

**BASIC FINANCIAL STATEMENTS**

The basic financial statements include the *Government-Wide Financial Statements, Governmental Fund Financial Statements, Proprietary Fund Financial Statements, Fiduciary Fund Financial Statements and the Component Unit Financial Statements*. These financial statements present different views of the District.

Following the basic financial statements are the *Notes to the Basic Financial Statements* which explain some of the information in the financial statements and provide more detail.

## Exhibit 1-a

**District of Columbia**  
**Statement of Net Assets**  
**September 30, 2009**  
**(With Comparative Totals at September 30, 2008)**  
**(\$000s)**

	<b>Primary Government</b>				<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Totals</b>		
			<b>2009</b>	<b>2008</b>	
<b>ASSETS</b>					
Cash and cash equivalents (unrestricted)	\$ 385,459	\$ 15,994	\$ 401,453	\$ 501,883	\$ 158,018
Investments (unrestricted)	-	5,627	5,627	5,915	183,176
Accrued interest receivable, net	-	-	-	171	-
Due from federal government	443,898	18,883	462,781	380,512	69,857
Taxes receivable, net	351,096	-	351,096	305,169	-
Accounts receivable, net	207,629	24,698	232,327	246,195	45,921
Other receivables	-	-	-	-	46,939
Due from primary government	-	-	-	-	14,151
Due from component units	26,016	-	26,016	14,339	-
Due from fiduciary funds	4,677	-	4,677	-	-
Internal balances	19,770	(19,770)	-	-	-
Inventories	11,431	-	11,431	16,841	9,369
Other current assets	1,107	646	1,753	1,560	1,068
Cash and cash equivalents (restricted)	1,609,298	366,403	1,975,701	2,534,953	312,348
Investments (restricted)	181,583	38,990	220,573	197,041	524,755
Other long term assets	142,192	-	142,192	209,558	597,254
Deferred charges	99,693	-	99,693	95,726	-
Net OPEB assets	-	-	-	7,507	-
Depreciable capital assets, net	5,659,242	14,748	5,673,990	5,113,687	3,075,258
Non-depreciable capital assets	2,455,577	1,264	2,456,841	2,146,697	453,804
<b>Total assets</b>	<b>11,598,668</b>	<b>467,483</b>	<b>12,066,151</b>	<b>11,777,754</b>	<b>5,491,918</b>
<b>LIABILITIES</b>					
Accounts payable	679,832	73,839	753,671	732,222	116,360
Compensation payable	178,646	3,145	181,791	147,019	25,540
Due to primary government	-	-	-	-	26,016
Due to component units	14,151	-	14,151	23,147	-
Due to fiduciary funds	-	-	-	5,522	-
Unearned revenues	280,975	492	281,467	358,947	85,446
Accrued liabilities	298,337	8,205	306,542	250,572	48,131
Accrued interest payable	88,736	-	88,736	71,434	-
Other current liabilities	10,689	-	10,689	57,188	51,493
Long-term liabilities:					
Due within one year	510,837	7,406	518,243	485,250	83,416
Due in more than one year	7,035,002	27,747	7,062,749	6,685,118	3,462,540
<b>Total liabilities</b>	<b>9,097,205</b>	<b>120,834</b>	<b>9,218,039</b>	<b>8,816,419</b>	<b>3,898,942</b>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	2,155,206	16,012	2,171,218	1,811,026	1,076,962
Restricted for:					
Expendable					
Debt service	203,298	-	203,298	180,595	-
Benefit payments	-	304,773	304,773	374,282	-
Grants and contributions	142,566	-	142,566	175,754	-
Purpose restriction	104,626	-	104,626	175,488	-
Emergency reserves	284,316	-	284,316	330,238	-
Other	117,255	-	117,255	294,138	187,111
Nonexpendable	-	-	-	-	7,242
Unrestricted (deficit)	(505,804)	25,864	(479,940)	(380,186)	321,661
<b>Total net assets</b>	<b>\$ 2,501,463</b>	<b>\$ 346,649</b>	<b>\$ 2,848,112</b>	<b>\$ 2,961,335</b>	<b>\$ 1,592,976</b>

The accompanying notes are an integral part of this statement.

Exhibit 1-b

District of Columbia  
Statement of Activities  
For the Year Ended September 30, 2009  
(With Comparative Totals for the Year Ended September 30, 2008)  
(\$000s)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets				Component Units
		Charges for Services, Fees, Fines & Forfeits	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		2009	2008	
					Governmental Activities	Business-type Activities			
<b>Primary government:</b>									
<b>Governmental activities:</b>									
Governmental direction and support	\$ 878,219	\$ 16,531	\$ 83,057	\$ 20,999	\$ (757,632)		\$ (757,632)	\$ (784,986)	
Economic development and regulation	470,567	105,148	74,203	2,488	(288,728)		(288,728)	(290,889)	
Public safety and justice	1,407,166	71,787	392,031	-	(943,348)		(943,348)	(1,011,565)	
Public education system	1,937,238	294	402,667	7,000	(1,527,277)		(1,527,277)	(1,579,785)	
Human support services	3,598,570	9,599	1,832,008	6,919	(1,750,044)		(1,750,044)	(1,778,460)	
Public works	553,233	196,119	29,602	143,196	(184,316)		(184,316)	(199,514)	
Public transportation	230,499	-	-	-	(230,499)		(230,499)	(214,905)	
Interest on long-term debt	336,536	-	-	-	(336,536)		(336,536)	(293,339)	
<b>Total governmental activities</b>	<b>9,412,028</b>	<b>399,478</b>	<b>2,813,568</b>	<b>180,602</b>	<b>(6,018,380)</b>		<b>(6,018,380)</b>	<b>(6,153,443)</b>	
<b>Business-type activities:</b>									
Lottery and games	176,625	245,370	-	-		\$ 68,745	68,745	69,740	
Unemployment compensation	370,775	-	36,985	-		(333,790)	(333,790)	(129,046)	
Nursing home services	44,601	43,424	-	-		(1,177)	(1,177)	(3,402)	
<b>Total business-type activities</b>	<b>592,001</b>	<b>288,794</b>	<b>36,985</b>	<b>-</b>		<b>(266,222)</b>	<b>(266,222)</b>	<b>(62,708)</b>	
<b>Total primary government</b>	<b>\$ 10,004,029</b>	<b>\$ 688,272</b>	<b>\$ 2,850,553</b>	<b>\$ 180,602</b>	<b>(6,018,380)</b>	<b>(266,222)</b>	<b>(6,284,602)</b>	<b>(6,216,151)</b>	
<b>Component units:</b>									
Water and sewer authority	\$ 363,924	\$ 329,061	\$ -	\$ 27,752					\$ (7,111)
Convention center	99,001	16,595	-	-					(82,406)
Sports commission	12,910	5,311	-	-					(7,599)
Housing finance	76,466	7,069	-	-					(69,397)
University	130,611	20,784	29,109	5,388					(75,330)
<b>Total component units</b>	<b>\$ 682,912</b>	<b>\$ 378,820</b>	<b>\$ 29,109</b>	<b>\$ 33,140</b>					<b>(241,843)</b>
<b>General revenues:</b>									
<b>Taxes:</b>									
Property taxes					1,951,345	-	1,951,345	1,787,365	-
Sales and use taxes					1,052,011	-	1,052,011	1,101,859	-
Income and franchise taxes					1,478,068	-	1,478,068	1,755,894	-
Gross receipts taxes					315,976	-	315,976	302,873	-
Other taxes					261,909	94,622	356,531	506,134	-
Investment earnings					28,242	19,061	47,303	117,164	67,720
Miscellaneous					530,847	152,161	683,008	474,824	40,173
Subsidy from primary government					-	-	-	-	153,538
Special item					287,137	-	287,137	153,640	-
Transfer in (out)					68,775	(68,775)	-	-	-
<b>Total general revenues, special item and transfers</b>					<b>5,974,310</b>	<b>197,069</b>	<b>6,171,379</b>	<b>6,199,753</b>	<b>261,431</b>
Change in net assets					(44,070)	(69,153)	(113,223)	(16,398)	19,588
Net assets at October 1, as restated					2,545,533	415,802	2,961,335	2,977,733	1,573,388
Net assets at September 30					<b>\$ 2,501,463</b>	<b>\$ 346,649</b>	<b>\$ 2,848,112</b>	<b>\$ 2,961,335</b>	<b>\$ 1,592,976</b>

The accompanying notes are an integral part of this statement.

Exhibit 2-a

**District of Columbia  
Balance Sheet  
Governmental Funds  
September 30, 2009**  
(With Comparative Totals at September 30, 2008)  
(\$000s)

	General	Federal & Private Resources	General Capital Improvements	Baseball Capital Project	Nonmajor Governmental Funds	Total Governmental Funds	
						2009	2008
<b>ASSETS</b>							
Cash and cash equivalents (unrestricted)	\$ 385,459	\$ -	\$ -	\$ -	\$ -	\$ 385,459	\$ 484,115
Accrued interest receivable	-	-	-	-	-	-	171
Due from federal government	19,856	379,154	44,888	-	-	443,898	380,512
Taxes receivable, net	351,096	-	-	-	-	351,096	305,169
Accounts receivable, net	96,450	78,377	1,999	-	30,803	207,629	224,491
Due from component units	24,489	-	-	1,527	-	26,016	14,339
Due from other funds	346,597	21,510	485	-	20,242	388,834	491,614
Inventories	10,221	1,210	-	-	-	11,431	16,841
Other current assets	1,066	-	-	-	41	1,107	997
Cash and cash equivalents (restricted)	397,058	133,775	739,621	2,022	336,822	1,609,298	2,112,154
Investments (restricted)	181,583	-	-	-	-	181,583	154,002
Other long term assets	58,994	15,537	500	-	67,161	142,192	209,558
<b>Total assets</b>	<b>\$ 1,872,869</b>	<b>\$ 629,563</b>	<b>\$ 787,493</b>	<b>\$ 3,549</b>	<b>\$ 455,069</b>	<b>\$ 3,748,543</b>	<b>\$ 4,393,963</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	369,504	122,022	173,230	-	15,076	679,832	682,445
Compensation payable	151,478	24,559	2,506	-	103	178,646	144,642
Due to other funds	30,406	129,468	204,028	-	485	364,387	486,400
Due to component units	14,127	-	24	-	-	14,151	23,147
Deferred revenue	194,873	94,048	823	-	67,384	357,128	417,975
Accrued liabilities	183,698	114,539	-	-	100	298,337	242,629
Other current liabilities	8,300	2,361	28	-	-	10,689	56,969
<b>Total liabilities</b>	<b>952,386</b>	<b>486,997</b>	<b>380,639</b>	<b>-</b>	<b>83,148</b>	<b>1,903,170</b>	<b>2,054,207</b>
<b>Fund balances:</b>							
Reserved for:							
General fund purposes	703,694	-	-	-	-	703,694	957,977
Special revenue funds purposes	-	142,566	-	-	365,112	507,678	465,229
Capital project purposes	-	-	406,854	3,549	6,809	417,212	629,805
Unreserved, designated, reported in:							
General fund	216,789	-	-	-	-	216,789	200,020
Unreserved, undesignated reported in:							
General fund	-	-	-	-	-	-	86,725
<b>Total fund balances</b>	<b>920,483</b>	<b>142,566</b>	<b>406,854</b>	<b>3,549</b>	<b>371,921</b>	<b>1,845,373</b>	<b>2,339,756</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,872,869</b>	<b>\$ 629,563</b>	<b>\$ 787,493</b>	<b>\$ 3,549</b>	<b>\$ 455,069</b>		<b>\$ 4,393,963</b>

Amounts reported for governmental activities in the statement of net assets (Exhibit 1a) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 8,114,819

Certain long term assets are not available to pay current period expenditures and are therefore deferred in the funds. 76,153

Adjustment for deferred charges. 99,693

Certain liabilities (such as bonds payable and accrued expenses) are not due and payable in the current period:

General obligation bonds	3,766,628
Income tax revenue bonds	1,071,785
Tobacco settlement bonds	711,239
TIF bonds & notes	96,197
Ballpark bonds	521,750
QZAB	6,044
Accrued interest payable	88,736
Capital leases	44,492
Other long-term liabilities	1,327,704
	(7,634,575)

Net assets of governmental activities \$ 2,501,463

The accompanying notes are an integral part of this statement.

Exhibit 2-b

**District of Columbia**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended September 30, 2009**  
**(With Comparative Totals for the Year Ended September 30, 2008)**  
**(\$000s)**

	General	Federal & Private Resources	General Capital Improvements	Baseball Capital Project	Nonmajor Governmental Funds	Total Governmental Funds	
						2009	2008
<b>REVENUES</b>							
Taxes:							
Property taxes	\$ 1,934,523	\$ -	\$ -	\$ -	\$ -	\$ 1,934,523	\$ 1,759,091
Sales and use taxes	1,052,011	-	-	-	-	1,052,011	1,101,859
Income and franchise taxes	1,478,068	-	-	-	-	1,478,068	1,755,894
Gross receipts taxes	315,976	-	-	-	-	315,976	302,873
Other taxes	261,909	-	-	-	-	261,909	413,401
Fines and forfeitures	106,169	-	-	-	-	106,169	99,452
Licenses and permits	91,230	-	-	-	-	91,230	94,988
Charges for services	196,117	5,962	-	-	-	202,079	184,709
Investment earnings	18,435	891	42	1,694	7,180	28,242	95,847
Miscellaneous	444,234	12,871	2,145	-	64,796	524,046	457,747
Federal contributions	-	545,446	28,000	-	-	573,446	433,206
Operating grants	-	2,268,122	152,602	-	-	2,420,724	1,920,910
<b>Total revenues</b>	<b>5,898,672</b>	<b>2,833,292</b>	<b>182,789</b>	<b>1,694</b>	<b>71,976</b>	<b>8,988,423</b>	<b>8,619,977</b>
<b>EXPENDITURES</b>							
Current:							
Governmental direction and support	589,492	82,771	-	-	200	672,463	695,175
Economic development and regulation	339,783	65,357	-	-	-	405,140	461,707
Public safety and justice	984,892	396,981	-	-	-	1,381,873	1,369,907
Public education system	1,497,302	352,898	-	-	-	1,850,200	1,716,701
Human support service	1,643,779	1,841,488	-	-	-	3,485,267	3,222,979
Public works	298,625	33,270	-	-	56,818	388,713	416,982
Public transportation	230,499	-	-	-	-	230,499	214,905
Debt service:							
Principal	241,654	-	-	-	35,869	277,523	251,998
Interest	223,364	-	-	-	69,120	292,484	287,354
Fiscal charges	19,628	-	-	-	31	19,659	25,330
Capital outlay	-	-	1,054,505	17,747	58,719	1,130,971	1,390,415
<b>Total expenditures</b>	<b>6,069,018</b>	<b>2,772,765</b>	<b>1,054,505</b>	<b>17,747</b>	<b>220,757</b>	<b>10,134,792</b>	<b>10,053,453</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(170,346)</b>	<b>60,527</b>	<b>(871,716)</b>	<b>(16,053)</b>	<b>(148,781)</b>	<b>(1,146,369)</b>	<b>(1,433,476)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Debt issuance	2,742	-	488,903	-	-	491,645	664,105
Refunding debt issuance	580,140	-	-	-	-	580,140	675,895
Premium on sale of bonds	36,601	-	13,597	-	-	50,198	36,282
Payment to refunded bond escrow agent	(607,640)	-	-	-	-	(607,640)	(675,385)
Equipment financing program	-	-	62,068	-	-	62,068	36,479
Transfers in	121,651	-	127,068	-	198,920	447,639	477,829
Transfers out	(294,187)	(1,755)	-	-	(82,922)	(378,864)	(407,529)
Sale of capital assets	6,800	-	-	-	-	6,800	726
<b>Total other financing sources (uses)</b>	<b>(153,893)</b>	<b>(1,755)</b>	<b>691,636</b>	<b>-</b>	<b>115,998</b>	<b>651,986</b>	<b>808,402</b>
Special item	-	-	-	-	-	-	175,250
<b>Net change in fund balances</b>	<b>(324,239)</b>	<b>58,772</b>	<b>(180,080)</b>	<b>(16,053)</b>	<b>(32,783)</b>	<b>(494,383)</b>	<b>(449,824)</b>
Fund balances at October 1	1,244,722	83,794	586,934	19,602	404,704	2,339,756	2,789,580
Fund balances at September 30	\$ 920,483	\$ 142,566	\$ 406,854	\$ 3,549	\$ 371,921	\$ 1,845,373	\$ 2,339,756

The accompanying notes are an integral part of this statement.

## Exhibit 2-c

**District of Columbia**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended September 30, 2009**  
**(\$000s)**

Net change in fund balances - total governmental funds	\$	(494,383)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		871,182
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Deferred property tax revenues which were earned but whose current financial resources are not available for the purpose of recognition in the governmental funds were recognized in the government-wide financial statements. This is the amount deferred property taxes increased in the governmental funds between 2008 and 2009.		16,822
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bond proceeds exceeded repayments.		(268,719)
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This is the amount that other long term liabilities decreased in the current period.		(168,972)
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Change in net assets of governmental activities	\$	<u>(44,070)</u>
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*The accompanying notes are an integral part of this statement.*

**District of Columbia  
Budgetary Comparison Statement  
For the Year Ended September 30, 2009  
(\$000s)**

	General Fund				Federal and Private Resources				Totals			
	Budget		Actual	Variance Positive (Negative)	Budget		Actual	Variance Positive (Negative)	Budget		Actual	Variance Positive (Negative)
	Original	Revised			Original	Revised			Original	Revised		
<b>Revenues and Sources:</b>												
Taxes:												
Property taxes	\$ 2,055,688	\$ 1,842,882	\$ 1,883,992	\$ 41,110	\$ -	\$ -	\$ -	\$ -	\$ 2,055,688	\$ 1,842,882	\$ 1,883,992	\$ 41,110
Sales and use taxes	995,345	948,648	915,099	(33,549)	-	-	-	-	995,345	948,648	915,099	(33,549)
Income and franchise taxes	1,615,218	1,456,443	1,478,068	21,625	-	-	-	-	1,615,218	1,456,443	1,478,068	21,625
Other taxes	606,647	549,717	577,251	27,534	-	-	-	-	606,647	549,717	577,251	27,534
Total taxes	5,272,898	4,797,690	4,854,410	56,720	-	-	-	-	5,272,898	4,797,690	4,854,410	56,720
Licenses and permits	91,861	60,892	65,924	5,032	-	-	-	-	91,861	60,892	65,924	5,032
Fines and forfeits	94,969	135,082	101,415	(33,667)	-	-	-	-	94,969	135,082	101,415	(33,667)
Charges for services	51,412	48,050	44,092	(3,958)	-	-	-	-	51,412	48,050	44,092	(3,958)
Miscellaneous	94,256	119,316	141,739	22,423	-	-	-	-	94,256	119,316	141,739	22,423
Other sources	464,873	424,627	454,764	30,137	-	-	-	-	464,873	424,627	454,764	30,137
General obligation bonds	15,000	15,000	3,340	(11,660)	-	-	-	-	15,000	15,000	3,340	(11,660)
Federal contributions	-	-	-	-	136,051	158,823	149,668	(9,155)	136,051	158,823	149,668	(9,155)
Operating grant	-	-	-	-	2,164,314	2,227,557	2,076,547	(151,010)	2,164,314	2,227,557	2,076,547	(151,010)
Fund balance released from restrictions	205,228	574,092	476,558	(97,534)	-	23,134	23,134	-	205,228	597,226	499,692	(97,534)
Interfund transfer-from lottery and games	71,000	70,300	68,775	(1,525)	-	-	-	-	71,000	70,300	68,775	(1,525)
Interfund transfer-others	3,897	35,842	26,967	(8,875)	-	-	-	-	3,897	35,842	26,967	(8,875)
Total revenues and other sources	6,365,394	6,280,891	6,237,984	(42,907)	2,300,365	2,409,514	2,249,349	(160,165)	8,665,759	8,690,405	8,487,333	(203,072)
<b>Expenditures and Other Uses:</b>												
Governmental direction and support	401,675	387,582	376,941	10,641	25,197	28,594	27,981	613	426,872	416,176	404,922	11,254
Economic development and regulation	359,876	400,331	356,173	44,158	99,929	107,477	66,035	41,442	459,805	507,808	422,208	85,600
Public safety and justice	1,013,226	1,005,112	984,216	20,896	262,997	105,952	80,712	25,240	1,276,223	1,111,064	1,064,928	46,136
Public education system	1,431,099	1,398,731	1,380,766	17,965	269,828	334,426	268,366	66,060	1,700,927	1,733,157	1,649,132	84,025
Public education AY10 expenditure	-	102,727	102,727	-	-	-	-	-	-	102,727	102,727	-
Human support services	1,587,953	1,551,383	1,505,900	45,483	1,580,357	1,744,492	1,634,929	109,563	3,168,310	3,295,875	3,140,829	155,046
Child & family services medicaid write off	-	-	32,055	(32,055)	-	-	-	-	-	-	32,055	(32,055)
Public works	602,285	603,734	560,511	43,223	23,232	33,782	33,257	525	625,517	637,516	593,768	43,748
Emergency planning and security costs	-	-	-	-	-	10,714	10,714	-	-	10,714	10,714	-
Workforce investments	26,691	1	-	1	-	-	-	-	26,691	1	-	1
Wilson building	4,058	4,058	4,008	50	-	-	-	-	4,058	4,058	4,008	50
Account receivable write off	-	-	4,513	(4,513)	-	-	-	-	-	-	4,513	(4,513)
Repay bonds and interest	459,727	438,682	438,383	299	-	-	-	-	459,727	438,682	438,383	299
Repay revenue bonds and interest	6,000	2,500	2,144	356	-	-	-	-	6,000	2,500	2,144	356
Bond fiscal charge	15,000	15,000	4,382	10,618	-	-	-	-	15,000	15,000	4,382	10,618
Interest on short term borrowing	9,000	4,544	4,538	6	-	-	-	-	9,000	4,544	4,538	6
Certificates of participation	32,791	32,541	32,270	271	-	-	-	-	32,791	32,541	32,270	271
Settlements and judgments fund	21,477	17,326	17,325	1	-	-	-	-	21,477	17,326	17,325	1
Presidential inauguration	-	-	-	-	38,825	44,077	44,077	-	38,825	44,077	44,077	-
Baseball tax transfer	50,044	50,044	50,044	-	-	-	-	-	50,044	50,044	50,044	-
Community health fund transfer	-	93,073	93,073	-	-	-	-	-	-	93,073	93,073	-
Equipment lease operating	43,033	38,533	38,378	155	-	-	-	-	43,033	38,533	38,378	155
Pay-go capital	125,014	22,189	20,002	2,187	-	-	-	-	125,014	22,189	20,002	2,187
Schools modernization fund	8,613	8,613	8,613	-	-	-	-	-	8,613	8,613	8,613	-
District retiree health contribution	81,100	81,100	81,100	-	-	-	-	-	81,100	81,100	81,100	-
Cash reserve	46,000	-	-	-	-	-	-	-	46,000	-	-	-
Non-departmental agency	39,279	18,124	-	18,124	-	-	-	-	39,279	18,124	-	18,124
Total expenditures and other uses	6,363,941	6,275,928	6,098,062	177,866	2,300,365	2,409,514	2,166,071	243,443	8,664,306	8,685,442	8,264,133	421,309
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES -- BUDGETARY BASIS</b>	<b>\$ 1,453</b>	<b>\$ 4,963</b>	<b>\$ 139,922</b>	<b>\$ 134,959</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 83,278</b>	<b>\$ 83,278</b>	<b>\$ 1,453</b>	<b>\$ 4,963</b>	<b>\$ 223,200</b>	<b>\$ 218,237</b>

The accompanying notes are an integral part of this statement.

## Exhibit 3-a

District of Columbia  
Statement of Net Assets  
Proprietary Funds  
September 30, 2009  
(With Comparative Totals at September 30, 2008)  
(\$000s)

	Lottery and Games	Unemployment Compensation	Nonmajor Proprietary Fund	Totals	
				2009	2008
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents (unrestricted)	\$ 7,680	\$ -	\$ 8,314	\$ 15,994	\$ 17,768
Investments (unrestricted)	-	-	5,627	5,627	5,915
Due from federal government	-	18,883	-	18,883	-
Accounts receivable, net	7,292	9,587	7,819	24,698	21,704
Due from other funds	-	-	-	-	402
Other current assets	9	-	637	646	562
Cash and cash equivalents (restricted)	-	366,403	-	366,403	422,799
<b>Total current assets</b>	<b>14,981</b>	<b>394,873</b>	<b>22,397</b>	<b>432,251</b>	<b>469,150</b>
Noncurrent assets:					
Investments (restricted)	35,153	-	3,837	38,990	43,039
Capital assets, net	478	-	15,534	16,012	16,747
<b>Total noncurrent assets</b>	<b>35,631</b>	<b>-</b>	<b>19,371</b>	<b>55,002</b>	<b>59,786</b>
<b>Total assets</b>	<b>50,612</b>	<b>394,873</b>	<b>41,768</b>	<b>487,253</b>	<b>528,936</b>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	2,472	70,330	1,037	73,839	49,777
Accrued compensated absences	764	-	2,381	3,145	2,377
Due to other funds	-	19,770	-	19,770	11,138
Deferred revenue	180	-	312	492	303
Accrued liabilities	8,173	-	32	8,205	7,943
Other current liabilities	-	-	-	-	217
Long term liabilities due within one year	7,406	-	-	7,406	8,631
<b>Total current liabilities</b>	<b>18,995</b>	<b>90,100</b>	<b>3,762</b>	<b>112,857</b>	<b>80,386</b>
Noncurrent liabilities					
Long term liabilities due in more than one year	27,747	-	-	27,747	32,748
<b>Total noncurrent liabilities</b>	<b>27,747</b>	<b>-</b>	<b>-</b>	<b>27,747</b>	<b>32,748</b>
<b>Total liabilities</b>	<b>46,742</b>	<b>90,100</b>	<b>3,762</b>	<b>140,604</b>	<b>113,134</b>
<b>NET ASSETS</b>					
Invested in capital assets	478	-	15,534	16,012	16,747
Restricted - expendable	-	304,773	-	304,773	374,282
Unrestricted	3,392	-	22,472	25,864	24,773
<b>Total net assets</b>	<b>\$ 3,870</b>	<b>\$ 304,773</b>	<b>\$ 38,006</b>	<b>\$ 346,649</b>	<b>\$ 415,802</b>

The accompanying notes are an integral part of this statement.

Exhibit 3-b

District of Columbia  
 Statement of Revenues, Expenses, and Changes in Fund Net Assets  
 Proprietary Funds  
 For the Year Ended September 30, 2009  
 (With Comparative Totals for the Year Ended September 30, 2008)  
 (\$000s)

	Lottery and Games	Unemployment Compensation	Nonmajor Proprietary Fund	Totals	
				2009	2008
<b>Operating revenues:</b>					
Employer taxes	\$ -	\$ 94,622	\$ -	\$ 94,622	\$ 92,733
Charges for services	245,370	-	43,424	288,794	290,156
Benefit contributions	-	36,985	-	36,985	21,191
Miscellaneous	-	-	919	919	826
<b>Total operating revenues</b>	<u>245,370</u>	<u>131,607</u>	<u>44,343</u>	<u>421,320</u>	<u>404,906</u>
<b>Operating expenses:</b>					
Benefits	-	370,775	-	370,775	150,237
Prizes, agents commission & advertising	148,274	-	-	148,274	155,460
Personnel services	12,132	-	5,545	17,677	15,601
Contractual services	16,085	-	28,440	44,525	43,051
Depreciation	134	-	2,220	2,354	2,351
Miscellaneous	-	-	8,396	8,396	7,355
<b>Total operating expenses</b>	<u>176,625</u>	<u>370,775</u>	<u>44,601</u>	<u>592,001</u>	<u>374,055</u>
<b>Operating income (loss)</b>	<u>68,745</u>	<u>(239,168)</u>	<u>(258)</u>	<u>(170,681)</u>	<u>30,851</u>
<b>Nonoperating revenues:</b>					
Interest and investment revenue	79	18,417	565	19,061	21,317
Federal contribution	-	151,242	-	151,242	15,529
<b>Total nonoperating revenue</b>	<u>79</u>	<u>169,659</u>	<u>565</u>	<u>170,303</u>	<u>36,846</u>
<b>Income (loss) before transfers</b>	<u>68,824</u>	<u>(69,509)</u>	<u>307</u>	<u>(378)</u>	<u>67,697</u>
Transfer out	(68,775)	-	-	(68,775)	(70,300)
<b>Change in net assets</b>	<u>49</u>	<u>(69,509)</u>	<u>307</u>	<u>(69,153)</u>	<u>(2,603)</u>
Total net assets at October 1	3,821	374,282	37,699	415,802	418,405
Total net assets at September 30	<u>\$ 3,870</u>	<u>\$ 304,773</u>	<u>\$ 38,006</u>	<u>\$ 346,649</u>	<u>\$ 415,802</u>

The accompanying notes are an integral part of this statement.

## Exhibit 3-c

**District of Columbia**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended September 30, 2009**  
**(With Comparative Totals for the Year Ended September 30, 2008)**  
**(\$000s)**

	Lottery and Games	Unemployment Compensation	Nonmajor Proprietary Fund	Totals	
				2009	2008
<b>Operating activities:</b>					
Cash receipts from customers/employers	\$ 244,666	\$ 130,616	\$ 40,446	\$ 415,728	\$ 398,202
Other cash receipts	388	-	1,029	1,417	973
Cash payments to vendors	(26,362)	-	(39,873)	(66,235)	(63,611)
Cash payments to employees/claimants	(6,459)	(345,847)	-	(352,306)	(137,793)
Other cash payments, including prizes	(143,172)	-	-	(143,172)	(151,405)
Net cash provided by (used in) operating activities	<u>69,061</u>	<u>(215,231)</u>	<u>1,602</u>	<u>(144,568)</u>	<u>46,366</u>
<b>Noncapital financing activities:</b>					
Intergovernmental grants	-	143,559	-	143,559	15,529
Interfund transfers out	(68,775)	(3,141)	-	(71,916)	(70,300)
Net cash provided by (used in) noncapital financing activities	<u>(68,775)</u>	<u>140,418</u>	<u>-</u>	<u>71,643</u>	<u>(54,771)</u>
<b>Capital and related financing activities:</b>					
Acquisitions of capital assets	(247)	-	(1,370)	(1,617)	(1,947)
Net cash used in capital and related financing activities	<u>(247)</u>	<u>-</u>	<u>(1,370)</u>	<u>(1,617)</u>	<u>(1,947)</u>
<b>Investing activities:</b>					
Receipts of interest and dividends	79	18,417	565	19,061	21,317
Net proceeds from related party	-	-	(800)	(800)	2,000
Sales of investments	-	-	(1,889)	(1,889)	4,134
Net cash provided by (used in) investing activities	<u>79</u>	<u>18,417</u>	<u>(2,124)</u>	<u>16,372</u>	<u>27,451</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>118</b>	<b>(56,396)</b>	<b>(1,892)</b>	<b>(58,170)</b>	<b>17,099</b>
<b>Cash and cash equivalents at October 1</b>	<b>7,562</b>	<b>422,799</b>	<b>10,206</b>	<b>440,567</b>	<b>423,468</b>
<b>Cash and cash equivalents at September 30</b>	<b>\$ 7,680</b>	<b>\$ 366,403</b>	<b>\$ 8,314</b>	<b>\$ 382,397</b>	<b>\$ 440,567</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ 68,745	\$ (239,168)	\$ (258)	\$ (170,681)	\$ 30,852
Depreciation	134	-	2,220	2,354	2,351
Decrease (increase) in assets:					
Accounts receivable	(194)	(1,994)	(2,976)	(5,164)	(5,635)
Allowance for uncollectible	-	-	2,761	2,761	1,876
Deposits	-	-	(356)	(356)	(45)
Other current assets	6	-	61	67	(28)
Increase (decrease) in liabilities:					
Accounts payable	65	25,931	(342)	25,654	16,531
Accrued liabilities	202	-	492	694	(417)
Deferred revenue	(123)	-	-	(123)	154
Other current liabilities	226	-	-	226	727
<b>Net cash provided by (used in) operating activities:</b>	<b>\$ 69,061</b>	<b>\$ (215,231)</b>	<b>\$ 1,602</b>	<b>\$ (144,568)</b>	<b>\$ 46,366</b>

The accompanying notes are an integral part of this statement.

Exhibit 4-a

**District of Columbia**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**September 30, 2009**  
**(\$000s)**

	<b>Pension/OPEB Trust Funds</b>	<b>Private Purpose Trust Fund</b>	<b>Agency Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents - restricted	\$ 307,807	\$ -	\$ 91,814
Investments - restricted:			
Equities	2,282,169	81,756	-
Fixed income securities	893,655	36,147	-
Real estate	192,645	-	-
Private Equity	543,921	-	-
Collateral for securities lending transactions	470,807	-	-
Accounts receivable	-	288	-
Due from federal government	2,272	-	-
Benefit contribution receivables	2,795	-	-
Due from other funds	8,219	-	206
Other receivables	-	-	8,115
Other current assets	123,235	-	-
Capital assets	22	-	-
Total assets	<u>4,827,547</u>	<u>118,191</u>	<u>100,135</u>
<b>LIABILITIES</b>			
Accounts payable	9,478	264	8,169
Securities lending collateral	482,328	-	-
Due to other funds	5,963	-	7,139
Other current liabilities	291,257	-	84,827
Total liabilities	<u>789,026</u>	<u>264</u>	<u>\$ 100,135</u>
<b>NET ASSETS</b>			
Held in trust for pension and OPEB benefits and other purposes	<u>\$ 4,038,521</u>	<u>\$ 117,927</u>	

*The accompanying notes are an integral part of this statement.*

## Exhibit 4-b

**District of Columbia**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Year Ended September 30, 2009**  
**(\$000s)**

	<b>Pension/OPEB Trust Funds</b>	<b>Private Purpose Trust Fund</b>
	<u>          </u>	<u>          </u>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 187,100	\$ -
Plan members	55,605	22,913
Total contributions	<u>242,705</u>	<u>22,913</u>
Investment earnings (losses):		
<i>From investment activities</i>		
Net decrease in fair value of investments	(173,611)	(1,212)
Other revenue	2,473	-
Interest and dividends	95,943	2,274
Total investment gain (loss)	<u>(75,195)</u>	<u>1,062</u>
Less - investment expenses	(12,262)	(971)
Net gain (loss) from investing activities	<u>(87,457)</u>	<u>91</u>
<i>From securities lending activities</i>		
Securities lending income	8,522	-
Less: securities lending expenses	(3,637)	-
Net income from securities lending activities	<u>4,885</u>	<u>-</u>
Net investment gain (loss)	<u>(82,572)</u>	<u>91</u>
<b>Total additions</b>	<u>160,133</u>	<u>23,004</u>
<b>DEDUCTIONS</b>		
Benefits	67,390	-
Administrative expenses	8,387	336
Distributions to participants	-	6,537
<b>Total deductions</b>	<u>75,777</u>	<u>6,873</u>
<b>Change in net assets</b>	<u>84,356</u>	<u>16,131</u>
Net assets at October 1	<u>3,954,165</u>	<u>101,796</u>
Net assets at September 30	<u>\$ 4,038,521</u>	<u>\$ 117,927</u>

*The accompanying notes are an integral part of this statement.*

Exhibit 5-a

District of Columbia  
Discretely Presented Component Units  
Combining Statement of Net Assets  
September 30, 2009  
(With Comparative Totals at September 30, 2008)  
(\$000s)

	Water and Sewer	Convention Center	Sports Commission	Housing Finance	University	Totals	
						2009	2008 Restated
<b>ASSETS</b>							
<b>Current Assets:</b>							
Cash and cash equivalents (unrestricted)	\$ 75,123	\$ 7,240	\$ 8,908	\$ 25,435	\$ 41,312	\$ 158,018	\$ 164,206
Investments (unrestricted)	90,982	87,351	-	4,843	-	183,176	176,017
Receivables, net:							
Accounts	37,624	699	1,001	-	6,597	45,921	42,082
Other	28,617	-	-	11,778	6,544	46,939	31,133
Due from federal government	69,857	-	-	-	-	69,857	91,418
Due from primary government	4,400	8,438	-	-	1,313	14,151	23,147
Inventories	9,369	-	-	-	-	9,369	8,187
Other current assets	588	-	230	-	250	1,068	900
Restricted cash	247,327	-	2,138	62,093	790	312,348	99,552
Restricted investments	29,975	73,046	-	388,222	33,512	524,755	892,290
Total current assets	<u>593,862</u>	<u>176,774</u>	<u>12,277</u>	<u>492,371</u>	<u>90,318</u>	<u>1,365,602</u>	<u>1,528,932</u>
<b>Noncurrent Assets:</b>							
Loans receivable	-	-	-	578,307	357	578,664	531,032
Other	9,800	6,116	-	2,377	297	18,590	17,584
Total long term assets	<u>9,800</u>	<u>6,116</u>	<u>-</u>	<u>580,684</u>	<u>654</u>	<u>597,254</u>	<u>548,616</u>
<b>Capital assets, net</b>							
Property and equipment	2,369,105	630,166	12,407	1,989	61,591	3,075,258	2,865,467
Non-depreciable capital assets	400,826	44,004	-	573	8,401	453,804	445,778
<b>Total assets</b>	<u><b>3,373,593</b></u>	<u><b>857,060</b></u>	<u><b>24,684</b></u>	<u><b>1,075,617</b></u>	<u><b>160,964</b></u>	<u><b>5,491,918</b></u>	<u><b>5,388,793</b></u>
<b>LIABILITIES</b>							
<b>Current Liabilities:</b>							
Payables:							
Accounts	98,730	7,875	1,227	2,323	6,205	116,360	105,729
Compensation	13,316	324	563	197	11,140	25,540	22,505
Due to primary government	1,251	-	2,218	-	22,547	26,016	14,339
Accrued liabilities	32,700	11,381	550	-	3,500	48,131	38,950
Deferred revenue	25,940	2,488	283	46,360	10,375	85,446	36,096
Current maturities	13,846	12,160	-	57,410	-	83,416	124,135
Other current liabilities	29,200	719	-	17,119	4,455	51,493	131,716
Total current liabilities	<u>214,983</u>	<u>34,947</u>	<u>4,841</u>	<u>123,409</u>	<u>58,222</u>	<u>436,402</u>	<u>473,470</u>
<b>Noncurrent Liabilities:</b>							
Long term debt:							
Bonds payable	1,252,778	465,625	-	847,105	-	2,565,508	2,513,143
Other long-term liabilities	20,795	8,651	-	457	-	29,903	31,605
Refundable advances	-	791	-	-	559	1,350	1,227
Deferred revenue	865,779	-	-	-	-	865,779	795,960
Total long term liabilities	<u>2,139,352</u>	<u>475,067</u>	<u>-</u>	<u>847,562</u>	<u>559</u>	<u>3,462,540</u>	<u>3,341,935</u>
<b>Total Liabilities</b>	<u><b>2,354,335</b></u>	<u><b>510,014</b></u>	<u><b>4,841</b></u>	<u><b>970,971</b></u>	<u><b>58,781</b></u>	<u><b>3,898,942</b></u>	<u><b>3,815,405</b></u>
<b>NET ASSETS</b>							
Invested in capital assets, net of related debt	806,276	187,015	12,407	1,272	69,992	1,076,962	1,042,400
Restricted - expendable	44,710	73,045	146	68,644	566	187,111	175,043
Restricted - nonexpendable	-	-	-	-	7,242	7,242	7,242
Unrestricted	168,272	86,986	7,290	34,730	24,383	321,661	348,703
<b>Total Net Assets</b>	<u><b>\$ 1,019,258</b></u>	<u><b>\$ 347,046</b></u>	<u><b>\$ 19,843</b></u>	<u><b>\$ 104,646</b></u>	<u><b>\$ 102,183</b></u>	<u><b>\$ 1,592,976</b></u>	<u><b>\$ 1,573,388</b></u>

The accompanying notes are an integral part of this statement.

## Exhibit 5-b

**District of Columbia**  
**Discretely Presented Component Units**  
**Combining Statement of Activities**  
**For the Year Ended September 30, 2009**  
**(With Comparative Totals for the Year Ended September 30, 2008)**  
**(\$000s)**

	Water and Sewer	Convention Center	Sports Commission	Housing Finance	University	Totals	
						2009	2008 Restated
<b>Expenses</b>	\$ 363,924	\$ 99,001	\$ 12,910	\$ 76,466	\$ 130,611	\$ 682,912	\$ 637,901
<b>Program Revenues:</b>							
Charges for services, fees, fines & forfeits	329,061	16,595	5,311	7,069	20,784	378,820	368,201
Operating grants and contributions	-	-	-	-	29,109	29,109	24,774
Capital grants and contributions	27,752	-	-	-	5,388	33,140	50,140
<b>Net Expense</b>	<u>(7,111)</u>	<u>(82,406)</u>	<u>(7,599)</u>	<u>(69,397)</u>	<u>(75,330)</u>	<u>(241,843)</u>	<u>(194,786)</u>
<b>General Revenues:</b>							
Investment earnings	2,285	139	21	64,316	959	67,720	70,902
Miscellaneous	3,337	3,624	6,444	18,585	8,183	40,173	31,597
Subsidy from primary government	-	91,468	-	-	62,070	153,538	154,263
<b>Total general revenues</b>	<u>5,622</u>	<u>95,231</u>	<u>6,465</u>	<u>82,901</u>	<u>71,212</u>	<u>261,431</u>	<u>256,762</u>
<b>Change in net assets</b>	(1,489)	12,825	(1,134)	13,504	(4,118)	19,588	61,976
<b>Net assets at October 1, as restated</b>	<u>1,020,747</u>	<u>334,221</u>	<u>20,977</u>	<u>91,142</u>	<u>106,301</u>	<u>1,573,388</u>	<u>1,511,412</u>
<b>Net assets at September 30</b>	<u>\$ 1,019,258</u>	<u>\$ 347,046</u>	<u>\$ 19,843</u>	<u>\$ 104,646</u>	<u>\$ 102,183</u>	<u>\$ 1,592,976</u>	<u>\$ 1,573,388</u>

The accompanying notes are an integral part of this statement.