

**Public Hearing on the  
Frequency Standardization for Contributions in Support of District  
Government Employee Benefits Amendment Act of 2026, Bill 26-627**

**Before the  
Committee of the Whole  
The Honorable Phil Mendelson, Chairman  
Council of the District of Columbia  
Monday, April 6, 2026, at 12:00 p.m. in Room 500**



**Glen Lee, Chief Financial Officer  
Office of the Chief Financial Officer  
Government of the District of Columbia**

Good afternoon, Chairman Mendelson and members of the Committee of the Whole. I am Glen Lee, the Chief Financial Officer for the District of Columbia. I am pleased to testify in support of Bill 26-627, the “Frequency Standardization for Contributions in Support of District Government Employee Benefits Amendment Act of 2026,” (“Bill”). I am joined today by Carmen Pigler, Deputy CFO and Treasurer, who will assist in answering any questions the Committee may have.

Under current law, the District’s contributions to the Other Post-Employment Benefits Plan, Police Officers and Firefighters’ Retirement Fund, and Teachers’ Retirement Fund (collectively “the Plans”) are made in one annual payment. The Bill authorizes the District, instead, to make smaller bi-monthly payments over the course of a year to support more effective management of the District’s cash resources.

As I have discussed previously with Councilmembers, the timing of cash payments to the District for taxes and other revenue and District spending is not synchronized. Property tax payments, one of our largest sources of revenue, are received in two installments in March and September; income tax payments are received in April. This means that more than half of the District’s local revenues are collected in the

latter half of the fiscal year, while slightly more than half of the District's spending occurs in the first half of the year.

Ensuring the District has sufficient cash to support its operations during the fiscal year and respond to unanticipated events is an essential part of financial management. And since the Great Recession, the District has had enough cash resources, from both set-asides like the Contingency Reserve and accumulated surpluses, to offset the impact of unsynchronized revenue collections and expenditures.

However, the current financial plan expects to use the remaining accumulated prior-year surpluses of \$1.7 billion to support spending. These one-time resources previously provided a safety cushion of available cash. Once they are spent, that buffer will no longer exist. As a result, the OCFO is examining how best to meet liquidity needs in the future as accumulated surpluses are depleted and demands for financial resources grow.

The Bill under discussion today allows for better management of cash by matching the timing of General Fund expenditures for employee benefits with the timing of the collection of District revenues throughout the year. Rather than making a single

large payment at the start of the fiscal year of approximately \$300 million, as required by current law, which has significant impact on cash flow in the first quarter, contributions of \$13 million will be made twice a month.

I want to emphasize that the Bill will not change any of the benefits earned by D.C. government employees and retirees. The goal of the Bill is simply to strengthen the District's cash position throughout the fiscal year.

Thank you for the opportunity to testify. The Treasurer and I are available to answer any questions you and the members of the Committee may have.