,672
	Draw: to the Department of Human Services to assist with migrant services, including meals, temporary accommodations, and support services (JA0)	(23,000,000)
Mar	Investment earnings	1,393,273
<b>Mar</b>	<b>Second Quarter ending balance</b>	<b>288,122,131</b>
Apr		
	Investment earnings	1,352,296
May	Draw: to the Office of the Deputy Mayor for Planning and Economic Development to cover earlier than expected project delivery costs to the Department of General Services (EB0)	(8,220,957)
	Investment earnings	1,316,692
Jun	Investment earnings	1,181,175
	Draw: to the Homeland Security and Emergency Management Agency (BN0)	
	Draw: to the Office of the Tenant Advocate (CQ0)	(250,458)
<b>Jun</b>	<b>Third Quarter ending balance</b>	<b>276,500,880</b>
	Investment earnings, October 2023 - June 2024	13,117,616

**Fiscal Year 2024 Emergency Cash Reserve Report**  
**June 30, 2024**

Fiscal Month	Transactions/Balances	ACFR Basis: Restricted Fund Balance
<b>Sept 2023</b>	<b>FY 2023 ending balance</b>	<b>184,374,640</b>
Oct	Investment earnings	610,543
Nov	Investment earnings	679,173
	Realized gains	244
Dec	Investment earnings	704,958
<b>Dec</b>	<b>First Quarter ending balance</b>	<b>186,369,558</b>
Jan. 2024	Investment earnings	704,185
Feb	Investment earnings	657,771
Mar	Investment earnings	705,138
<b>Mar</b>	<b>Second Quarter ending balance</b>	<b>188,436,652</b>
Apr	Investment earnings	684,480
May	Investment earnings	722,614
Jun	Investment earnings	678,241
<b>Jun</b>	<b>Third Quarter ending balance</b>	<b>190,521,987</b>
	Investment earnings, October 2023 - June 2024	6,147,347

**Fiscal Year 2024 Cash Flow Reserve Report**  
**June 30, 2024**

<b>Fiscal Month</b>	<b>Transactions/Balances</b>	<b>ACFR Basis: Restricted Fund Balance</b>
<b>Sept. 2023</b>	<b>FY 2023 ending balance</b>	<b>965,731,371</b>
Oct	Investment earnings	4,288,594
Nov	Investment earnings	4,176,309
Dec	Investment earnings	4,332,920
<b>Dec</b>	<b>First Quarter ending balance</b>	<b>978,529,194</b>
Jan. 2024	Investment earnings	4,336,396
Feb	Investment earnings	4,063,103
Mar	Investment earnings	2,990,376
<b>Mar</b>	<b>Second Quarter ending balance</b>	<b>989,919,069</b>
Apr	Investment earnings	4,204,546
May	Investment earnings	4,366,230
Jun	Investment earnings	4,245,414
<b>Jun</b>	<b>Third Quarter ending balance</b>	<b>1,002,735,259</b>
	Investment earnings, October 2023 - June 2024	37,003,888

**Fiscal Year 2024 Fiscal Stabilization Reserve Report  
June 30, 2024**

Fiscal Month	Transactions/Balances	ACFR Basis: Restricted Fund Balance
<b>Sept. 2023</b>	<b>FY 2023 ending balance</b>	<b>33,491,000</b>
Oct	Investment earnings	986,243
Nov	Investment earnings	1,011,608
Dec	Realized Gain	3,263
	Investment earnings	1,056,950
<b>Dec</b>	<b>First Quarter ending balance</b>	<b>36,549,063</b>
Jan. 2024	Investment earnings	123,344
Feb	Investment earnings	47,901
Mar	Investment earnings	51,316
<b>Mar</b>	<b>Second Quarter ending balance</b>	<b>36,771,625</b>
Apr	Investment earnings	49,769
May	Investment earnings	51,541
Jun	Investment earnings	49,988
<b>Jun</b>	<b>Third Quarter ending balance</b>	<b>36,922,923</b>
	Investment earnings, October 2023 - June 2024	3,431,922