

# Government of the District of Columbia



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January 23, 2026

Chief Financial Officer Glen Lee  
The Honorable Muriel Bowser, Mayor  
The Honorable Members of the Council of the District of Columbia  
The Citizens of the District of Columbia

The Annual Comprehensive Financial Report (ACFR) of the Government of the District of Columbia (District) for the fiscal year ended September 30, 2025, is herewith submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of my knowledge and belief, the enclosed financial statements and schedules are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and component units of the District.

This report has been prepared in accordance with generally accepted accounting principles (GAAP) of the United States of America for state and local governments as promulgated by the Governmental Accounting Standards Board (GASB) and includes all disclosures necessary for readers to gain an understanding of the financial activities of the District.

The ability to produce a timely and accurate ACFR depends upon the adequacy of the internal controls of the District. Internal control is defined as a process, effected by an entity's governing board, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) efficiency and effectiveness of operations; (b) reliability of financial reporting; and (c) compliance with applicable laws and regulations. Reasonable assurance is defined as a high, but not absolute, level of assurance about whether the financial statements are free of material misstatement. Management is responsible for establishing and maintaining adequate internal controls in the District. The greatest challenge in establishing and maintaining adequate internal controls is ensuring that the control framework developed by management is comprehensive and broad enough to achieve its intended purpose.

Due to certain inherent limitations, including the consideration that the cost of a control should not exceed the benefits to be derived, as well as the possibility of

errors in judgment, management override, or collusion, internal controls can provide reasonable, rather than absolute assurance that management's objectives will be achieved and that the financial statements are free from material misstatement. Routine audits help management assess, on an ongoing basis, the adequacy of the internal controls of the District.

In accordance with DC Code § 47-119, independent certified public accountants audited the financial statements of the District for the year ended September 30, 2025. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and applicable guidance related to financial audits as presented in Government Auditing Standards, issued by the Comptroller General of the United States. In addition to issuing an unmodified opinion on the financial statements of the District, the independent auditors, CliftonLarsonAllen LLP (CLA), issued a report in conjunction with the ACFR, which discussed the consideration given by the independent auditors to the internal controls over financial reporting used by the District. This report also presented the outcome of tests performed by the auditors of the District's compliance with certain provisions of laws, regulations, contracts, grant agreements, and other related requirements.

Moreover, an audit of compliance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards issued by the United States Office of Management and Budget (OMB) is performed annually. A separate report, often referred to as the Single Audit Report, is issued by independent public accountants. The fiscal year 2025 Single Audit Report of the District will be issued later.

This letter of transmittal is designed to supplement the Management's Discussion and Analysis (MD&A), and therefore, does not discuss the financial operations and operating results of the District, which are fully discussed in the MD&A. For that reason, this letter should be read in conjunction with the MD&A in order to gain a better understanding of the financial condition of the District.

## PROFILE OF THE GOVERNMENT

### Overview: Historical Background of the District

President George Washington established Washington, D.C. (DC, the District of Columbia, or the District) in 1790 from territory ceded by the State of Maryland (Maryland) and the Commonwealth of Virginia (Virginia). Until Home Rule was granted in 1973, the United States Congress assumed jurisdiction over the District of Columbia.

Although Congress passed the Home Rule Act in 1973, Congress retained and continues to retain the right to review and overturn the legislative acts of the Council

of the District of Columbia (the Council) if both houses of Congress vote within 30 legislative days to do so.

The Home Rule Act prohibits the taxing of federal property and the income of non-District residents who work in the District.

In 1983, it was determined that the District could legally issue its own debt. On October 15, 1984, the District issued municipal debt for the first time, in the form of Tax Revenue Anticipation Notes (TRANs).

Table T-1 presents a timeline of significant events in the history of the District of Columbia.

**Table T-1**  
**Key Dates in the History of the District of Columbia**

1801	Congress enacted the Organic Act of 1801, thereby dividing the capital district into Washington County (former Maryland area) and Alexandria County (former Virginia area).
1846	Congress passed a law allowing the City of Alexandria and Alexandria County to be returned to the Commonwealth of Virginia.
1871	Congress consolidated Georgetown, Washington City, and Washington County into one territorial government. The President appointed a territorial governor and council and an elected House of Delegates was established. A non-voting delegate to Congress was also established.
1874	The territorial government of the District of Columbia was abolished and the provision for a non-voting delegate to Congress was eliminated.
1878	The power to elect a territorial governor and council was eliminated. Congress established a three-member Board of Commissioners to govern the District of Columbia.
1961	The 23rd Amendment to the U.S. Constitution was ratified. Citizens of the District of Columbia were granted the right to vote in presidential elections.
1967	President Lyndon B. Johnson appointed Walter E. Washington Mayor of the District of Columbia.
1970	Congress passed the District of Columbia Delegate Act, which granted District residents the right to elect a non-voting Member of Congress to represent them in the U.S. House of Representatives.
1971	Walter Fauntroy became the first Congressional Delegate to represent the District of Columbia in the 20th century.
1973	Congress passed the Home Rule Act, which provides for a popularly elected mayor and a 13-member Council.
1990	Pursuant to District of Columbia Code § 1-123, the first election for shadow representatives to the U.S. Senate and U.S. House of Representatives was held. Shadow representatives are recognized only by the District and do not have voting rights in Congress.
1995	Congress passed the District of Columbia Financial Responsibility and Management Assistance Act and created the position of the Chief Financial Officer.
1997	Congress enacted the National Capital Revitalization and Self-Government Improvement Act of 1997 (the Revitalization Act), which changed the funding of the District pension plans and set the stage for major changes to the District's criminal justice system.
2006	Congress passed the District of Columbia Omnibus Authorization Act, expanding the duties of the Office of the Chief Financial Officer.
2016	The Local Budget Autonomy Amendment Act of 2012, upheld by the Superior Court, granted the District budget autonomy for local funds.

### Financial Reporting Entity

For financial reporting purposes, the reporting entity of the District consists of: (1) the primary government; (2) five discretely presented component units: Health Benefit Exchange Authority, Washington Convention and Sports Authority (t/a Events DC), District of Columbia Green Finance Authority, Housing Finance Agency, and University of the District of Columbia; and (3) two blended component units: District of Columbia Tobacco Settlement Financing Corporation and Not-for-Profit Hospital Corporation (d/b/a United Medical Center). The District of Columbia Housing Authority and the District of Columbia Water and Sewer Authority are

considered related organizations because the District is not financially accountable for their operations. The funds and accounts of all agencies, boards, commissions, foundations, and authorities that have been identified as part of the primary government or the component units have been included in the reporting entity. Further information on the reporting entity can be found in Note 1B, which begins on page 74 of the Notes to the Basic Financial Statements.

The District and its component units provide a wide range of services to residents, including elementary, secondary, and postsecondary education; human

support and welfare services; public safety and protection; fire and emergency medical services; and other general government services.

### Budgetary Information

During the first quarter of each fiscal year, agencies begin the budget formulation process for the upcoming fiscal year. On or about March 30 of each year, consistent with Section 442 of the Home Rule Act, the Mayor submits a balanced operating budget and a multi-year capital improvements plan by project for the upcoming fiscal year to the Council for review and approval. The Council holds public hearings and adopts the operating budget and capital improvements plan through passage of a Local Budget Act and a Federal Portion Budget Request Act. The Mayor may not submit and the Council may not adopt any budget which presents expenditures and other financing uses that exceed revenues and other financing sources. After the Mayor approves the adopted budget, the Federal Portion Budget Request Act is forwarded to the President of the United States (the President) and then to Congress for approval. The Local Budget Act is forwarded by the Chairman of the Council to Congress. Consistent with the Local Budget Autonomy Amendment Act of 2012, upon expiration of a 30-day Congressional review period, the Local Budget Act becomes law. Congress enacts the federal portion of the budget for the District through passage of an appropriations bill, which is signed into law by the President.

The District adopts annual budgets for all governmental funds except the Tobacco Settlement Financing Corporation Fund. In this report, budgetary information is presented for the General Fund, major special revenue funds, capital projects funds, and other nonmajor governmental funds.

The legally adopted budget is the Federal Portion Budget Request that is approved as part of the annual Appropriations Act passed by Congress and signed by the President, and the Local Budget Act that is passively approved by Congress. The Local Budget Act authorizes expenditures at the agency level and by appropriation title (function), such as Public Safety and Justice; Human Support Services; or Public Education System. To revise planned expenditures of local funds for any function, the Council must enact the appropriate legislation. However, the District may reallocate budgeted amounts using the reprogramming process of the District or other appropriation processes, in accordance with applicable legal requirements.

### Budgetary Controls

The District utilizes budgetary controls designed to monitor compliance with expenditure limitations contained in the adopted budget. The level of budgetary control (e.g., the level at which expenditures and other obligations cannot legally exceed the appropriated amount) is established by function, appropriated

fund, and agency within the governmental funds. The automated and manual transaction level controls of the District and sound governance provide strong budgetary controls. The annual budget is assigned specific accounting attributes and is uploaded into the accounting system of record, thereby establishing the budget authority for each entity within the District. The budget authority established in the accounting system of record is then reconciled to the levels of funding authorized by the adopted budget. In addition, on an annual basis, independent public accountants audit the budgetary comparison statement to ensure compliance with approved amounts and to determine whether budget adjustments are properly documented and approved.

Consistent with the District of Columbia Anti-Deficiency Act of 2002, which became effective on April 4, 2003, agency heads and Agency Fiscal Officers are required to jointly submit a monthly spending plan for the fiscal year to the Chief Financial Officer (CFO) by October 1 of each fiscal year. District managers update the spending plan throughout the year by developing spending projections, by source of funds, on a monthly basis, which shows year-to-date spending, approved budget, year-end projected spending, explanations of variances greater than 5.00% or \$1 million, and planned corrective actions for instances of overspending. Summarized spending projections must be submitted to the CFO no later than 30 days after the end of each month. In addition, pursuant to DC Code § 47-355.05, the CFO is to submit quarterly reports to the Council and the Mayor that present actual expenditures, encumbrances, and commitments compared to the approved spending plan by agency and by source of funds. These reports are required to be accompanied by the observations made by the CFO regarding spending patterns and steps being taken to ensure that spending remains within the approved budget. The information in these reports is used by the Board of Review for Anti-Deficiency Violations to assess cases of overspending.

In addition, the District uses encumbrance accounting as a means of strengthening budgetary controls and financial reporting. Under this method of accounting, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in the accounting system in order to reserve the portion of the related appropriation that will be needed for such expenditures. The recording of encumbrances is a valuable tool used by the District to ensure that expenditures are within budgeted amounts. Generally, encumbered amounts lapse at year-end in the General Fund but not in the Capital Projects Funds or the Special Revenue Funds.

### Fund Balance Reserves

#### Mandated by U.S. Congress

Through Congressional mandate established by Section 450A of the Home Rule Act, the District is required to maintain cash reserves totaling 6.00%

of the General Fund local expenditures less debt service cost for the previous fiscal year. The 6.00% is comprised of a contingency cash reserve of 4.00% and an emergency cash reserve of 2.00%. The contingency cash reserve may be used to provide for nonrecurring or unforeseen needs (e.g., severe weather or other natural disasters, and unexpected obligations created by federal law) that arise during the fiscal year or to cover revenue shortfalls experienced by the District for three consecutive months that are 5.00% or more below the budget forecast. The emergency cash reserve may be used to provide for unanticipated and nonrecurring extraordinary needs of an emergency nature (e.g., natural disaster or calamity) and may be used in the event that the Mayor declares a State of Emergency in the District. Consistent with the requirements of applicable legislation, the District must replenish the contingency cash reserve and the emergency cash reserve for any amounts used.

### Mandated by the District Council

#### Fiscal Stabilization Reserve

The fiscal stabilization reserve may be used by the Mayor for the same purposes for which the contingency cash reserve was established. Pursuant to DC Code § 47–392.02(j-1), as amended, the fiscal stabilization reserve account may be used by the CFO to cover cash flow needs, provided that the reserve account shall be replenished in the same fiscal year in which amounts were used. At full funding, for any given fiscal year, the fiscal stabilization reserve must equal 2.34% of the General Fund operating expenditures for that year. In addition, the fiscal stabilization reserve account may be used by the Mayor for the following two purposes: (1) funding for locally approved expenditures during a lapse in regular appropriations, provided that any amounts used must be replenished immediately at the conclusion of the lapse; and (2) funding for the appropriations advance to District of Columbia Public Schools and District of Columbia Public Charter Schools as authorized by the annual budget and financial plan, provided that any amounts used must be replenished immediately upon approval of the annual budget of the District for that year.

#### Cash Flow Reserve

The CFO may use the cash flow reserve as needed to manage the cash flow of the District. Pursuant to DC Code § 47–392.02(j-2), as amended, when a portion of the reserve is used to meet cash flow needs, it must be replenished in the same fiscal year the amounts were used. At full funding, for any given fiscal year, the cash flow reserve must equal 10% of the General Fund operating budget for that fiscal year. Further, the cash flow reserve account may be used by the CFO to fund locally approved expenditures during a lapse in regular appropriations, provided that any amounts used must be replenished immediately at the conclusion of the lapse.

## District Accounting and Financial System

### Accounting System

The accounting system of the District is organized and maintained on a fund basis. A fund is a separate, distinct accounting entity that has its own assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures/expenses. The District uses generally accepted accounting principles (GAAP) when determining the types of funds to be established and is guided by the “minimum number of funds principle” and sound financial management practices when determining the number of funds within each fund type.

### Measurement Focus and Basis of Accounting

The financial statements of the District are prepared in accordance with GAAP. Accordingly, the measurement focus and basis of accounting applied in the preparation of the government-wide financial statements and fund financial statements are as follows:

- The government-wide financial statements focus on all of the economic resources of the District and are prepared using the full accrual basis of accounting.
- The governmental fund financial statements focus primarily on the sources, uses, and balances of current financial resources and are prepared using the modified accrual basis of accounting.
- Proprietary funds and fiduciary funds are accounted for in the same manner as business enterprises, which use the full accrual basis of accounting.
- The budgetary basis of accounting is used to prepare the Budgetary Comparison Statement presented in Exhibit 2-d found on page 61. This basis of accounting differs from the GAAP basis as described below:
  - Basis differences arise when the basis of budgeting differs from the basis of accounting prescribed by GAAP. For example, to account for supplies inventory, the District uses the purchase method in the budgetary basis statements and the consumption method in GAAP basis statements. Under the purchase method, purchases of inventories are recognized as expenditures when the goods are received and the transaction is vouchered. Under the consumption method, an expenditure is recognized only when the inventory items are used rather than purchased.
  - Entity differences may arise between the basis of budgeting and GAAP when: (1) the appropriated budget includes organizations, programs, activities, or functions that are not within the financial reporting entity as defined

by GAAP; or (2) the appropriated budget excludes organizations, programs, activities or functions that are part of the financial reporting entity. The District does not have any significant entity differences.

- Perspective differences may occur between the basis of budgeting and GAAP and result when the fund, organization, or program structure used for budgeting differs from that used for GAAP-based financial reporting. The District does not have any significant budgetary perspective differences.
- Timing differences may occur between the basis of budgeting and GAAP and are noted when the period used for budgeting differs from the period used for GAAP-based reporting. The District has no significant timing differences between its budgetary practices and the GAAP-based presentation of its financial statements.

### Transparency in Government Operations and Financial Reporting

Through the Office of Open Government (OOG), the District has taken measures to make financial and non-financial information available to the general public. The OOG, an independent office operating under the Board of Ethics and Government Accountability, works to ensure that the operations of the District are transparent and open to the public, thereby promoting civic engagement. The OOG seeks to ensure city-wide compliance with the Open Meetings Act, which requires public bodies to take official action during public meetings and to provide proper notice and detailed records of meetings. The OOG advises public bodies on matters regarding compliance with the Open Meetings Act and conducts training and outreach on its requirements. In addition to enforcement of the DC Open Meetings Act, the OOG advocates for fair and efficient Freedom of Information Act (FOIA) processing and advises agencies seeking guidance on FOIA.

To further promote transparency in government, the Open Government Advisory Group, established as a 16-member coalition, provides feedback to the OOG as the District carries out its Open Government and Open Data policies. The Advisory Group is purposed to: (1) evaluate progress towards making the District government more open, transparent, participatory, and collaborative; (2) make specific recommendations for improving the openness and transparency of the operations of the District and the participatory and collaborative nature of its decision-making; and (3) evaluate the progress towards meeting the requirements of the open data policy of the District and make recommendations for improving the openness and transparency of District government data. Further information on the Advisory Group may be obtained from the website at <https://ogag.dc.gov>.

To further promote openness in government, the Office of the Chief Financial Officer (OCFO) emphasizes transparency in financial reporting. The District continues to open its books to the public by posting online: the Annual Operating Budget and Capital Plan, the Annual Comprehensive Financial Report, and the Popular Annual Financial Report. In addition, the OCFO website ([www.cfo.dc.gov](http://www.cfo.dc.gov)) provides information that allows taxpayers to review and assess the financial status, programs, activities, and services of the District, and determine how their tax dollars are being used. This information includes operating and capital financial status reports, quarterly revenue estimates, monthly cash reports, monthly and annual economic indicators, as well as other documents including press releases, newsletters, Council Hearing written testimonies, and links to other useful resources such as the Taxpayer Service Center, the DC College Savings Plan, and the Unclaimed Property Division. Additional financial information for investors on the bonds of the District may be obtained from the investor information website at <https://dcbonds.com>.

### ECONOMIC CONDITION AND OUTLOOK

For the year ended September 30, 2025, federal government employment accounted for 24.30% of all wage and salary jobs located in the District and 27.20% of wages and salaries generated in the city. Approximately 17.60% of employed District residents worked for the federal government. Furthermore, federal contracting accounted for additional jobs and income in the area, which also contributed to the tax base of the District. With such a dominant federal presence, significant changes in federal spending can have a major impact on the economy and revenues of the District.

The metrics quoted above did not vary significantly from the prior fiscal year, even though federal employment reductions associated with the Department of Government Efficiency (DOGE) began in fiscal year 2025. The timing and magnitude of the local economic impact of those reductions have differed from initial expectations. Early announcements of mass firings, layoffs, and early retirement programs suggested a more immediate and concentrated effect on the District's labor market. However, recent labor market data indicate that these workforce reductions occurred more gradually than anticipated. Specifically, the District's September 2025 employment report showed that the near-term impact of DOGE-related actions was moderated by a combination of court challenges, administrative reviews, and implementation delays, which temporarily constrained agencies' ability to execute workforce reductions at scale. As a result, federal job losses were partially deferred, and the associated effects on wages, withholding, and local spending were less pronounced in fiscal year 2025.

However, with these legal and administrative constraints largely resolved, and with the federal Deferred Resignation Program taking effect in October, 2025, the pace of federal workforce reductions is expected to accelerate. Accordingly, the District anticipates that the full economic and revenue impacts of DOGE-related workforce actions—including effects on employment, household income, taxable spending, and commuter activity—will be realized more clearly over the remainder of the financial plan period.

Population within the District and the surrounding metropolitan area also impacts the local economy and the city's revenues. Each year, the U.S. Census Bureau releases population estimates as of July 1 and officially revises such estimates annually. The annual population estimates are based on birth and death records, changes in tax return filings, and estimates of the number of immigrants who move in and out of the District each year. Certain population data, including income and poverty metrics, were not released as of the date of this publication.

### Highlights: The District Economy

As of September 2025, there were approximately 40,100 fewer jobs in DC compared to September 2019. Highlighting a positive trend, the District's population has rebounded, as evidenced by population increases in both 2023 and 2024. According to U.S. Census Bureau data, as of July 1, 2024, the District's estimated population was 702,250 residents. This marked the first time that the city's population surpassed the 700,000 milestone. Highlights of these and other recent trends in the District economy are as follows:

- In September 2025, there were 10,200, or 1.33%, fewer wage and salary jobs located in the District than in the same period a year earlier. Hospitality and retail jobs, including amusement and recreation positions, have not recovered, falling by 300 jobs in September 2025 when compared to September 2024. Federal employment continued to decline, with September 2025 showing a 4.60% decrease compared to the level at September 2024.
- District resident employment in September 2025 was 384,800, showing a 1.9% decline compared to the seasonally adjusted figure for the same period in the prior year.

- As of September 2025, the unemployment rate within the District increased to a not seasonally adjusted rate of 6.90%, up from the September 2024 not seasonally adjusted rate of 5.20%.
- Overall wages earned in the District grew 2.40% in the quarter ended September 2025, compared to the same quarter a year ago, led by growth in the business and professional services sector and in the information and financial services sector.
- Single family home sales for the 12-month period ended September 2025 were up 7.90% from a year ago while the average selling price was 4.00% higher. Condominium sales increased by 1.50%, and the average selling price was 2.40% higher than a year ago. The value of all home sale settled contracts for the 12-month period ended September 2025 was 9.40% higher than a year ago.
- Commercial office base rents in the quarter ending September 2025 were up about 0.30% over the past year and average vacancy was 17.70%. Leased space in September 2025 was down by 1.00% from a year ago.
- Hotel room-days sold for the 12 months ended September 2025 were up 6.30% from the prior year and hotel room revenues increased by 4.90% during that period. In September 2025, hotel occupancy was 69.20%.

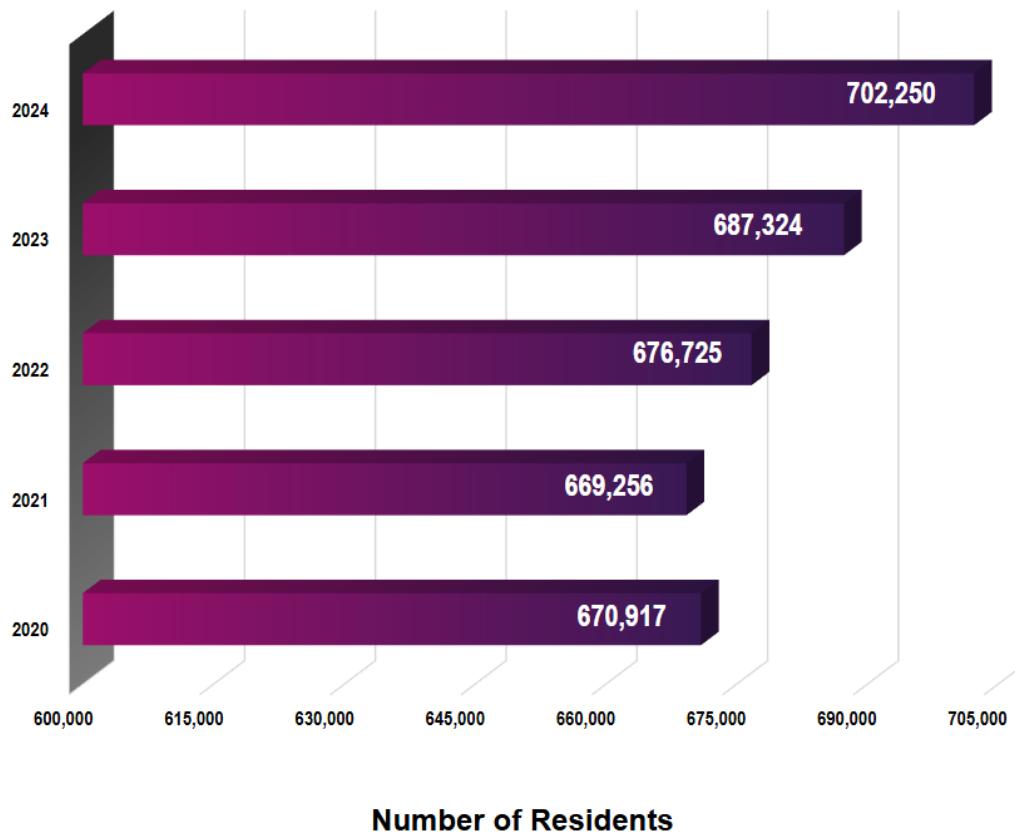
### Key Factors in the District Economy

#### Population

Historically, continuous population growth has been important in increasing the income, property, and sales tax bases of the District, and has been one of the driving forces behind rising home values. Between 2019 and 2021, a period which included the pandemic's peak period, the District of Columbia faced a net loss of over 31,000 residents. However, this negative trend has been reversing in recent years with the city's population reaching 702,250 residents in 2024. Population data issued by the U.S. Census Bureau is usually updated annually as of July 1 of each year. However, such data has not been updated and released for 2025.

**Chart T-1** presents population trends of the District as of July 1 of each year between 2020 and 2024, using annually revised population data. (Data as of July 1, 2025 was not available.)

**Chart T-1**  
**Population Trends - Number of Residents**  
**District of Columbia Population as of July 1 of Each Year (2020 - 2024)**



*Note:*

*Presentation of prior years' data has been revised to reflect resident population of the District as of July 1 each year. Population data as of July 1, 2025 was not available.*

*Source:*

*U.S. Census Bureau*

### Income Trends

Despite the effects of federal policy initiatives and changes that impacted the District in early 2025, income grew by 3.40% during fiscal year 2025. Inflation, however, cut the real income growth rate to 0.90% through 2025.

The distribution of income in the District differs from that of the nation, with larger portions of District residents in the higher and lower income brackets and a significantly smaller portion within the middle-income levels. Median household income data is not yet available for 2025; however, for 2024, the median household income of \$106,287 within the District was 35.33% above the U.S. average. The U.S. Census Bureau estimates that 17.30% of the population of the

District was below the poverty line in 2024 as compared to 10.60% for the entire country.

### Employment Trends

As shown in Table T-2, total wage and salary employment in the Washington Metropolitan Area (Metropolitan Area) decreased to approximately 3.3921 million at the end of fiscal year 2025 from the revised 3.3933 million for fiscal year 2024, representing a decrease of less than one percent. These numbers exclude self-employed individuals, domestic workers, military, and foreign government personnel, who together represent a significant portion of the total workforce of the region. Some references to the 2024 employment numbers may differ from those presented in the fiscal year 2024 ACFR because of updates and revisions.

**Table T-2** presents a comparison of September 2025 and 2024 labor market data for the District and the surrounding Metropolitan Area.

**Table T-2**  
**Comparison of September 2025 and 2024 Labor Market Data for the District and Surrounding Metropolitan Area (000s)**

Type	District of Columbia				Metropolitan Area			
	FY 2025 Level	FY 2024 Level	1 Year Change	1 Year Change %	FY 2025 Level	FY 2024 Level	1 Year Change	1 Year Change %
Employed residents	384.8	392.3	(7.5)	(1.91)%	3,371.9	3,449.8	(77.9)	(2.26)%
Labor force	413.1	413.9	(0.8)	(0.2)	3,515.3	3,556.8	(41.5)	(1.2)
Wage and salary employment:								
Federal government	183.9	192.7	(8.8)	(4.6)	354.0	376.0	(22.0)	(5.9)
Local government	43.3	42.6	0.7	1.6	356.0	351.1	4.9	1.4
Leisure and hospitality	78.5	77.7	0.8	1.0	328.0	325.1	2.9	0.9
Trade	24.5	25.7	(1.2)	(4.7)	312.2	317.6	(5.4)	(1.7)
Education and health	126.3	125.9	0.4	0.3	496.8	483.3	13.5	2.8
Professional, business, and other services	168.5	171.4	(2.9)	(1.7)	800.4	812.8	(12.4)	(1.5)
Other private	132.2	131.4	0.8	0.6	744.7	727.4	17.3	2.4
Total wage and salary employment	757.2	767.4	(10.2)	(1.3)	3,392.1	3,393.3	(1.2)	(0.0)
Unemployed	28.3	21.6	6.7	31.0	143.4	107.0	36.4	34.0
New unemployment claims	3.2	2.2	1.0	45.5	(a)	(a)	(a)	(a)

**Notes:**

FY 2025 Level - Data presented is preliminary, not seasonally adjusted amounts for September 2025.

FY 2024 Level - Data presented is seasonally adjusted and will differ from those presented in the fiscal year 2024 ACFR.

1 Year Change - The calculation of the change in numbers is based on adjusted data of the prior year.

(a) New unemployment claims for the Metropolitan Area are not available.

**Sources:**

U.S. Bureau of Labor Statistics (BLS)

D.C. Department of Employment Services (DOES)

In September 2025, total wage and salary employment within the District was 22.32% of the total wage and salary employment for the Washington Metropolitan Area. As of September 2025, the unemployment rate within the District increased to a not seasonally adjusted rate of 6.90%, up from the revised not seasonally adjusted rate of 5.20% in September 2024.

Total employment in the District decreased to approximately 757.2 thousand as of September 2025, compared to the revised 767.4 thousand as of September 2024. The leisure and hospitality industry continued to grow and improve during fiscal year 2025, contributing the most to job growth in the District. Jobs in legal services, construction, and local government added to job growth. However, jobs in other major sectors, including the federal government, business services, professional and technical, and retail trade, declined. Given the overall decline in the job market, the unemployment rate increased because more people were actively pursuing jobs than there were jobs available.

As the nation's capital, Washington, DC is the seat of the federal government and headquarters for most federal departments and agencies. As indicated in Table T-2, the total federal workforce in the Washington Metropolitan Area during September 2025 was 354.0 thousand, with approximately 183.9 thousand federal employees located in Washington, D.C., and 170.1

thousand federal employees working elsewhere in the Washington Metropolitan Area.

### Minimum Wage Rate

Effective July 1, 2025, the minimum wage in the District increased from \$17.50 per hour to \$17.95 per hour for all workers. There was no change on July 1, 2025 to the base minimum wage for tipped employees which remained constant at \$10.00 per hour. However, if an employee's hourly tip earnings (averaged weekly) added to the base minimum wage do not equal the minimum wage as established by the District, the employer must pay the difference. These wage increases are due to provisions of the Fair Shot Minimum Wage Amendment Act of 2016 which further increases the minimum wage each successive year in proportion to the Consumer Price Index.

### Living Wage Rate

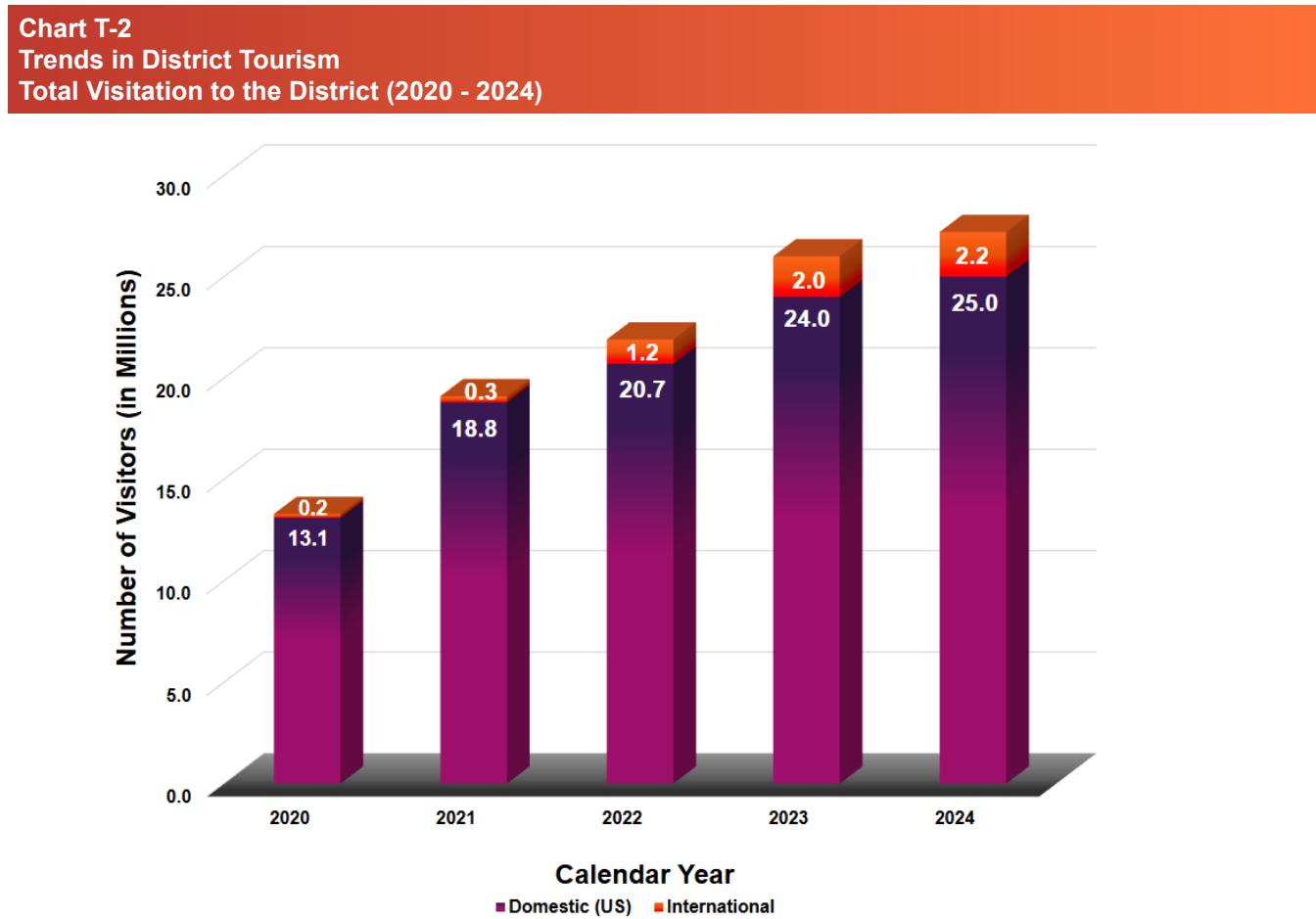
Pursuant to the Living Wage Act of 2006, effective June 8, 2006 (DC Law 16-118; DC Code § 2-220.01 et seq.), recipients of District government contracts and assistance (grants, loans, tax increment financing) in the amount of \$100,000 or more shall pay affiliated employees no less than the current living wage rate. Effective January 1, 2025 until June 30, 2025, the living wage rate was increased from \$17.05 per hour to \$17.50 per hour. Effective July 1, 2025, the living wage rate in the District increased to \$17.95 per hour.

## Tourism and Hospitality

As the capital city of the United States, Washington, D.C. is host to millions of domestic and international tourists who visit more than 400 museums, monuments, war memorials, and other historical landmarks each year. The presence of foreign embassies, diplomatic missions, and other international organizations also help boost tourism in the District. The number

of visitors to the District in 2024 increased from approximately 27.2 million total visitors in calendar year 2024 compared to 26.0 million total visitors in 2023. This change represents an increase in total visitors of 4.62% in 2024. Of the 27.2 million total visitors, 25.0 million were domestic visitors while 2.2 million were international visitors who traveled to the District.

Chart T-2 presents the trends in tourism for calendar years 2020 through 2024.



*Note:*

*Tourism data for calendar year 2025 was not available at the publication date.*

*Source:*

*Destination DC*

The rise in visitors traveling to the nation's capital positively affected visitor spending which totaled \$11.46 billion in 2024 compared to \$10.15 billion in 2023, an increase of 12.91%. The breakdown of visitor spending in 2024 is as follows: \$4.60 billion for lodging; \$3.10 billion for food and beverage; \$1.60 billion for entertainment; \$1.50 billion for retail; and \$0.66 billion for transportation. Tourism also supported 111,500 jobs in the District. Hotel occupancy rose to 71.70% in 2024 compared to 69.90% in 2023.

Tourism data for calendar year 2025 was not available at the time of this report.

## Construction

### Commercial Office Space

Office space under construction as of September 30, 2025, totaled 400 thousand square feet in one building. The office vacancy rate remained constant at 17.70% from the prior fiscal year and the average base rent increased slightly by 0.30%. Occupancy also decreased slightly over the past year for Class A properties, while there was a minor increase for Class B properties. The vacancy rate for Class A space was 20.00% in September 2025, up from 19.00% a year ago. The vacancy rate for Class B office space was

15.40%, slightly lower than the rate of 17.50% for Class B office space one year ago.

### Housing Units

For the 12-month period ended September 30, 2025, 2,174 housing unit building permits were issued. This

represents a 82.70% increase over the prior 12-month period.

In calendar year 2025, there were 270,433 apartment units and condominiums in the District. As of September 30, 2025, there were 5,021 apartment units and condominiums under construction.

**Table T-3** presents the number of apartment units and condominiums located in the District in 2021 through 2025.

**Table T-3**  
**District Apartment Units and Condominiums (2021 - 2025)**

Type	2021	2022	2023	2024	2025
Inventory	209,351	221,016	214,604	223,327	270,433
Occupied Units	146,764	157,352	163,238	168,849	171,844

*Note:*

*Data for prior years is unadjusted.*

*Source:*  
CoStar

### Housing Production Trust Fund

The Department of Housing and Community Development (DHCD) administers the Housing Production Trust Fund (HPTF), a special revenue fund which was established in 1988 to produce and preserve affordable housing in the District by providing various forms of assistance in support of housing production for low- and moderate-income households. The Housing Production Trust Fund is funded through a dedicated portion of the city's deed recordation and transfer tax revenues and the District's General Fund. In fiscal year 2025, dedicated tax revenues increased by 26.55%, mainly from collections at the recently-lowered 1.45% assessed rate for commercial and industrial properties.

In fiscal year 2025, HPTF financed 48 projects that produced or preserved 5,500 housing units in the District. The total amount of HPTF funding obligated in fiscal year 2025 was approximately \$225 million. The projects financed included six new construction projects, 41 bridge grants/loans for distressed or pipeline projects, and one substantial rehabilitation project.

At the end of fiscal year 2025, DHCD had 43 additional housing projects in its underwriting pipeline that will

produce or preserve approximately 3,970 housing units when completed. The total estimated amount of HPTF funding to be committed for these projects is approximately \$342 million. The 43 projects include 12 new construction projects, five substantial rehabilitation projects, and 26 bridge grants/loans for distressed/pipeline projects.

### The District Bond Ratings

Rating agencies assess the credit quality of municipal issuers and assign credit ratings to issuers based on the outcome of their assessments. Consequently, rating agencies provide vital information to investors regarding the relative risks associated with rated bond issues. Attaining an acceptable credit rating facilitates access to the market and the possibility of realizing favorable borrowing costs for an issuer. During 2025, Moody's Investors Service downgraded the general obligation debt of the District from Aaa to Aa1. Although downgraded, these ratings continue to support the superior ability of the District to repay its long-term debt obligations. Additional information about the bond ratings for the District may be obtained on the District's investor relations website at <https://dcbonds.com>.

**Table T-4** presents the ratings for District General Obligation Bonds and District Income Tax Secured Revenue Bonds over the past five years.

**Table T-4**  
**Bond Rating History (2021 - 2025)**

	General Obligation Bonds				
	2021	2022	2023	2024	2025
Moody's Investors Service	Aaa	Aaa	Aaa	Aaa	Aa1
Standard & Poor's Global Ratings	AA+	AA+	AA+	AA+	AA+
Fitch Ratings	AA+	AA+	AA+	AA+	AA+

	Income Tax Secured Revenue Bonds				
	2021	2022	2023	2024	2025
Moody's Investors Service	Aa1	Aa1	Aa1	Aa1	Aa1
Standard & Poor's Global Ratings	AAA	AAA	AAA	AAA	AAA
Fitch Ratings	AA+	AA+	AA+	AA+	AA+

### Long-Term Financial Planning

Like other state and local governments throughout the country, the District continues to experience significant challenges in maintaining its most vital infrastructure, especially as it aims to manage increasing needs for funding operational requirements to support residents while budgets become more constrained due to slower revenue growth.

The District faces several internal and external challenges, including changes to federal employment and office use patterns which affect the local office real estate market and property values. Further challenges include stagnant population growth due to federal workforce reductions and tighter immigration policies, and declining tourism through more restrictive trade and travel policies. However, prudent financial management practices and fiscal discipline instituted over the years have enabled the District to address revenue shortfalls without sacrificing long-term budget priorities.

District officials continue to maintain a strong, stable financial environment by: developing a six-year capital improvements plan and a balanced five-year operating financial plan; monitoring and analyzing the quarterly revenue estimates of the District and making spending adjustments throughout the year, as necessary; identifying sound measures to enhance revenue streams; and striking an appropriate balance between funding the essential programs or services of the District versus its capital assets needs. The development and implementation of a budget that preserves long-term fiscal priorities despite unprecedented and unforeseen circumstances demonstrates the fiscal resilience of the District. This resiliency and strength become transparent in the financial markets as the District has maintained its high quality credit ratings over the last several years. This is critically important and allows the District to develop strategies as it continuously assesses its long-term capital and operational needs.

### Enhancements to Capital Planning Process

The OCFO released its 2025 Long-Range Capital Financial Plan Report in October 2025. This report is intended to assist the Mayor, Council, other policymakers, and the public in understanding the size and scope of projects and future capital needs related to the infrastructure of the District during the current Capital Improvements Plan period and beyond. The development of the Long-Range Capital Financial Plan also allows the District to have a truly data-driven and transparent Capital Improvements Plan process.

The infrastructure needs of the District, which serves as a city, state, county, and school district, are significant. For that reason, the District continues to utilize the Capital Asset Replacement Scheduling System (CARSS), an asset management planning solution to manage its capital assets. CARSS contains a detailed inventory of all District-owned assets, including land, buildings, roads and streets, vehicles, and equipment, delivers a comprehensive view of the health of the capital assets of the District and provides information on each project or asset. The Long-Range Capital Financial Plan Report provides updates on the detailed information captured in CARSS for individual assets.

Although the District continues to face challenges, it will fund roughly \$10.71 billion of its highest-priority capital needs through 2030. However, the overall need for new or replacement facilities and maintenance of existing facilities far exceeds this funding level. CARSS analysis identified \$5.98 billion of additional unmet needs that cannot be funded during this Capital Improvements Plan period, although the District has made significant progress in addressing its deferred maintenance needs. Like any other enterprise, the District has limits on how much it can borrow and must strike an appropriate balance between funding its ongoing operations (programs and services) and investing in capital assets.

## Major Initiatives

The following tables present some of the major initiatives and projects of the District which were completed (**Table T-5**) or in progress (**Table T-6**) as of September 30, 2025.

**Table T-5**  
Projects Completed by Economic Sector

Project	Location	Square Footage/ Units/ Rooms	Estimated Value (\$000s)	Delivery Date (Calendar Year Basis)
<b>Retail</b>				
ART Place at Fort Totten (Aldi)	5300 South Dakota Avenue, NE	24,000 sq ft	Not available	4th Qtr 2024
The Yards DC Urby	110 N Street, SE	26,000 sq ft	Not available	3rd Qtr 2025
The Stacks (Phase I)	101 V Street, SW	40,000 sq ft	\$ 650,000	1st Qtr 2025
Residences at Mazza	5300 Wisconsin Avenue, NW	90,000 sq ft	\$ 150,000	3rd Qtr 2025
<b>Office</b>				
The Milken Center for Advancing the American Dream	1501 Pennsylvania Avenue, NW	132,000 sq ft	Not available	3rd Qtr 2025
EucKal - 1724 Kalorama Road	1724 Kalorama Road, NW	7,448 sq ft	\$ 16,000	2nd Qtr 2025
<b>Residential</b>				
Annex on 12th	300 12th Street, SW	562 units	Not available	4th Qtr 2024
Vermeer	113 Potomac Avenue, SW	501 units	\$ 259,000	4th Qtr 2024
The Bridge District (Phase I)	632 Howard Road, SE	757 units	\$ 350,000	1st Qtr 2025
The Stacks (Phase I)	101 V Street, SW	1,100 units	\$ 650,000	1st Qtr 2025
The Yards DC Urby	110 N Street, SE	466 units	Not available	3rd Qtr 2025
Residences at Mazza	5300 Wisconsin Avenue, NW	321 units	\$ 150,000	3rd Qtr 2025
Wardman Park Redevelopment	2650 Woodley Road, NW	900 units	\$ 500,000	3rd Qtr 2025
<b>Hospitality</b>				
Arlo DC Hotel	333 G Street, NW and 704 3rd Street, NW	445 rooms	Not available	4th Qtr 2024
Mint House	1010 Vermont Avenue, NW	85 rooms	\$ 50,000	2nd Qtr 2025
The Sixty DC	1337 Connecticut Avenue, NW	73 rooms	\$ 39,000	2nd Qtr 2025
<b>Education/Quality of Life</b>				
Joy Evans Therapeutic Recreation Center	3030 G Street, SE	37,000 sq ft	\$ 40,000	4th Qtr 2024
Cedar Hill Regional Medical Center	1200 Pecan Street, SE	407,000 sq ft	\$ 434,000	2nd Qtr 2025
Fort Dupont Ice Arena	3779 Ely Place, SE	43,600 sq ft	\$ 39,000	2nd Qtr 2025

Source:

Washington, DC Development Report 2024/2025 Edition, published by Washington DC Economic Partnership

**Table T-6**  
**Projects Under Construction by Economic Sector**

Project	Location	Square Footage/Units/Rooms	Estimated Value (\$000s)	Estimated Delivery Date (Calendar Year Basis)
<b>Retail</b>				
600 5th Street	600 5th Street, NW	12,612 sq ft	\$ 370,000	4th Qtr 2025
The Edmonson Reservoir District	1130 Sumner Road, SE North Capitol Street & Michigan Avenue, NW	20,000 sq ft 80,000 sq ft	Not available \$ 720,000	4th Qtr 2026 2029
<b>Office</b>				
AIA Headquarters Modernization 600 5th Street	1735 New York Avenue, NW 600 5th Street, NW	180,000 sq ft 414,742 sq ft	\$ 60,000 \$ 370,000	4th Qtr 2025 4th Qtr 2025
<b>Residential</b>				
Carl F. West Estates 1125 15th Street Reservoir District	1370 Harvard Street, NW 1125 15th Street, NW North Capitol Street & Michigan Avenue, NW	215 units 264 units 730 units	\$ 134,000 Not available \$ 720,000	1st Qtr 2026 1st Qtr 2026 2029
<b>Hospitality</b>				
citizenM - Georgetown 1776 K Street Base Camp Capital One Arena Modernization	3401 Water Street, NW 1776 K Street, NW 1600 M Street, NW 601 F Street, NW	230 rooms 278 rooms 110,000 sq ft 1,200,000 sq ft	Not available Not available Not available \$ 800,000	2026 1st Qtr 2026 4th Qtr 2026 3rd Qtr 2027
<b>Education and Medical/Quality of Life</b>				
Spingarn High School (DCIA) Anacostia Recreation Center MacArthur High School Modernization Neval Thomas Elementary School Modernization	2500 Benning Road, NE 1929 15th Street, SE 4530 MacArthur Boulevard, NW 650 Anacostia Avenue, NE	50,000 sq ft 12,100 sq ft 120,000 sq ft 80,030 sq ft	\$ 64,000 \$ 16,000 \$ 85,000 \$ 79,000	4th Qtr 2025 1st Qtr 2026 3rd Qtr 2026 3rd Qtr 2026

Source:

Washington, DC Development Report 2024/2025 Edition, published by Washington DC Economic Partnership

## Retail, Residential, and Medical Projects

### Joy Evans Therapeutic Recreation Center

On December 23, 2024, the Mayor and community members joined together to cut the ribbon on the new Joy Evans Therapeutic Recreation Center. Located at 3030 G Street, SE, the 37,000-square-foot center sits on 7.5 acres of land. The Center is designed to serve residents of all ages and abilities with state-of-the-art amenities that enhance the physical, cognitive, and emotional well-being of its guests. Key amenities include therapy, wellness, and active rooms; a sensory room; a therapeutic pool and spa; locker rooms; a senior lounge; fitness center; and a full-size gymnasium. The outdoor spaces are equally inclusive and innovative featuring two playgrounds; a splash pad, a community garden; outdoor fitness equipment; walking paths; and open park spaces. This \$40.4 million project has become the premier therapeutic recreation center in the region.

### Cedar Hill Regional Medical Center GW Health

On April 10, 2025, the Mayor was joined by healthcare leaders, project partners, and community members to cut the ribbon on the new Cedar Hill Regional Medical Center GW Health. This is the first new hospital built in the District in 25 years. The \$434.4 million public-private partnership project spans 406,000 square feet on the historic St. Elizabeths East campus in Southeast, D.C. Cedar Hill Regional Medical Center GW Health is a full-service hospital which contains 136 beds (expandable to 184 beds); a trauma care center; a 54-bay emergency department; maternal health and delivery services; an ambulatory pavilion; a 500-car parking garage; and a helipad for emergency transports. The hospital offers a full range of outpatient and specialty services such as dialysis infusion, cardiac rehabilitation, physical therapy and more. Cedar Hill Regional Medical Center GW Health officially opened its doors to patients on April 15, 2025.

## 600 5th Street – Former WMATA Headquarters

The former home to the Washington Metropolitan Area Transit Authority (WMATA) is undergoing a significant renovation of the existing structure. Located at 600 5th Street, NW, the building served as the headquarters for WMATA for 48 years until its relocation in 2022. The redevelopment plan calls for the former 360,000-square-foot building to be modernized and expanded to more than 400,000 square-feet. It will feature cutting-edge office spaces, outdoor terraces, green spaces, and 12,600 square feet dedicated to a corner restaurant. This \$370 million project is scheduled for completion in 2026.

## RFK Campus Redevelopment

In April 2025, the Mayor and Managing Partner of the Washington Commanders football team announced a historic deal to return the football team to Washington, D.C., playing its games at the historic 180-acre Robert F. Kennedy (RFK) site. The deal includes building a new 65,000-seat, state-of-the-art roofed stadium that will be able to host events year-round. The stadium, which will occupy only 11% of the site, will catalyze the transformation of the entire campus to include restaurants, hotels, retail, entertainment venues, housing, and neighborhood amenities. As the largest private investment in the history of the District, the Washington Commanders have committed to spending \$2.7 billion, the full cost of the stadium's construction. The District will use the existing debt service fund to back a \$500 million investment to prepare the land and handle needed infrastructure. The entire campus is expected to create approximately 14,000 jobs in construction, 2,000 permanent jobs and \$4 billion in total tax revenue.

The team played at RFK Stadium for 35 seasons, from 1961 to 1996, and moved to the Jack Kent Cooke Stadium, located in Landover, Maryland, in 1997. After playing home games in Landover, Maryland for approximately 30 years, the Washington Commanders will be returning to the District in 2030.

## Transportation and Other Projects

### Transportation

The District Department of Transportation (DDOT) is the agency responsible for managing transportation infrastructure and operations. DDOT manages hundreds of projects across the city and ensures that the District's roads are safe, reliable, and easy to navigate for the millions of residents, commuters, and visitors who use the transportation network each year.

### Mamie "Peanut" Johnson Plaza - Florida Avenue NE and New York Avenue NE Intersection Project

On June 2, 2025, DDOT personnel, the Mayor, the NoMa Business Improvement District (NoMa Bid), and community members unveiled the newly transformed

Mamie "Peanut" Johnson Plaza located at the Florida Avenue NE and New York Avenue NE intersection. This \$41 million infrastructure project was designed to enhance all modes of transportation and improve the overall safety to this busy intersection. The newly reconfigured Mamie "Peanut" Johnson Plaza connects the Eckington, NoMa, Union Market, and Shaw communities. The project added two-way traffic to First Street NE, restored two-way traffic on Florida Avenue NE, added protected bicycle lanes, improved pedestrian connectivity and vehicular flow, and created new green space for these communities. The plaza honors Mamie "Peanut" Johnson, the first woman to pitch in the Negro Leagues and longtime resident of Northeast DC.

### Rehabilitation of the Theodore Roosevelt Bridge

In April 2025, DDOT announced the start of the rehabilitation of the Theodore Roosevelt Bridge project. Opened in 1964, the Theodore Roosevelt Bridge, which crosses the Potomac River, has been a critical structure that connects neighboring Arlington, Virginia to Washington, DC. The bridge carries three lanes of vehicular traffic inbound towards Washington, D.C. as well as three outbound lanes towards Arlington, Virginia. Currently, the bridge is structurally deficient and functionally obsolete and if repairs are not completed, long-term traffic impacts will occur, which may include the eventual closure of the bridge. This rehabilitation project will extend the service life of the bridge by 20 to 30 years and better provide for the safe mobility of pedestrians and bicyclists. The proposed scope of the project will include sidewalk widening; deck replacement; structural repairs and painting; upgrading of the traffic barrier and pedestrian railing; and replacement of all sign structures. Total project costs will be approximately \$128 million, and the project is expected to be completed within 42 months.

### Bike Lane Projects

DDOT is working to create an equitable, connected, and low-stress bicycle lane network that is accessible to all users across the District of Columbia. The District currently has 114 miles of bicycle lanes that DDOT plans, constructs, and manages. Below are four bike lane projects that were completed in 2025:

- Riggs Road NE – From First Place to South Dakota Avenue NE; the new two-way protected cycle track provides a safe connection for bikes to Fort Totten and the Metropolitan Branch Trail.
- New Jersey Avenue NW – From Louisiana Avenue to H Street NW; protected bike lanes were installed and reduced travel lanes to a single lane in each direction.
- K Street NE – From 1st to 2nd Street NE; this short distance located underneath a rail bridge filled the gap that connects to the north-south Metropolitan Branch Trail and West Virginia Avenue NE protected bicycle lanes.

- I Street SE/SW – From 4th Street SW to 1st Street SE; bicycle lanes were upgraded to protected bicycle lanes providing a low-stress route between the 14th Street Bridge, the Wharf, and Capitol Hill.

To view a map of existing and planned bike lanes in the District, you may visit <https://bikelanes.ddot.dc.gov>.

Additional information about these and other initiatives within the District may be obtained from the following locations and websites:

**Office of the Deputy Mayor for Planning and Economic Development**

John A. Wilson Building  
1350 Pennsylvania Avenue, NW, Suite 317  
Washington, DC 20004  
Telephone: (202) 727-6365  
Website: <https://dmped.dc.gov>

**Office of Planning**

899 North Capitol Street, NE, Suite 7100  
Washington, DC 20002  
Telephone: (202) 442-7600  
Website: <https://planning.dc.gov>

**Office of Tax and Revenue**

1101 4th Street, SW, Suite 270 West  
Washington, DC 20024  
Telephone: (202) 727-4829  
Website: <https://otr.cfo.dc.gov>

**Department of General Services**

3924 Minnesota Avenue, NE  
Washington, DC 20019  
Telephone: (202) 727-2800  
Website: <https://dgs.dc.gov>

**Department of Housing and Community Development**

1909 Martin Luther King Jr. Avenue, SE  
Washington, DC 20020  
Telephone: (202) 442-7200  
Website: <https://dhcd.dc.gov>

**Department of Parks and Recreation**

1275 First Street, NE, 8th Floor  
Washington, DC 20002  
Telephone: (202) 673-7647  
Website: <https://dpr.dc.gov>

**District Department of Transportation**

250 M Street, SE  
Washington, DC 20003  
Telephone: (202) 673-6813  
Website: <https://ddot.dc.gov>

**AWARDS AND ACKNOWLEDGMENTS**

**Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District of Columbia for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024. The District has received this award for 40 of the last 43 years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR that satisfies both generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that the fiscal year 2025 ACFR continues to meet the requirements of the Certificate of Achievement Program, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District also earned an award from the GFOA for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the fiscal year ended September 30, 2024, for the twenty-first time. The PAFR presents the financial results of the District in a format and language that allows information to be more easily understood by the general public. The PAFR is not required to present the same level of detail as the ACFR. It is a less detailed overview of the city's financial activities and contains simplified jargon with graphics and photographs that enhance the District's message.

Like the Certificate of Achievement, the Award for Popular Annual Financial Reporting is valid for one year only. The District expects the fiscal year 2025 PAFR will conform to the GFOA requirements of the Popular Annual Financial Reporting Program and will be submitting it for consideration. The PAFR can be found on the website of the District at [www.cfo.dc.gov](http://www.cfo.dc.gov).

**Acknowledgments**

I would like to express my sincere appreciation to all staff who contributed to this report, especially my immediate staff, *Diji Omisore, Belete Sitota, Mulu Kahsay, Temony McNeil, Manas Mondal, Wilma Matthias, Cassandra Alexander, Vanessa Jackson*, and their respective teams who prepared and compiled this report. I commend them for their professionalism, hard work, and efforts to continuously improve the business and financial reporting processes. Finally, this Annual Comprehensive Financial Report could not have been prepared without the full cooperation of the Component Units and the assistance and efficient administration of the District's financial operations by all District Agencies. I would like to express my sincerest gratitude to agency financial and program staff and personnel within the component units and other independent entities for their hard work and dedication throughout the fiscal year. I would also like

to thank the Office of the Inspector General, and the District's independent auditors CliftonLarsonAllen LLP (CLA), assisted by F.S.Taylor & Associates, P.C. for their efforts throughout the audit engagement.

Respectfully submitted,

A handwritten signature in black ink that reads "Kimberly Williams". The signature is fluid and cursive, with "Kimberly" on the top line and "Williams" on the bottom line.

Kimberly Williams  
Deputy Chief Financial Officer and Controller  
Office of Financial Operations and Systems