

Deputy to the Chairman and Chief Financial Officer

June 30, 2024

MEMORANDUM TO: The Board of Directors

FROM: E. Marshall Gentry
Deputy to the Chairman
and Chief Financial Officer

SUBJECT: Second Quarter 2024 CFO Report to the Board

The attached report highlights the FDIC's financial activities and results for the quarter ended June 30, 2024.

Executive Summary

- During the second quarter of 2024, the Deposit Insurance Fund (DIF) balance increased to \$129.2 billion as of June 30, 2024, up \$3.9 billion from the March 31, 2024 balance of \$125.3 billion. The quarterly increase was primarily due to assessment revenue of \$3.2 billion, interest on U.S. Treasury (UST) securities of \$981 million, and negative provision for insurance losses of \$337 million, partially offset by operating expenses of \$609 million.
- The reserve ratio—the fund balance relative to insurance deposits—increased by four basis points in the second quarter to 1.21 percent.
- During the second quarter of 2024, the FDIC was named receiver for one failed institution, Republic First Bank. The assets at inception for Republic totaled approximately \$5.2 billion with an estimated loss of \$667 million. The corporate cash outlay during the second quarter for this institution was \$819 million.
- Through June 30, 2024, overall FDIC Operating Budget expenditures were below the year-to-date (YTD) budget by 12 percent (\$168.8 million). This consisted of underspending of \$113.7 million (9 percent) in the Ongoing Operations component and \$54.3 million (50 percent) in the Receivership Funding component. The largest contributor to the underspending in Ongoing Operations was a \$55.4 million (7 percent) variance in the Salaries and Compensation major expense category, but there also were variances of 10 percent or more in every other major expense category. Underspending in Receivership Funding was almost entirely because the final settlement expenses paid to the acquiring institution by the Silicon Valley bridge bank receivership were substantially lower than the amount that had been accrued for those expenses at the end of 2023.

I. Financial Results (See pages 7 – 8 for detailed data and charts.)

Deposit Insurance Fund

- For the first half of 2024, the DIF's comprehensive income totaled \$7.5 billion compared to a comprehensive loss of \$11.3 billion for the same period last year. The year-over-year change of \$18.7 billion was primarily due to a \$20.0 billion decrease in provision for insurance losses, partially offset by a \$1.2 billion decrease in assessment revenue.
- The provision for insurance losses was negative \$1.6 billion for the first half of 2024, primarily resulting from a \$230 million decrease in the estimated loss for First Republic Bank and a \$1.2 billion net decrease in estimated losses for the coverage of uninsured deposits pursuant to two separate systemic risk determinations for Silicon Valley Bank and Signature Bank, which by law must be recovered through a special assessment on insured depository institutions. Accordingly, the special assessment receivable for the recovery of the estimated loss on uninsured deposits was reduced by \$1.2 billion with a corresponding reduction to assessment revenue. As a result, assessment revenue declined by \$1.2 billion in the first half of 2024 as compared to the same period last year (\$5.2 billion in 2024 vs. \$6.4 in 2023).

Assessments

- During June, the DIF recognized assessment revenue of \$3.3 billion for the estimate of second quarter 2024 insurance coverage. Additionally, the DIF recognized a \$70 million adjustment for lower-than-estimated collections for the first quarter 2024 insurance coverage, which decreased assessment revenue.
- On June 28, 2024, the FDIC collected \$3.2 billion in DIF assessments for first quarter 2024 insurance coverage and \$2.1 billion in special assessments.

II. Investment Results (See pages 9 – 10 for detailed data and charts.)

DIF Investment Portfolio

- On June 30, 2024, the total liquidity (also total market value) of the DIF investment portfolio stood at \$79.99 billion, up \$8.91 billion from its March 31, 2024, balance of \$71.08 billion. During the quarter, resolution-related outlays and operating expenses were less than deposit insurance assessment collections, interest revenue, and receivership dividends.
- On June 30, 2024, the DIF investment portfolio's yield was 5.410 percent, up 3 basis points from its 5.377 percent yield on March 31, 2024.
- In accordance with the approved second quarter 2024 DIF portfolio investment strategy, staff invested in overnight securities only.

III. Budget Results (See pages 11 – 12 for detailed data.)

Approved Budget Modifications

The 2024 Budget Resolution delegated to the Chief Financial Officer (CFO) and selected other officials the authority to make certain modifications to the 2024 FDIC Operating Budget. The following budget reallocations were approved by the CFO during the second quarter in accordance with the authority delegated by the Board of Directors:

- The Salaries and Compensation budgets of individual divisions and offices were realigned in June to reflect updated projections of 2024 salaries and benefits expenses. These adjustments did not change the total Salaries and Compensation budget at the corporate level, as increases for divisions and offices with projected shortfalls were fully offset by reductions in division and offices with projected surpluses.
- The following mid-year adjustments were made in June to the Ongoing Operations and Receivership Funding budgets of individual divisions and offices (there was no change to the total FDIC budget in either component):
 - An increase of \$1.7 million in the Ongoing Operations budget of the Division of Depositor and Consumer Protection (DCP). The budget for Outside Services-Personnel was increased by \$1,029,462 for consumer affairs initiatives, including Money Smart and Bankable Moments, fair lending exam data support, and administrative operations support. The budget for Travel was increased by \$600,000 for employees to attend required anti-harassment training and training related to the use of new compliance technology software. The budget for Outside Services-Other was increased by \$73,523 for additional in-person consumer outreach.
 - An increase of \$861,176 in the Ongoing Operations budget of the Office of Women and Minority Inclusion (OMWI). The Outside Services-Personnel budget was increased by \$500,210 to provide additional resources for investigations related to an increased number of Equal Employment Opportunity complaints and to address additional demand for sign language interpreter services and higher costs for speaker fees; and the Outside Services-Other category was increased by \$360,966 to support enhanced outreach to minority and women investors and to minority- and women-owned businesses.
 - An increase of \$200,000 in the Ongoing Operations budget of the Office of Risk Management and Internal Controls (ORMIC). The Outside Services budget was increased by that amount to support the validation of additional models used for corporate decision making.
 - A decrease of \$2.8 million in the Ongoing Operations budget of the Division of Risk Management Supervision (RMS). The Outside Services-Personnel budget was reduced by that amount to reflect RMS's decision not to pursue a contract to provide third-party support for risk management examinations on a contingent basis to supplement FDIC examination resources.
 - An increase of \$5,440 in the Receivership Funding budget of the Division of Finance (DOF). The Salaries and Compensation budget was increased by that amount to cover unbudgeted year-to-date overtime costs and potential overtime expenses later this year.
 - A decrease of \$6.9 million in the Receivership Funding budget of the Division of Information Technology (DIT). The Outside Services-Personnel budget was reduced by \$4.8 million to reflect a less-than-projected need for professional services under the FDIC Business Data Services (FBDS) Contract; and the

Equipment budget was reduced by \$2.1 million to reflect lower projected costs for external IT hosting services under the FBDS Contract.

Following these second quarter budget modifications, the balance in the Corporate Unassigned contingency reserve for the Ongoing Operations budget remains at \$20.75 million. The balance in the Corporate Unassigned contingency reserve for the Receivership Funding budget component increased to \$132.4 million.

Approved Staffing Modifications

The 2024 Budget Resolution delegated to the CFO the authority to approve changes to the 2024 staffing authorizations of divisions and offices, as long as those modifications do not increase the total approved 2024 FDIC Operating Budget.

In April the CFO approved the following modifications to 2024 staffing authorizations:

- An increase of one permanent Supervisory Examiner (SE) position in RMS to reflect a correction to the 2024 span-of-control analysis that was completed earlier in the year.
- The addition of 21 authorized non-permanent SE positions in the RMS territories to provide additional resources to train pre-commissioned examiners, subject to the requirement that those SEs spend most of their time coaching and training pre-commissioned or newly-commissioned examiners while participating in bank examinations either on-site at the bank or in field offices.

Subsequent to these second quarter adjustments, authorized 2024 staffing for the Corporation totaled 6,854 (6,493 permanent and 361 non-permanent) positions.

Spending Variances

Significant spending variances by major expense category and division/office are discussed below. Significant spending variances for the quarter ending June 30, 2024, are defined as those that either (1) exceeded the YTD budget for a major expense category or division/office by more than \$2 million and represented more than three percent of the major expense category or total division/office budget; or (2) were under the YTD budget for a major expense category or division/office by more than \$10 million and represented more than 10 percent of the major expense category or total division/office budget.

Significant Spending Variances by Major Expense Category

Ongoing Operations

Overall spending for the Ongoing Operations budget component was \$113.7 million, or 9 percent, below budget through the second quarter of 2024. There were significant spending variances in three major expense categories:

- Spending in the Outside Services – Personnel expense category was under budget by \$21.0 million, or 10 percent. The variance was largely attributable to underspending in the following divisions and offices:
 - DIT underspent its YTD budget by \$9.2 million, mostly in its budget for initiatives. Significant project variances were related to delays in interagency projects, a temporary pause in a major project, and slow project starts.

- The Division of Administration (DOA) underspent its YTD budget by \$3.0 million, largely due to delays in awarding contracts for human resources and acquisition support, lower-than-planned contractor staffing for electronic Official Personnel Folder implementation, and underspending in special event support due to delays in implementing the Virtual Event Management Platform. The underspending also reflected a delay in the award of a contract for the San Francisco Regional Office Building Management System Cybersecurity Review and lower-than-planned spending to operate health units and fitness centers.
 - The Legal Division underspent its YTD budget by \$2.8 million because of lower-than-projected expenses for outside counsel, due largely to slower-than-projected proceedings in one major litigation matter.
 - The Division of Resolutions and Receiverships (DRR) underspent its YTD budget by \$2.2 million due to lower-than-anticipated expenses for Cyber Incident Response Advisory Services, Digital Assets Advisory Services, Closing Teams Support, Modeling and Analytics Services, and ORE Infrastructure Maintenance Fees.
- Spending in the Buildings and Leased Space expense category was under budget by \$13.4 million, or 23 percent, largely due to delayed contract awards and long lead times for receiving materials for planned improvements and major repairs at owned buildings; delays in beginning leasehold improvements for the Atlanta Regional Office expansion and Field Office modernization projects; slower-than-expected progress on minor repairs at owned buildings; and delayed receipt of deliverables from Architecture and Engineering vendors.
 - Spending in the Equipment category was under budget by \$16.9 million, or 20 percent. DOA underspent its YTD budget by \$8.8 million, largely due to delays in space planning decisions for Headquarters, delayed delivery of furniture for Field Office Modernization, delays in acquiring online subscriptions for the FDIC library, and lower-than-expected maintenance costs for hiring software. DIT underspent its YTD budget by \$7.0 million (\$6.1 million for continuing operations and \$0.9 million for initiatives), primarily attributable to delays in expensing funds that were budgeted for use during the first six months of the year.

Receivership Funding

The Receivership Funding component of the 2024 FDIC Operating Budget includes funding for expenses that are incurred in conjunction with institution failures and the management and disposition of the assets and liabilities of the ensuing receiverships, except for salary and benefits expenses for permanent employees assigned to the receivership management function and other expenses required to ensure readiness without regard to whether failures occur.

There were significant spending variances in two major expense categories through the end of the second quarter:

- Spending in the Salaries and Compensation category was under budget by \$12.5 million, or 58 percent, primarily due to vacancies in authorized non-permanent positions in DRR.
- Spending in the Other Expenses category was under budget by \$30.0 million. This was because the final settlement expenses paid to the acquiring institution by the Silicon Valley bridge bank receivership were substantially lower than the amount that was accrued for those expenses at the end of 2023.

Office of Inspector General

There were no significant spending variances through the second quarter in the Office of Inspector General budget component.

Significant Spending Variances by Division/Office¹

There were three organizations with significant spending variances through the end of second quarter:

- DIT underspent its YTD budget by \$23.4 million, or 10 percent, including \$21.6 million in its Ongoing Operations budget and \$1.7 million in its Receivership Funding budget. The biggest contributors to the underspending in the Ongoing Operations budget component were underspending of \$9.2 million in the Outside Services - Personnel expense category and \$6.1 million in the Equipment expense category, as explained above; and underspending of \$5.4 million in the Salaries and Compensation expense category due to a high number of vacancies in budgeted positions. Underspending in the Receivership Funding budget component included \$1.3 million in the Equipment expense category and \$0.4 million in the Outside Services-Personnel expense category because of lower-than-projected expenses related to the 2023 bank failures.
- DOA underspent its YTD budget by \$29.6 million, or 16 percent. Most of the underspending occurred in DOA's Ongoing Operations budget. This included \$3.0 million in the Outside Services-Personnel expense category, \$13.3 million in the Buildings and Leased Space expense category, and \$8.8 million in the Equipment expense category, for the reasons stated above. It also included \$2.8 million in underspending in the Salaries and Compensation expense category due to vacancies in budgeted positions.
- DRR underspent its YTD budget by \$62.8 million, or 43 percent, including \$14.4 million in its Ongoing Operations budget and \$48.5 million in its Receivership Funding budget. The biggest contributor to the underspending in the Ongoing Operations budget component was lower-than-projected spending of \$10.8 million in the Salaries and Compensation expense category due to vacancies in budgeted positions. The underspending in the Receivership Funding budget component included \$10.4 million in the Salaries and Compensation expense category due to the high number of vacancies in non-permanent positions, and \$30.0 million in the Other Expenses category, as explained above.

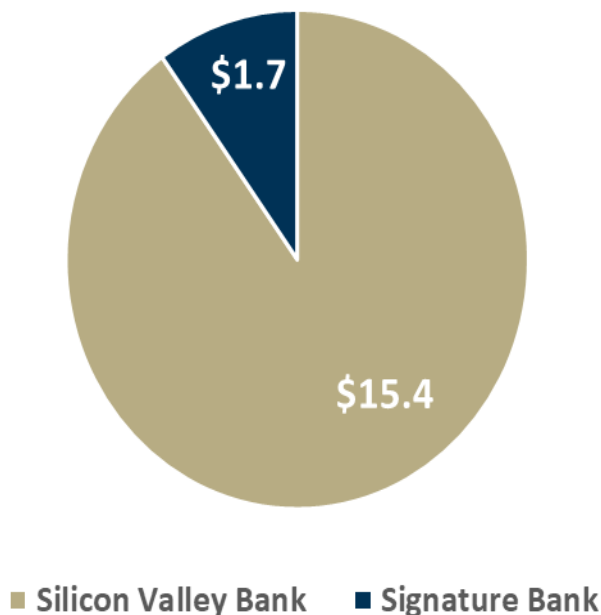
¹Information on division/office variances reflects variances in the FDIC Operating Budget and does not address variances related to approved multi-year investment projects.

Fund Financial Results

(\$ in Millions)

Balance Sheet	Deposit Insurance Fund				
	Jun-24	Mar-24	Quarterly Change	Jun-23	Year-Over-Year Change
Cash and cash equivalents	\$ 77,447	\$ 61,042	\$ 16,405	\$ 25,353	\$ 52,094
Investment in U.S. Treasury securities	2,497	9,953	(7,456)	53,459	(50,962)
Assessments receivable	3,288	3,293	(5)	3,231	57
Special assessments receivable	17,062	19,179	(2,117)	15,776	1,286
Interest receivable on investments and other assets, net	65	109	(44)	286	(221)
Receivables from resolutions, net	55,265	55,521	(256)	159,468	(104,203)
Property and equipment, net	306	315	(9)	366	(60)
Operating lease right-of-use assets	72	79	(7)	81	(9)
Total Assets	\$ 156,001	\$ 149,491	\$ 6,510	\$ 258,020	\$ (102,019)
Accounts payable and other liabilities	532	536	(4)	256	276
Operating lease liabilities	93	99	(6)	101	(8)
Liabilities due to resolutions	25,835	22,503	3,332	140,242	(114,407)
Postretirement benefit liability	256	256	0	232	24
Contingent liability for anticipated failures	50	797	(747)	220	(170)
Contingent liability for litigation losses	0	0	0	1	(1)
Total Liabilities	\$ 26,765	\$ 24,191	\$ 2,574	\$ 141,052	\$ (114,287)
FYI: Unrealized gain (loss) on U.S. Treasury securities, net	(3)	(10)	7	(1,007)	1,004
FYI: Unrealized postretirement benefit (loss) gain	10	10	0	27	(17)
Fund Balance	\$ 129,236	\$ 125,300	\$ 3,936	\$ 116,968	\$ 12,268

Components of the Special Assessments Receivable, as of June 30, 2024
(\$ in billions)



On June 28, 2024, the FDIC received the first special assessment collection of \$2.1 billion. The remainder of the receivable will be collected over the next seven quarters.

Fund Financial Results - continued

(\$ in Millions)

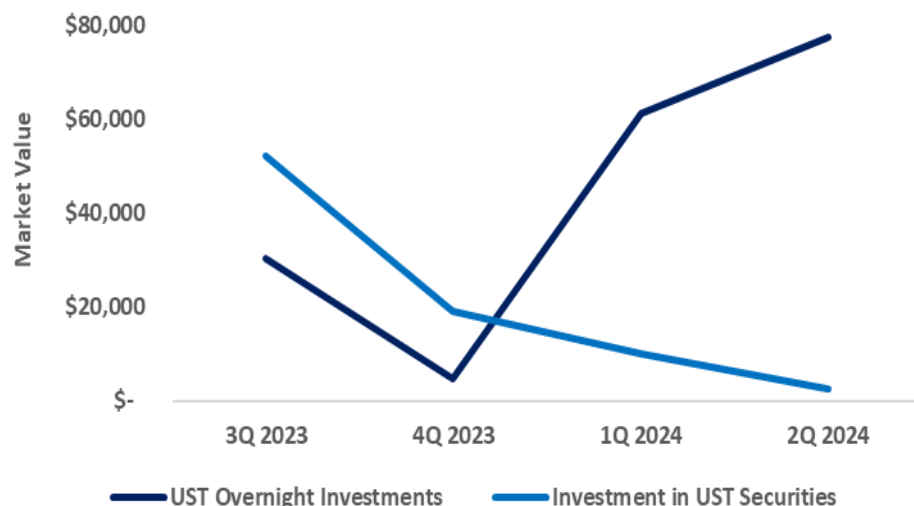
Income Statement (year-to-date)	Deposit Insurance Fund				
	Jun-24	Mar-24	Quarterly Change	Jun-23	Year-Over-Year Change
Assessments	\$ 5,204	\$ 2,004	\$ 3,200	\$ 6,433	\$ (1,229)
Interest on U.S. Treasury securities	1,776	795	981	1,334	442
Return of unclaimed insured deposits	6	1	5	15	(9)
Other revenue	48	32	16	5	43
Total Revenue	\$ 7,034	\$ 2,832	\$ 4,202	\$ 7,787	\$ (753)
Operating expenses	1,173	564	609	1,005	168
Provision for insurance losses	(1,572)	(1,235)	(337)	18,435	(20,007)
Insurance and other expenses	2	1	1	5	(3)
Realized loss on sale of investments	0	0	0	1,570	(1,570)
Total Expenses and Losses	\$ (397)	\$ (670)	\$ 273	\$ 21,015	\$ (21,412)
Net Income	\$ 7,431	\$ 3,502	\$ 3,929	\$ (13,228)	\$ 20,659
Unrealized gain (loss) on U.S. Treasury securities, net	27	20	7	1,978	(1,951)
Unrealized postretirement benefit gain (loss)	0	0	0	0	0
Comprehensive Income (Loss)	\$ 7,458	\$ 3,522	\$ 3,936	\$ (11,250)	\$ 18,708

Receivership Selected Statistics June 2024 vs. June 2023

(\$ in millions)	DIF		
	Jun-24	Jun-23	Change
Total Receiverships	61	119	(58)
Assets in Liquidation	\$ 36,156	\$ 201,946	\$ (165,790)
YTD Collections	\$ 47,467	\$ 22,024	\$ 25,443
YTD Dividend/Other Pmts - Cash	\$ 47,609	\$ 40,074	\$ 7,535

Changes in Investment Strategies

(\$ in Millions)



Over the last year, as the Treasury portfolio matured, cash was invested in the overnight securities, rather than reinvested in longer term assets. With the inverted yield curve and obligations from bank failure activity, the returns of the overnight rate were greater than any other tenor and allowed for greater flexibility. As market participants are now expecting the Federal Reserve to cut rates this year, the third quarter of 2024 will see some longer duration purchases.

Deposit Insurance Fund Portfolio Summary
(Dollar Values in Millions)

	6/30/24	3/31/24	Change
Par Value	\$79,950	\$71,060	\$8,890
Amortized Cost	\$79,950	\$71,022	\$8,928
Total Market Value (including accrued interest)	\$79,989	\$71,081	\$8,908
Primary Reserve ¹	\$79,989	\$71,081	\$8,908
Primary Reserve % of Total Portfolio	100.0%	100.0%	0.0%
Yield-to-Maturity	5.410%	5.377%	0.033%
Weighted Average Maturity (in years)	0.00	0.02	-0.02
Effective Duration (in years)			
Total Portfolio	0.00	0.02	-0.02
Available-for-Sale Securities ²	0.08	0.17	-0.09

¹ Primary Reserve is the total market value (including accrued interest) of overnight investments, all available-for-sale securities, and held-to-maturity securities maturing within three months.

² Excludes any overnight investments.

Summary of Other Corporate Investment Portfolios
(Dollar Values in Millions)

	6/30/24	3/31/24	Change
<u>FRF-FSLIC</u>			
Book Value ³	\$970	\$957	\$13
Yield-to-Maturity	5.37%	5.39%	-0.02%
Weighted Average Maturity	overnight	overnight	no change

³ Due to the current short-term nature of this portfolio, its respective Par, Book, and Market Values are identical for reporting purposes.

National Liquidation Fund (NLF) Investment Portfolio Summary
(Dollar Values in Millions)

	6/30/24	3/31/24	Change
Book Value ⁴	\$8,336	\$7,234	\$1,102
Effective Annual Yield	5.41%	5.39%	0.02%
Weighted Average Maturity (in days)	1	1	0

⁴ Due to the short-term nature of the NLF portfolio, its Book and Market Values are identical for reporting purposes.

Investment Strategies

<p>DEPOSIT INSURANCE FUND</p>	<p>Strategy for the 2nd Quarter 2024</p>
	<p>Purchase short-term Treasury Securities with maturities between 6-months and 1-year based on shape and slope of the yield curve.</p>
	<p>Strategy changes for the 3rd Quarter 2024</p>
	<p>Purchase up to \$20 billion (par value) short-term Treasury Securities with maturities between 6-months and 2-years based on shape and slope of the yield curve.</p>
<p>NATIONAL LIQUIDATION FUND</p>	<p>Strategy for the 2nd Quarter 2024</p>
	<p>Maintain a minimum balance of \$0.25 billion in the FHLB NY overnight account. Invest excess funds in Government MMFs and agency discount notes of less than 6-month maturities.</p>
	<p>Strategy changes for the 3rd Quarter 2024</p>
	<p>Maintain a minimum balance of \$0.25 billion in the FHLB NY overnight account. Invest excess funds in Government MMFs and agency discount notes of less than 12-month maturities.</p>

**Executive Summary of 2024 Budget and Expenditures
by Budget Component and Major Expense Category
Through June 30, 2024
(Dollars in Thousands)**

Major Expense Category	Annual Budget	YTD Budget	YTD Expenditures	% of YTD Budget Used	YTD Variance
FDIC Operating Budget					
<i>Ongoing Operations</i>					
Salaries & Compensation	\$ 1,707,929	\$ 840,128	\$ 784,718	93%	\$ (55,410)
Outside Services - Personnel	434,113	203,656	182,656	90%	(21,000)
Travel	71,986	35,384	31,315	88%	(4,069)
Buildings	141,592	58,321	44,875	77%	(13,446)
Equipment	168,807	82,969	66,097	80%	(16,872)
Outside Services - Other	20,437	9,850	8,236	84%	(1,614)
Other Expenses	16,133	8,726	7,462	86%	(1,264)
Total Ongoing Operations *	\$ 2,560,997	\$ 1,239,034	\$ 1,125,360	91%	\$ (113,674)
<i>Receivership Funding</i>					
Salaries & Compensation	43,509	21,429	8,958	42%	(12,471)
Outside Services - Personnel	287,503	77,735	70,301	90%	(7,434)
Travel	4,305	2,170	724	33%	(1,446)
Buildings	949	474	52	11%	(422)
Equipment	11,299	4,568	2,062	45%	(2,506)
Outside Services - Other	362	181	148	82%	(33)
Other Expenses	2,074	1,037	(28,962)	(2793%)	(29,999)
Total Receivership Funding *	\$ 350,000	\$ 107,592	\$ 53,283	50%	\$ (54,310)
<i>Office of Inspector General</i>					
Salaries & Compensation	44,471	22,954	23,016	100%	62
Outside Services - Personnel	1,787	894	298	33%	(595)
Travel	985	493	699	142%	207
Buildings	0	0	5	0%	5
Equipment	2,674	1,337	660	49%	(677)
Outside Services - Other	40	20	107	536%	87
Other Expenses	581	290	385	133%	95
Total Office of Inspector General *	\$ 50,537	\$ 25,987	\$ 25,170	97%	\$ (817)
Total FDIC Operating Budget *	\$ 2,961,535	\$ 1,372,613	\$ 1,203,812	88%	\$ (168,801)

* Totals may not foot due to rounding.

**Executive Summary of 2024 Budget and Expenditures
by Division/Office
Through June 30, 2024
(Dollars in Thousands)**

Division/Office	Annual Budget	YTD Budget	YTD Expenditures	% of YTD Budget Used	YTD Variance
FDIC Operating Budget					
Risk Management Supervision	\$ 703,030	\$ 346,226	\$ 329,581	95%	\$ (16,645)
Information Technology	468,789	229,935	206,545	90%	(23,390)
Administration	410,351	185,985	156,420	84%	(29,565)
Resolutions & Receiverships	293,289	147,601	84,772	57%	(62,829)
Depositor & Consumer Protection	241,977	117,602	112,120	95%	(5,482)
Legal	220,963	109,038	100,296	92%	(8,742)
Complex Institution Supervision & Resolution	126,132	62,805	54,331	87%	(8,474)
Insurance & Research	70,634	33,640	31,118	93%	(2,522)
Chief Information Security Officer	56,525	26,908	26,184	97%	(724)
Inspector General	50,537	25,987	25,170	97%	(817)
Executive Support ¹	48,122	23,671	19,383	82%	(4,288)
Finance	46,072	22,964	21,710	95%	(1,254)
Corporate University - Corporate	33,743	15,271	15,195	100%	(76)
Executive Offices ²	26,264	18,804	16,065	85%	(2,739)
Risk Management & Internal Control	11,923	6,176	4,923	80%	(1,253)
Corporate Unassigned ³	153,184	0	0	0%	0
Total FDIC Operating Budget ⁴	\$ 2,961,535	\$ 1,372,613	\$ 1,203,812	88%	\$ (168,801)

1) Executive Support includes the Offices of Minority and Women Inclusion, Communications, Ombudsman, Legislative Affairs, and Financial Institution Adjudication.

2) Executive Offices include the offices of the Chairman, Vice Chairman, Appointive Director, Deputy to the Chairman and Chief Operating Officer, Deputy to the Chairman and Chief Financial Officer, Deputy to the Chairman for Policy, Deputy to the Chairman for External Affairs, Deputy to the Chairman for Financial Stability, and Chief Information Officer/Chief Privacy Officer.

3) This includes a \$20.7 million contingency reserve in the Ongoing Operations budget component and a \$132.4 million contingency reserve in the Receivership Funding budget component to meet unanticipated budget requirements that may arise during the year.

4) Totals may not foot due to rounding.