



DISTRICT
OF COLUMBIA

CAFR

2014 COMPREHENSIVE ANNUAL
FINANCIAL REPORT



VINCENT C. GRAY
MAYOR
JANUARY 2, 2011 – JANUARY 2, 2015

MURIEL BOWSER
MAYOR
PRESENT

JEFFREY S. DEWITT
CHIEF FINANCIAL OFFICER

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

Year Ended September 30, 2014

Statistical Section (Unaudited)

This section contains statistical tables that reflect information on financial trends, revenue capacity, debt capacity, demographics and the economy, and other data regarding the District’s operations. These tables differ from the financial statements because they usually cover more than two fiscal years and may present non-accounting data.

The Statistical Section is divided into 5 sections as follows:

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1. Financial Trends

These schedules contain trend information, which may be used to better understand how the District's financial performance and well-being have changed over time.

Net Position By Component
Last Ten Fiscal Years
(accrual basis of accounting, dollars in thousands)

Exhibit S-1A

NET POSITION	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	\$ 1,069,731	\$ 958,597	\$ 1,197,275	\$ 1,794,279	\$ 2,155,206	\$ 2,437,385	\$ 2,534,538	\$ 2,872,272	\$ 2,849,043	\$ 2,830,199
Restricted	930,021	987,650	1,269,708	1,156,213	852,061	1,117,560	963,694	1,057,582	1,264,682	1,195,364
Unrestricted	(249,088)	167,779	92,345	(404,959)	(505,804)	(739,720)	(527,647)	(601,284)	(632,045)	(456,827)
Total governmental activities net position	1,750,664	2,114,026	2,559,328	2,545,533	2,501,463	2,815,225	2,970,585	3,328,570	3,481,680	3,568,736
Business-type activities										
Net investment in capital assets	16,183	17,505	17,211	16,747	16,012	4,827	478	480	427	270
Restricted	322,893	347,938	375,148	374,282	304,773	233,296	226,229	229,930	241,952	260,645
Unrestricted	34,968	29,000	25,980	24,773	25,864	8,628	3,501	3,607	3,911	4,012
Total business-type activities net position	374,044	394,443	418,339	415,802	346,649	246,751	230,208	234,017	246,290	264,927
Primary government										
Net investment in capital assets	1,085,914	976,102	1,214,486	1,811,026	2,171,218	2,442,212	2,535,016	2,872,752	2,849,470	2,830,469
Restricted	1,252,914	1,335,588	1,644,856	1,530,495	1,156,834	1,350,856	1,189,923	1,287,512	1,506,634	1,456,009
Unrestricted	(214,120)	196,779	118,325	(380,186)	(479,940)	(731,092)	(524,146)	(597,677)	(628,134)	(452,815)
Total primary government net position	\$ 2,124,708	\$ 2,508,469	\$ 2,977,667	\$ 2,961,335	\$ 2,848,112	\$ 3,061,976	\$ 3,200,793	\$ 3,562,587	\$ 3,727,970	\$ 3,833,663

* Due to the District's policy change on the recognition of personal property tax revenues, FY2010 & 2012 information has been adjusted

** In FY2013, the District implemented GASB #65 and restated the beginning net position. The effect of this restatement is not reflected in information presented for years prior to FY2013.

Source: Information was extracted from Exhibit 1-a, Statement of Net Position, Page 42.

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting, dollars in thousands)

Exhibit S-1B

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities						*			**	
Expenses										
Governmental direction and support	\$ 641,964	\$ 574,097	\$ 787,392	\$ 834,694	\$ 878,219	\$ 871,240	\$ 783,557	\$ 987,978	\$ 993,774	\$ 929,313
Economic development and regulation	283,186	391,203	509,874	499,644	470,567	374,149	370,592	353,618	460,082	416,670
Public safety and justice	1,036,120	1,124,896	1,264,715	1,384,517	1,407,166	1,563,505	1,521,863	1,490,423	1,497,016	1,568,899
Public education system	1,374,538	1,486,112	1,589,652	1,787,635	1,937,238	1,989,518	2,086,722	2,113,955	2,224,946	2,221,519
Human support services	2,663,556	2,967,372	2,992,805	3,285,325	3,598,570	3,677,405	3,889,812	3,925,613	4,086,722	4,336,730
Public works	307,247	351,917	481,702	586,649	553,233	497,027	489,304	587,002	603,423	651,221
Public transportation	167,783	187,615	198,484	214,905	230,499	243,668	257,703	221,339	284,851	309,436
Interest on long-term debt	201,882	269,725	281,918	293,339	336,536	324,319	356,164	397,216	382,530	396,754
Total governmental activities expenses	6,676,276	7,352,937	8,106,542	8,886,708	9,412,028	9,540,831	9,755,717	10,077,144	10,533,344	10,830,542
Program revenues										
Charges for services, fees, fines & forfeitures:										
Economic development and regulation	92,198	94,487	102,230	111,105	105,148	112,074	126,407	134,410	136,436	146,067
Public works	132,533	146,628	151,957	206,771	196,119	219,005	228,287	191,960	170,810	189,566
Others	102,431	84,298	80,790	61,273	98,211	118,943	135,407	211,033	223,969	165,753
Operating grants & contributions	2,098,723	2,155,035	2,309,495	2,178,275	2,813,568	3,321,671	3,343,747	3,190,038	3,277,118	3,368,565
Capital grants & contributions	112,704	119,715	130,557	175,841	180,602	259,277	172,964	261,411	270,813	178,218
Total governmental activities program revenues	2,538,589	2,600,163	2,775,029	2,733,265	3,393,648	4,030,970	4,006,812	3,988,852	4,079,146	4,048,169
Net expenses	<u>(4,137,687)</u>	<u>(4,752,774)</u>	<u>(5,331,513)</u>	<u>(6,153,443)</u>	<u>(6,018,380)</u>	<u>(5,509,861)</u>	<u>(5,748,905)</u>	<u>(6,088,292)</u>	<u>(6,454,198)</u>	<u>(6,782,373)</u>
General revenues										
Taxes:										
Property taxes	1,150,672	1,272,998	1,545,325	1,787,365	1,951,345	1,881,733	1,803,691	1,945,071	2,012,788	2,118,198
Sales and use taxes	957,394	1,004,471	1,056,780	1,101,859	1,052,011	1,081,005	1,121,257	1,218,576	1,247,374	1,282,573
Income and franchise taxes	1,472,432	1,591,483	1,736,361	1,755,894	1,478,068	1,434,131	1,656,283	1,956,590	2,094,179	2,094,754
Gross receipts taxes	295,819	278,453	302,768	302,873	315,976	295,531	279,002	319,036	345,852	389,539
Other taxes	377,213	390,542	498,198	413,401	261,909	264,959	403,199	404,066	400,308	423,354
Investment earnings	39,811	73,207	124,420	95,847	28,242	19,156	6,122	21,944	6,071	6,810
Miscellaneous	311,662	431,182	456,425	458,469	530,847	447,368	563,400	514,590	580,097	499,235
Special items	-	-	(8,838)	153,640	287,137	266,942	-	-	-	-
Transfers	71,450	73,800	65,376	70,300	68,775	96,624	71,311	66,404	68,314	54,966
Total governmental activities general revenues	4,676,453	5,116,136	5,776,815	6,139,648	5,974,310	5,787,449	5,904,265	6,446,277	6,754,983	6,869,429
Change in net position --- governmental activities	\$ 538,766	\$ 363,362	\$ 445,302	\$ (13,795)	\$ (44,070)	\$ 277,588	\$ 155,360	\$ 357,985	\$ 300,785	\$ 87,056

* Due to the District's policy change on the recognition of personal property tax revenues, FY2010 information has been adjusted
 ** In FY2013, the District implemented GASB #65 and restated the beginning net position. The effect of this restatement is not reflected in information presented for years prior to FY2013.
 Source: Information was extracted from Exhibit 1-b, Statement of Activities, Page 43.

Statistical Section

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting, dollars in thousands)

Exhibit S-1B (Continued)

	2005	2006	2007	2008	2009	2010*	2011	2012	2013**	2014
Business activities										
Expenses										
Lottery and games	\$ 164,066	\$ 193,907	\$ 192,336	\$ 182,981	\$ 176,625	\$ 163,393	\$ 169,526	\$ 183,185	\$ 173,927	\$ 161,144
Unemployment compensation	92,728	102,749	99,920	150,237	370,775	480,976	408,997	344,913	255,645	160,403
Nursing home services	35,066	35,434	37,556	40,837	44,601	18,817	4,555	-	-	-
Total business-type activities expenses	291,860	332,090	329,812	374,055	592,001	663,186	583,078	528,098	429,572	321,547
Program revenues										
Charges for services, fees, fines & forfeitures:										
Lottery and games	234,931	266,391	256,824	252,721	245,370	230,159	231,749	249,675	242,460	216,040
Nursing home services	32,184	29,154	31,849	37,435	43,424	19,991	4,135	-	-	-
Operating grants & contributions	16,707	14,825	18,358	21,191	36,985	36,998	34,968	27,945	32,790	9,766
Total business-type activities program revenues	283,822	310,370	307,031	311,347	325,779	287,148	270,852	277,620	275,250	225,806
Net expenses	<u>(8,038)</u>	<u>(21,720)</u>	<u>(22,781)</u>	<u>(62,708)</u>	<u>(266,222)</u>	<u>(376,038)</u>	<u>(312,226)</u>	<u>(250,478)</u>	<u>(154,322)</u>	<u>(95,741)</u>
General revenues										
Taxes:										
Other taxes	92,985	95,888	90,117	92,733	94,622	129,471	128,875	133,618	131,025	141,760
Investment earnings	18,887	19,321	20,841	21,317	19,061	13,584	11,764	8,517	7,723	7,340
Miscellaneous	680	710	1,095	16,355	152,161	229,709	226,355	178,556	96,161	20,244
Transfers	(71,450)	(73,800)	(65,376)	(70,300)	(68,775)	(96,624)	(71,311)	(66,404)	(68,314)	(54,966)
Total business-type activities general revenues	41,102	42,119	46,677	60,105	197,069	276,140	295,683	254,287	166,595	114,378
Change in net position --- business-type activities	\$ 33,064	\$ 20,399	\$ 23,896	\$ (2,603)	\$ (69,153)	\$ (99,898)	\$ (16,543)	\$ 3,809	\$ 12,273	\$ 18,637
Total primary government										
Expenses	\$ 6,968,136	\$ 7,685,027	\$ 8,436,354	\$ 9,260,763	\$ 10,004,029	\$ 10,204,017	\$ 10,338,795	\$ 10,605,242	\$ 10,962,916	\$ 11,152,089
Program revenues	2,822,411	2,910,533	3,082,060	3,044,612	3,719,427	4,318,118	4,277,664	4,266,472	4,354,396	4,273,975
Net expenses	(4,145,725)	(4,774,494)	(5,354,294)	(6,216,151)	(6,284,602)	(5,885,899)	(6,061,131)	(6,338,770)	(6,608,520)	(6,878,114)
General revenues	4,717,555	5,158,255	5,823,492	6,199,753	6,171,379	6,063,589	6,199,948	6,700,564	6,921,578	6,983,807
Change in net position --- primary government	\$ 571,830	\$ 383,761	\$ 469,198	\$ (16,398)	\$ (113,223)	\$ 177,690	\$ 138,817	\$ 361,794	\$ 313,058	\$ 105,693

* Due to the District's policy change on the recognition of personal property tax revenues, FY2010 information has been adjusted

** In FY2013, the District implemented GASB #65 and restated the beginning net position. The effect of this restatement is not reflected in information presented for years prior to FY2013.

Source: Information was extracted from Exhibit I-b, Statement of Activities, Page 43.

Exhibit S-1C

**Fund Balances, Governmental Funds
Last Ten Fiscal Years**

(modified accrual basis of accounting, dollars in thousands)

	2005	2006	2007	2008	2009	2010
General Fund						
Reserved	\$ 1,110,770	\$ 1,045,560	\$ 1,135,459	\$ 957,977	\$ 703,694	\$ 836,181
Unreserved	473,913	389,582	358,541	286,745	216,789	94,588
Total general fund	\$ 1,584,683	\$ 1,435,142	\$ 1,494,000	\$ 1,244,722	\$ 920,483	\$ 930,769
All other governmental funds						
Reserved, reported in:						
Special revenue funds	\$ 249,911	\$ 321,878	\$ 460,556	\$ 465,229	\$ 507,678	\$ 555,476
Capital project funds	86,530	732,602	835,024	629,805	417,212	137,922
Unreserved, reported in:						
Capital project funds	(312,161)	-	-	-	-	-
Total all other governmental funds	\$ 24,280	\$ 1,054,480	\$ 1,295,580	\$ 1,095,034	\$ 924,890	\$ 693,398

In FY 2011, the District implemented GASB Statement #54; presentation is not comparable to prior years.

	2011	2012	2013	2014
General Fund				
Nonspendable	\$ 18,465	\$ 20,357	\$ 16,015	\$ 25,668
Restricted	756,650	856,277	976,071	983,011
Committed	256,287	595,008	659,567	744,649
Assigned	73,492	34,879	97,275	120,331
Unassigned	-	-	-	-
Total general fund	\$ 1,104,894	\$ 1,506,521	\$ 1,748,928	\$ 1,873,659
All other governmental funds				
Nonspendable	\$ -	\$ -	\$ -	\$ 9,736
Restricted	621,740	541,642	717,664	639,604
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	(116,269)	-	(114,248)
Total all other governmental funds	\$ 621,740	\$ 425,373	\$ 717,664	\$ 535,092

* Due to the District's policy change on the recognition of personal property tax revenues, FY2010 information has been adjusted.
Source: Information was extracted from Exhibit 2-a, Balance Sheet - Governmental Funds, Page 44.

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting, dollars in thousands)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
REVENUES										
Taxes	\$ 4,251,191	\$ 4,472,845	\$ 5,146,007	\$ 5,333,118	\$ 5,042,487	\$ 4,956,910	\$ 5,260,486	\$ 5,833,054	\$ 6,128,210	\$ 6,325,257
Fines and forfeits	111,146	112,919	101,971	99,452	106,169	128,473	129,448	185,771	178,708	143,124
Licenses and permits	82,093	81,222	89,072	94,988	91,230	86,951	102,769	99,300	105,081	102,242
Charges for services	133,923	131,273	143,934	184,709	202,079	234,598	257,884	252,332	247,426	256,020
Investment earnings	39,811	73,206	124,420	95,847	28,242	19,156	5,789	21,728	6,608	6,810
Miscellaneous	311,573	489,067	444,262	457,747	524,046	447,365	549,006	514,694	511,582	552,455
Federal contributions	382,966	362,075	440,962	433,206	573,446	670,186	617,845	554,979	555,038	519,846
Operating grants	1,828,461	1,912,675	1,999,050	1,920,910	2,420,724	2,910,762	2,898,866	2,896,470	2,992,893	3,026,937
Total revenues	7,141,164	7,635,282	8,489,718	8,619,977	8,988,423	9,454,401	9,822,093	10,358,328	10,725,546	10,932,691
EXPENDITURES										
Governmental direction and support	590,344	611,620	651,974	695,175	672,463	657,935	698,117	787,331	810,803	920,513
Economic development and regulation	267,335	348,091	444,508	461,707	405,140	388,424	351,814	318,266	383,143	411,812
Public safety and justice	1,034,456	1,133,800	1,241,684	1,369,907	1,381,873	1,546,473	1,517,640	1,469,727	1,513,469	1,515,470
Public education system	1,340,767	1,439,510	1,541,194	1,716,701	1,850,200	1,904,023	1,943,438	1,980,384	2,084,613	2,128,137
Human support services	2,657,848	2,952,637	2,975,821	3,222,979	3,485,267	3,669,367	3,823,317	3,881,043	4,042,204	4,261,400
Public works	175,300	184,200	329,942	416,982	388,713	318,590	265,750	342,215	287,598	329,355
Public transportation	167,783	187,615	198,484	214,905	230,499	243,668	257,703	221,339	284,851	309,436
Debt service:										
Principal	183,845	205,654	232,389	251,998	277,523	209,746	211,696	217,645	254,312	306,498
Interest and other charges	202,387	225,195	258,769	287,354	292,484	300,123	333,872	375,461	410,020	422,450
Fiscal charges	9,277	31,958	15,095	25,330	19,659	64,532	14,296	15,447	8,640	4,895
Total debt service	395,509	462,807	506,253	564,682	589,666	574,401	559,864	608,553	672,972	733,843
Subtotal expenditures	6,629,342	7,320,280	7,889,860	8,663,038	9,003,821	9,302,881	9,417,643	9,608,858	10,079,653	10,609,966
Capital outlay	615,089	901,204	1,024,541	1,390,415	1,130,971	1,359,488	1,189,356	1,152,943	1,208,481	1,123,073
Total expenditures	7,244,431	8,221,484	8,914,401	10,053,453	10,134,792	10,662,369	10,606,999	10,761,801	11,288,134	11,733,039
Excess (deficiency) of revenues over (under) expenditures	(103,267)	(586,202)	(424,683)	(1,433,476)	(1,146,369)	(1,207,968)	(784,906)	(403,473)	(562,588)	(800,348)
OTHER FINANCING SOURCES (USES)										
Debt issuance	386,370	1,342,612	610,580	664,105	491,645	750,298	745,025	439,370	833,286	597,230
Refunding debt issuance	-	116,475	251,155	675,895	580,140	835,010	63,860	608,210	25,005	475,305
Premium on sale of bonds	14,478	39,944	16,063	36,282	50,198	89,505	24,711	124,679	154,681	85,679
Payment to escrow agent	-	(136,137)	(264,334)	(675,385)	(607,640)	(855,011)	(63,335)	(679,843)	(28,929)	(503,439)
Equipment financing program	15,144	30,167	42,471	36,479	62,068	34,162	45,801	49,463	41,016	31,716
Transfers in	193,439	685,206	694,229	477,829	447,639	429,033	302,059	353,087	364,563	331,676
Transfers out	(121,989)	(611,406)	(628,853)	(407,529)	(378,864)	(332,409)	(230,748)	(286,683)	(296,249)	(276,710)
Sale of capital assets	-	-	12,168	726	6,800	-	-	450	3,913	1,050
Total other financing sources	487,442	1,466,861	733,479	808,402	651,986	950,588	887,373	608,733	1,097,286	742,507
Special items	-	-	(8,838)	175,250	-	-	-	-	-	-
Net change in fund balances	\$ 384,175	\$ 880,659	\$ 299,958	\$ (449,824)	\$ (494,383)	\$ (257,380)	\$ 102,467	\$ 205,260	\$ 534,698	\$ (57,841)
Total capitalized expenditures	\$ 648,795	\$ 771,069	\$ 857,739	\$ 1,402,291	\$ 1,222,453	\$ 1,455,655	\$ 936,823	\$ 999,605	\$ 925,053	\$ 893,504
Debt service as a percentage of noncapital expenditures	5.86%	5.78%	6.10%	6.23%	6.40%	5.54%	5.64%	6.08%	6.41%	6.72%

* Due to the District's policy change on the recognition of personal property tax revenues, FY2010 information has been adjusted.
Source: Information was extracted from Exhibit 2-b, Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds, Page 45.

Exhibit S-1E
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting, dollars in thousands)

Fiscal Year	Property Tax		Rental	Sales and Use	Income and Franchise	Gross Receipts	Other Taxes	Total
	Real	Personal						
2005	\$ 1,058,100	\$ 72,068	\$ 18,165	\$ 957,394	\$ 1,472,432	\$ 295,819	\$ 377,213	\$ 4,251,191
2006	1,163,598	55,548	22,336	970,885	1,591,483	278,453	390,542	4,472,845
2007	1,452,267	67,394	32,239	1,056,780	1,736,361	302,768	498,198	5,146,007
2008	1,666,315	59,690	33,086	1,101,859	1,755,894	302,873	413,401	5,333,118
2009	1,832,748	69,163	32,612	1,052,011	1,478,068	315,976	261,909	5,042,487
2010	1,790,519	56,501 *	34,264 **	1,081,005	1,434,131	295,531	264,959	4,956,910
2011	1,715,069	52,696	32,980	1,121,257	1,656,283	279,002	403,199	5,260,486
2012	1,843,918	55,734	35,134	1,218,576	1,956,590	319,036	404,066	5,833,054
2013	1,940,169	54,878	45,450	1,247,374	2,094,179	345,852	400,308	6,128,210
2014	2,037,905	55,413	41,719	1,282,573	2,094,754	389,539	423,354	6,325,257

* Due to the District's Policy change on the recognition of personal property tax revenues, FY2010 Information has been adjusted

** Corrected to reflect proper classification

Source: Information was extracted from Exhibit 2-b, Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds, Page 45.