



# CAFR

## 2013

### COMPREHENSIVE ANNUAL FINANCIAL REPORT



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MAYOR

**NATWAR M. GANDHI**  
CHIEF FINANCIAL OFFICER  
JUNE 2000–JANUARY 2014

**JEFF DEWITT**  
CHIEF FINANCIAL OFFICER  
PRESENT

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

Year Ended September 30, 2013



**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 Position**  
**September 30, 2013**  
 (With Comparative Totals at September 30, 2012)  
 (\$000s)

	Primary Government				Component Units
	Governmental Activities	Business-Type Activities	Totals		
			2013	2012 as restated	
<b>ASSETS</b>					
Cash and cash equivalents (unrestricted)	\$ 1,279,409	\$ 8,856	\$ 1,288,265	\$ 989,418	\$ 76,096
Investments (unrestricted)	-	-	-	-	100,542
Due from federal government	508,636	10,210	518,846	526,821	-
Taxes receivable, net	384,120	-	384,120	423,309	-
Accounts receivable, net	154,501	17,542	172,043	194,531	20,275
Other receivables	-	-	-	-	93,191
Due from primary government	-	-	-	-	28,067
Due from component units	24,745	-	24,745	34,282	-
Due from fiduciary funds	388	-	388	2,213	-
Internal balances	35,456	(35,456)	-	-	-
Inventories	25,890	-	25,890	23,079	1,249
Other current assets	2,554	7	2,561	1,750	24,701
Cash and cash equivalents (restricted)	1,583,058	311,814	1,894,872	1,122,493	111,602
Investments (restricted)	98,624	10,200	108,824	404,636	317,663
Other long term assets	714,010	-	714,010	647,285	668,541
Depreciable capital assets, net	8,946,855	427	8,947,282	8,279,832	729,107
Non-depreciable capital assets	1,953,084	-	1,953,084	2,145,607	109,057
<b>Total assets</b>	<b>15,711,330</b>	<b>323,600</b>	<b>16,034,930</b>	<b>14,795,236</b>	<b>2,280,091</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>					
Derivative instrument	50,275	-	50,275	73,597	-
<b>LIABILITIES</b>					
Accounts payable	840,898	58,538	899,436	769,517	34,918
Compensation payable	205,171	838	206,009	182,449	17,518
Due to primary government	-	-	-	-	24,745
Due to component units	28,067	-	28,067	22,827	-
Due to fiduciary funds	-	-	-	35	-
Unearned revenues	661,756	136	661,892	659,133	16,024
Accrued liabilities	425,220	7,598	432,818	439,592	17,279
Accrued interest payable	115,522	-	115,522	116,638	-
Other current liabilities	42,566	-	42,566	10,030	84,616
Derivative instrument liabilities	50,262	-	50,262	73,048	-
Long-term liabilities:					
Due within one year	482,386	4,010	486,396	485,097	41,272
Due in more than one year	9,428,077	6,190	9,434,267	8,695,575	1,470,098
<b>Total liabilities</b>	<b>12,279,925</b>	<b>77,310</b>	<b>12,357,235</b>	<b>11,453,941</b>	<b>1,706,470</b>
<b>NET POSITION</b>					
Net investment in capital assets	2,849,043	427	2,849,470	2,872,752	440,323
Restricted for:					
Expendable					
Debt service	488,201	-	488,201	388,255	-
Benefit payments	-	241,952	241,952	229,930	-
Capital projects	102,434	-	102,434	-	-
Grants and special purposes	170,162	-	170,162	180,921	-
Budget reserves	30,759	-	30,759	29,874	-
Purpose restriction	117,621	-	117,621	99,072	-
Emergency reserves	339,490	-	339,490	339,103	-
Other	16,015	-	16,015	20,357	155,457
Nonexpendable	-	-	-	-	7,568
Unrestricted (deficit)	(632,045)	3,911	(628,134)	(745,352)	(29,727)
<b>Total net position</b>	<b>\$ 3,481,680</b>	<b>\$ 246,290</b>	<b>\$ 3,727,970</b>	<b>\$ 3,414,912</b>	<b>\$ 573,621</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, 2013  
(With Comparative Totals for the Year Ended September 30, 2012)  
(\$000s)

Functions/Programs Primary government:	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services, Fees, Fines & Forfeits	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government		
						Business-type Activities	Totals	
					2013	2012 as restated		
<b>Governmental activities:</b>								
Governmental direction and support	\$ 993,774	\$ 106,069	\$ 48,622	\$ 4,454	\$ (834,629)	\$ (870,131)		
Economic development and regulation	460,082	136,436	66,777	576	(256,293)	(145,088)		
Public safety and justice	1,497,016	107,276	529,382	-	(860,358)	(842,617)		
Public education system	2,224,946	2,731	348,622	-	(1,873,593)	(1,738,444)		
Human support services	4,086,722	7,893	2,257,582	41,210	(1,780,037)	(1,751,352)		
Public works	603,423	170,810	26,133	224,573	(181,907)	(122,105)		
Public transportation	284,851	-	-	-	(284,851)	(221,339)		
Interest on long-term debt	382,530	-	-	-	(382,530)	(397,216)		
<b>Total governmental activities</b>	<b>10,533,344</b>	<b>531,215</b>	<b>3,277,118</b>	<b>270,813</b>	<b>(6,454,198)</b>	<b>(6,088,292)</b>		
<b>Business-type activities:</b>								
Lottery and games	173,927	242,460	-	-	\$ 68,533	66,490		
Unemployment compensation	255,645	-	32,790	-	(222,855)	(316,968)		
<b>Total business-type activities</b>	<b>429,572</b>	<b>242,460</b>	<b>32,790</b>	<b>-</b>	<b>(154,322)</b>	<b>(250,478)</b>		
<b>Total primary government</b>	<b>\$ 10,962,916</b>	<b>\$ 773,675</b>	<b>\$ 3,309,908</b>	<b>\$ 270,813</b>	<b>(6,608,520)</b>	<b>(6,338,770)</b>		
<b>Component units:</b>								
Health benefit exchange	\$ 16,155	\$ -	\$ 16,155	\$ 27,744			\$ 27,744	
Convention center	229,078	26,505	-	-			(202,573)	
Not-for-profit hospital corporation	101,271	89,956	-	-			(11,315)	
Housing finance	65,937	5,004	-	-			(60,933)	
University	141,338	30,173	23,277	19,960			(67,928)	
<b>Total component units</b>	<b>\$ 553,779</b>	<b>\$ 151,638</b>	<b>\$ 39,432</b>	<b>\$ 47,704</b>			<b>(315,005)</b>	
<b>General revenues:</b>								
<b>Taxes:</b>								
Property taxes					2,012,788	1,945,071	-	
Sales and use taxes					1,247,374	1,218,576	-	
Income and franchise taxes					2,094,179	1,956,590	-	
Gross receipts taxes					345,852	319,036	-	
Other taxes					400,308	537,684	-	
Investment earnings					6,071	13,794	45,557	
Miscellaneous					580,097	676,258	31,992	
Subsidy from primary government					68,314	-	190,513	
Transfer in (out)					-	-	-	
<b>Total general revenues and transfers</b>					<b>6,754,983</b>	<b>6,700,564</b>	<b>268,062</b>	
<b>Change in net position</b>					<b>300,785</b>	<b>313,058</b>	<b>(46,943)</b>	
Net position at October 1, as restated					<b>3,180,895</b>	<b>3,414,912</b>	<b>620,564</b>	
Net position at September 30					<b>\$ 3,481,680</b>	<b>\$ 3,727,970</b>	<b>\$ 573,621</b>	

The accompanying notes are an integral part of this statement.

Exhibit 2-a

**District of Columbia  
Balance Sheet  
Governmental Funds  
September 30, 2013  
(With Comparative Totals at September 30, 2012)  
(\$000s)**

	General	Federal & Private Resources	Housing Production Trust	General Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds	
						2013	2012
<b>ASSETS</b>							
Cash and cash equivalents (unrestricted)	\$ 1,279,409	\$ -	\$ -	\$ -	\$ -	\$ 1,279,409	\$ 981,411
Due from federal government	364	426,056	2,495	79,721	-	508,636	526,497
Taxes receivable, net	380,360	-	-	-	3,760	384,120	423,309
Accounts receivable, net	91,525	28,418	-	2,039	32,519	154,501	170,561
Due from component units	24,080	-	-	-	665	24,745	34,282
Due from other funds	231,527	35,111	4,420	-	20,700	291,758	238,674
Inventories	16,015	9,875	-	-	-	25,890	23,079
Other current assets	1,603	921	-	-	30	2,554	1,745
Cash and cash equivalents (restricted)	756,091	116,983	130,669	313,886	265,429	1,583,058	812,691
Investments (restricted)	85,322	-	2,147	-	11,155	98,624	388,255
Other long term assets	158,705	289,027	265,778	500	-	714,010	646,985
<b>Total assets</b>	<b>3,025,001</b>	<b>906,391</b>	<b>405,509</b>	<b>396,146</b>	<b>334,258</b>	<b>5,067,305</b>	<b>4,247,489</b>
<b>LIABILITIES</b>							
Accounts payable	491,317	119,574	-	219,920	10,087	840,898	703,299
Compensation payable	184,591	17,668	-	2,749	163	205,171	181,634
Due to other funds	26,445	153,460	-	59,212	16,797	255,914	202,378
Due to component units	10,183	12,188	-	5,696	-	28,067	22,827
Unearned revenue	80,396	309,947	265,778	5,635	-	661,756	604,741
Accrued liabilities	301,091	123,392	-	-	737	425,220	432,270
Other current liabilities	42,565	-	-	-	1	42,566	10,030
<b>Total liabilities</b>	<b>1,136,588</b>	<b>736,229</b>	<b>265,778</b>	<b>293,212</b>	<b>27,785</b>	<b>2,459,592</b>	<b>2,157,179</b>
<b>DEFERRED INFLOW OF RESOURCES</b>							
Unavailable revenues	139,485	-	-	500	1,136	141,121	158,416
<b>FUND BALANCE</b>							
Nonspendable	16,015	-	-	-	-	16,015	20,357
Restricted	976,071	170,162	139,731	102,434	305,337	1,693,735	1,397,919
Committed	659,567	-	-	-	-	659,567	595,008
Assigned	97,275	-	-	-	-	97,275	34,879
Unassigned	-	-	-	-	-	-	(116,269)
<b>Total fund balances</b>	<b>1,748,928</b>	<b>170,162</b>	<b>139,731</b>	<b>102,434</b>	<b>305,337</b>	<b>2,466,592</b>	<b>1,931,894</b>
<b>Total liabilities, deferred inflow of resources and fund balances</b>	<b>\$ 3,025,001</b>	<b>\$ 906,391</b>	<b>\$ 405,509</b>	<b>\$ 396,146</b>	<b>\$ 334,258</b>		<b>\$ 4,247,489</b>

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 10,899,939

Certain long term assets are not available to pay current period expenditures and are therefore not recognized as revenues in the funds.

Tax revenue related 62,124  
Other deferred inflow of resources 64,820

Adjustment for lease agreement - nursing home. 14,177  
Net of deferred outflow of resources and derivative instrument liabilities. 13

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

General obligation bonds 2,245,185  
Income tax revenue bonds 4,457,675  
Tobacco settlement bonds 647,459  
TIF bonds 108,782  
Ballpark bonds 502,255  
QZAB 6,682  
Accrued interest payable 115,522  
Capital leases 11,024  
Other long-term liabilities 1,931,401

(10,025,985)

Net position of governmental activities \$ 3,481,680

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, 2013  
(With Comparative Totals for the Year Ended September 30, 2012)  
(\$000s)

	General	Federal & Private Resources	Housing Production Trust	General Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds	
						2013	2012
<b>REVENUES</b>							
Taxes:							
Property taxes	\$ 2,012,511	\$ -	\$ -	\$ -	\$ 27,986	\$ 2,040,497	\$ 1,934,786
Sales and use taxes	1,194,460	-	-	-	52,914	1,247,374	1,218,576
Income and franchise taxes	2,094,179	-	-	-	-	2,094,179	1,956,590
Gross receipts taxes	305,732	-	-	-	40,120	345,852	319,036
Other taxes	353,754	-	46,554	-	-	400,308	404,066
Fines and forfeitures	178,708	-	-	-	-	178,708	185,771
Licenses and permits	105,081	-	-	-	-	105,081	99,300
Charges for services	243,073	4,309	-	44	-	247,426	252,332
Investment earnings	2,749	667	-	116	3,076	6,608	21,728
Miscellaneous	364,346	56,206	5,761	9,285	75,984	511,582	514,694
Federal contributions	-	555,038	-	-	-	555,038	554,979
Operating grants	-	2,722,080	-	270,813	-	2,992,893	2,896,470
<b>Total revenues</b>	<b>6,854,593</b>	<b>3,338,300</b>	<b>52,315</b>	<b>280,258</b>	<b>200,080</b>	<b>10,725,546</b>	<b>10,358,328</b>
<b>EXPENDITURES</b>							
Current:							
Governmental direction and support	748,634	41,198	-	-	20,971	810,803	787,331
Economic development and regulation	260,700	66,517	55,926	-	-	383,143	318,266
Public safety and justice	982,461	531,008	-	-	-	1,513,469	1,469,727
Public education system	1,681,634	402,979	-	-	-	2,084,613	1,980,384
Human support services	1,783,940	2,258,264	-	-	-	4,042,204	3,881,043
Public works	261,049	26,549	-	-	-	287,598	342,215
Public transportation	284,851	-	-	-	-	284,851	221,339
Debt service:							
Principal	193,504	-	-	4,140	56,668	254,312	217,645
Interest	320,135	20,181	-	4,844	64,860	410,020	375,461
Fiscal charges	8,160	-	-	203	277	8,640	15,447
Capital outlay	-	-	-	1,172,102	36,379	1,208,481	1,152,943
<b>Total expenditures</b>	<b>6,525,068</b>	<b>3,346,696</b>	<b>55,926</b>	<b>1,181,289</b>	<b>179,155</b>	<b>11,288,134</b>	<b>10,761,801</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>329,525</b>	<b>(8,396)</b>	<b>(3,611)</b>	<b>(901,031)</b>	<b>20,925</b>	<b>(562,588)</b>	<b>(403,473)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Debt issuance	5,353	-	2,032	825,901	-	833,286	439,370
Refunding debt issuance	-	-	-	-	25,005	25,005	608,210
Premium on sale of bonds	-	-	-	150,624	4,057	154,681	124,679
Payment to refunded bond escrow agent	-	-	-	-	(28,929)	(28,929)	(679,843)
Equipment financing program	-	-	-	41,016	-	41,016	49,463
Transfers in	118,362	-	66,931	112,404	66,866	364,563	353,087
Transfers out	(214,446)	(2,363)	-	(10,511)	(68,929)	(296,249)	(286,683)
Sale of capital assets	3,613	-	-	300	-	3,913	450
<b>Total other financing sources (uses)</b>	<b>(87,118)</b>	<b>(2,363)</b>	<b>68,963</b>	<b>1,119,734</b>	<b>(1,930)</b>	<b>1,097,286</b>	<b>608,733</b>
<b>Net change in fund balances</b>	<b>242,407</b>	<b>(10,759)</b>	<b>65,352</b>	<b>218,703</b>	<b>18,995</b>	<b>534,698</b>	<b>205,260</b>
Fund balances at October 1,	1,506,521	180,921	74,379	(116,269)	286,342	1,931,894	1,726,634
Fund balances at September 30	\$ 1,748,928	\$ 170,162	\$ 139,731	\$ 102,434	\$ 305,337	\$ 2,466,592	\$ 1,931,894

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, 2013**  
**(\$000s)**

Net change in fund balances - total governmental funds	\$ 534,698
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 that are capitalized exceeded depreciation expense in the current period.	474,980
Deferred inflow of resources, including 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.	
Tax revenue related	(27,709)
Other deferred inflow resources	64,820
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which bond proceeds exceeded repayments.	(693,828)
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.	(51,226)
Capital assets leased to nursing home	(113)
Payment of loan receivable from sale of capital assets in prior year	(300)
Investment income from investment derivative instrument	(537)
Change in net position of governmental activities	\$ 300,785

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

Exhibit 2-d

District of Columbia  
Budgetary Comparison Statement  
For the Year Ended September 30, 2013  
(\$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	\$ 2,008,841	\$ 1,952,097	\$ 1,975,102	\$ 23,005	\$ -	\$ -	\$ -	\$ -	\$ 2,008,841	\$ 1,952,097	\$ 1,975,102	\$ 23,005
Sales and use taxes	1,148,676	1,206,804	1,193,889	(12,915)	-	-	-	-	1,148,676	1,206,804	1,193,889	(12,915)
Income and franchise taxes	1,811,675	2,129,369	2,094,179	(35,190)	-	-	-	-	1,811,675	2,129,369	2,094,179	(35,190)
Other taxes	636,303	666,030	657,522	(8,508)	-	-	-	-	636,303	666,030	657,522	(8,508)
Total taxes	5,605,495	5,954,300	5,920,692	(33,608)	-	-	-	-	5,605,495	5,954,300	5,920,692	(33,608)
Licenses and permits	77,940	69,029	78,857	9,828	-	-	-	-	77,940	69,029	78,857	9,828
Fines and forfeits	178,522	165,122	145,509	(19,613)	-	-	-	-	178,522	165,122	145,509	(19,613)
Charges for services	63,223	68,026	75,416	7,390	-	-	-	-	63,223	68,026	75,416	7,390
Miscellaneous	115,900	106,070	166,268	60,198	-	-	-	-	115,900	106,070	166,268	60,198
Other sources	455,488	433,273	469,143	35,870	-	-	-	-	455,488	433,273	469,143	35,870
Bond proceeds	6,000	6,000	4,079	(1,921)	-	-	-	-	6,000	6,000	4,079	(1,921)
Federal contributions	-	-	-	-	97,020	79,997	59,138	(20,859)	97,020	79,997	59,138	(20,859)
Operating grant	-	-	-	-	2,625,681	2,745,689	2,585,365	(160,324)	2,625,681	2,745,689	2,585,365	(160,324)
Fund balance released from restrictions	51,468	132,587	18,442	(114,145)	-	-	-	-	51,468	141,116	26,971	(114,145)
Interfund transfer-from lottery and games	63,175	63,175	68,314	5,139	-	8,529	8,529	-	63,175	63,175	68,314	5,139
Interfund transfer-others	35,326	46,026	46,168	142	-	-	-	-	35,326	46,026	46,168	142
Total revenues and other sources	6,652,537	7,043,608	6,992,888	(50,720)	2,722,701	2,834,215	2,653,032	(181,183)	6,652,537	7,043,608	6,992,888	(50,720)
<b>Expenditures and Other Uses:</b>												
Governmental direction and support	602,430	587,627	570,726	16,901	29,556	31,490	26,962	4,528	631,986	619,117	597,688	21,429
Economic development and regulation	291,790	329,801	299,942	29,859	87,448	81,457	68,880	12,577	379,238	411,258	368,822	42,436
Public safety and justice	995,574	992,170	981,755	10,415	116,864	158,045	139,246	18,799	1,112,438	1,150,215	1,121,001	29,214
Public education system	1,620,002	1,504,068	1,485,610	18,458	308,107	330,666	278,082	52,584	1,928,109	1,834,734	1,763,692	71,042
Public education AY14 expenditure	-	178,903	178,903	-	-	-	-	-	-	178,903	178,903	-
Human support services	1,643,872	1,698,469	1,675,504	22,965	2,123,249	2,153,224	2,099,777	93,447	3,767,121	3,851,693	3,735,281	116,412
Public works	569,939	576,926	550,524	26,402	31,819	28,203	26,585	1,618	601,758	605,129	577,109	28,020
Presidential inauguration	-	11,286	8,899	2,387	-	-	-	-	-	11,286	8,899	2,387
Workforce investments	-	502	-	502	-	-	-	-	-	502	-	502
Wilson building	4,193	4,193	3,690	503	-	-	-	-	4,193	4,193	3,690	503
Repay bonds and interest	467,424	463,279	459,628	3,651	20,181	20,181	20,181	-	467,424	483,460	479,809	3,651
Repay revenue bonds and interest	8,222	6,665	6,665	-	-	-	-	-	8,222	6,665	6,665	-
Bond fiscal charges	6,000	6,000	4,420	1,580	-	-	-	-	6,000	6,000	4,420	1,580
Interest on short term borrowing	4,390	2,118	1,581	537	-	-	-	-	4,390	2,118	1,581	537
Certificates of participation	32,542	32,542	31,825	717	-	-	-	-	32,542	32,542	31,825	717
Settlements and judgments fund	21,477	20,977	15,590	5,387	-	-	-	-	21,477	20,977	15,590	5,387
Convention center transfer	106,729	107,041	107,041	-	-	-	-	-	106,729	107,041	107,041	-
Highway trust transfer	36,472	35,111	35,111	-	-	-	-	-	36,472	35,111	35,111	-
Emergency planning and security costs	-	-	-	-	23,408	28,699	16,229	12,470	23,408	28,699	16,229	12,470
Operating lease-equipment	50,036	50,036	49,953	83	-	-	-	-	50,036	50,036	49,953	83
Emergency and contingency reserve	750	144	-	144	2,250	2,250	-	2,250	3,000	2,394	88,202	85,808
Pay-go capital	35,803	88,202	88,202	-	-	-	-	-	35,803	88,202	88,202	-
Schools modernization fund	-	8,626	8,626	-	-	-	-	-	-	8,626	8,626	-
District retiree health contribution	107,800	107,800	107,800	-	-	-	-	-	107,800	107,800	107,800	-
Non-departmental agency	34,161	12,079	-	12,079	-	-	-	-	34,161	12,079	-	22,082
Total expenditures and other uses	6,648,232	6,824,563	6,671,995	152,570	2,722,701	2,834,215	2,635,942	198,273	9,370,933	9,658,780	9,307,937	350,843
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES - BUDGETARY BASIS</b>	\$ 4,305	\$ 219,043	\$ 320,893	\$ 101,850	\$ -	\$ -	\$ 17,090	\$ 17,090	\$ 4,305	\$ 219,043	\$ 337,983	\$ 118,940

The accompanying notes are an integral part of this statement.



## Exhibit 3-a

**District of Columbia**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2013**  
**(With Comparative Totals at September 30, 2012)**  
**(\$000s)**

	Lottery and Games	Unemployment Compensation	Totals	
			2013	2012
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents (unrestricted)	\$ 8,856	\$ -	\$ 8,856	\$ 8,007
Due from federal government	-	10,210	10,210	324
Accounts receivable, net	6,619	10,923	17,542	23,970
Other current assets	7	-	7	5
Cash and cash equivalents (restricted)	-	311,814	311,814	309,802
Total current assets	<u>15,482</u>	<u>332,947</u>	<u>348,429</u>	<u>342,108</u>
Noncurrent assets:				
Investments (restricted)	10,200	-	10,200	16,381
Capital assets, net	427	-	427	480
Total noncurrent assets	<u>10,627</u>	<u>-</u>	<u>10,627</u>	<u>16,861</u>
<b>Total assets</b>	<u>26,109</u>	<u>332,947</u>	<u>359,056</u>	<u>358,969</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	2,999	55,539	58,538	66,218
Accrued compensated absences	838	-	838	815
Due to other funds	-	35,456	35,456	34,117
Accrued liabilities	7,598	-	7,598	7,322
Long term liabilities due within one year	4,010	-	4,010	7,306
Total current liabilities	<u>15,445</u>	<u>90,995</u>	<u>106,440</u>	<u>115,778</u>
Noncurrent liabilities				
Long term liabilities due in more than one year	6,190	-	6,190	9,075
Total noncurrent liabilities	<u>6,190</u>	<u>-</u>	<u>6,190</u>	<u>9,075</u>
<b>Total liabilities</b>	<u>21,635</u>	<u>90,995</u>	<u>112,630</u>	<u>124,853</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable revenue	136	-	136	99
<b>NET POSITION</b>				
Invested in capital assets	427	-	427	480
Restricted - expendable	-	241,952	241,952	229,930
Unrestricted	3,911	-	3,911	3,607
<b>Total net position</b>	<u>\$ 4,338</u>	<u>\$ 241,952</u>	<u>\$ 246,290</u>	<u>\$ 234,017</u>

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 Position**  
**Proprietary Funds**  
**For the Year Ended September 30, 2013**  
**(With Comparative Totals for the Year Ended September 30, 2012)**  
**(\$000s)**

	Lottery and Games	Unemployment Compensation	Totals	
			2013	2012
<b>Operating revenues:</b>				
Employer taxes	\$ -	\$ 131,025	\$ 131,025	\$ 133,618
Charges for services	242,460	-	242,460	249,675
Benefit contributions	-	32,790	32,790	27,945
Miscellaneous	-	-	-	289
<b>Total operating revenues</b>	<b>242,460</b>	<b>163,815</b>	<b>406,275</b>	<b>411,527</b>
<b>Operating expenses:</b>				
Benefits	-	255,645	255,645	344,913
Prizes and other expenses	139,934	-	139,934	159,460
Personnel services	6,657	-	6,657	11,765
Contractual services	27,130	-	27,130	11,764
Depreciation	206	-	206	196
<b>Total operating expenses</b>	<b>173,927</b>	<b>255,645</b>	<b>429,572</b>	<b>528,098</b>
<b>Operating income (loss)</b>	<b>68,533</b>	<b>(91,830)</b>	<b>(23,297)</b>	<b>(116,571)</b>
<b>Nonoperating revenues:</b>				
Interest and investment revenue	32	7,691	7,723	8,517
Federal contribution	-	96,161	96,161	178,267
<b>Total nonoperating revenues</b>	<b>32</b>	<b>103,852</b>	<b>103,884</b>	<b>186,784</b>
<b>Income before transfers</b>	<b>68,565</b>	<b>12,022</b>	<b>80,587</b>	<b>70,213</b>
Transfer out	(68,314)	-	(68,314)	(66,404)
<b>Change in net position</b>	<b>251</b>	<b>12,022</b>	<b>12,273</b>	<b>3,809</b>
<b>Net position at October 1</b>	<b>4,087</b>	<b>229,930</b>	<b>234,017</b>	<b>230,208</b>
<b>Net position at September 30</b>	<b>\$ 4,338</b>	<b>\$ 241,952</b>	<b>\$ 246,290</b>	<b>\$ 234,017</b>

*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, 2013**  
**(With Comparative Totals for the Year Ended September 30, 2012)**  
**(\$000s)**

	Lottery and Games	Unemployment Compensation	Totals	
			2013	2012
<b>Cash flows from operating activities:</b>				
Cash receipts from customers/employers	\$ 242,129	\$ 160,694	\$ 402,823	\$ 409,746
Other cash receipts	30	-	30	43
Cash payments to vendors	(21,731)	-	(21,731)	(21,406)
Cash payments to employees/claimants	(6,634)	(262,534)	(269,168)	(362,544)
Other cash payments, including prizes	(144,510)	-	(144,510)	(155,669)
Net cash provided by (used in) operating activities	<u>69,284</u>	<u>(101,840)</u>	<u>(32,556)</u>	<u>(129,830)</u>
<b>Cash flows from noncapital financing activities:</b>				
Intergovernmental grants	-	96,161	96,161	182,552
Interfund transfers out	(68,314)	-	(68,314)	(66,404)
Net cash provided by (used in) noncapital financing activities	<u>(68,314)</u>	<u>96,161</u>	<u>27,847</u>	<u>116,148</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets	(153)	-	(153)	(198)
Net cash used in capital and related financing activities	<u>(153)</u>	<u>-</u>	<u>(153)</u>	<u>(198)</u>
<b>Cash flows from investing activities:</b>				
Receipts of interest and dividends	32	7,691	7,723	8,517
Net cash provided by investing activities	<u>32</u>	<u>7,691</u>	<u>7,723</u>	<u>8,517</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>849</b>	<b>2,012</b>	<b>2,861</b>	<b>(5,363)</b>
<b>Cash and cash equivalents at October 1</b>	<b>8,007</b>	<b>309,802</b>	<b>317,809</b>	<b>323,172</b>
<b>Cash and cash equivalents at September 30</b>	<b>\$ 8,856</b>	<b>\$ 311,814</b>	<b>\$ 320,670</b>	<b>\$ 317,809</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 68,533	\$ (91,830)	\$ (23,297)	\$ (116,571)
Depreciation	206	-	206	196
Decrease (increase) in assets:				
Accounts receivable	(337)	6,765	6,428	(1,514)
Other current assets	(2)	(9,886)	(9,888)	178
Increase (decrease) in liabilities:				
Accounts payable	548	(6,889)	(6,341)	(9,917)
Accrued liabilities	513	-	513	(1,952)
Deferred inflows of resources	37	-	37	(109)
Other current liabilities	(214)	-	(214)	(141)
Net cash provided by (used in) operating activities:	<u>\$ 69,284</u>	<u>\$ (101,840)</u>	<u>\$ (32,556)</u>	<u>\$ (129,830)</u>

The accompanying notes are an integral part of this statement.

## Exhibit 4-a

**District of Columbia**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**September 30, 2013**  
**(\$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	\$ 247,921	\$ -	\$ 42,095
Investments - restricted:			
Equities	3,919,810	197,089	-
Fixed income securities	1,617,778	88,183	-
Real estate	356,125	-	-
Private equity	654,901	-	-
Collateral for securities lending transactions	83,478	-	-
Accounts receivable	-	263	-
Due from federal government	1,170	-	-
Benefit contributions receivable	3,580	-	-
Other receivables	-	-	26,634
Other current assets	99,476	-	-
Total assets	<u>6,984,239</u>	<u>285,535</u>	<u>\$ 68,729</u>
<b>LIABILITIES</b>			
Accounts payable	65,251	278	\$ 1,024
Securities lending collateral	84,142	-	-
Due to other funds	388	-	-
Other current liabilities	145,811	-	67,705
Total liabilities	<u>295,592</u>	<u>278</u>	<u>\$ 68,729</u>
<b>NET POSITION</b>			
Held in trust for pension and OPEB benefits and other purposes	<u>\$ 6,688,647</u>	<u>\$ 285,257</u>	

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

## Exhibit 4-b

**District of Columbia**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended September 30, 2013**  
**(\$000s)**

	<b>Pension/OPEB Trust Funds</b>	<b>Private Purpose Trust Fund</b>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 210,521	\$ -
Plan members	58,999	45,170
Total contributions	269,520	45,170
Investment earnings:		
<i>From investment activities</i>		
Net increase in fair value of investments	639,127	31,915
Other revenue	2,843	-
Interest and dividends	64,124	4,313
Total investment gain	706,094	36,228
Less - investment expenses	(11,157)	(2,465)
Net gain from investing activities	694,937	33,763
<i>From securities lending activities</i>		
Securities lending income	701	-
Less: securities lending expenses	(196)	-
Net income from securities lending activities	505	-
Net investment gain	695,442	33,763
<b>Total additions</b>	<b>964,962</b>	<b>78,933</b>
<b>DEDUCTIONS</b>		
Benefits	142,247	-
Administrative expenses	12,752	648
Distributions to participants	-	16,593
<b>Total deductions</b>	<b>154,999</b>	<b>17,241</b>
<b>Change in net position</b>	<b>809,963</b>	<b>61,692</b>
Net position at October 1	5,878,684	223,565
Net position at September 30	\$ 6,688,647	\$ 285,257

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

Exhibit 5-a

District of Columbia  
Discretely Presented Component Units  
Combining Statement of Net Position  
September 30, 2013  
(With Comparative Totals at September 30, 2012)  
(\$000s)

	Health Benefit Exchange	Washington Convention and Sports Authority	Not-for-Profit Hospital Corporation	Housing Finance Agency	University	Totals	
						2013	2012 as restated
<b>ASSETS</b>							
<b>Current assets:</b>							
Cash and cash equivalents (unrestricted)	\$ -	\$ 12,506	\$ 5,082	\$ 29,858	\$ 28,650	\$ 76,096	\$ 64,894
Investments (unrestricted)	-	66,649	-	3,361	30,532	100,542	96,083
Receivables, net:							
Accounts	-	2,335	13,238	-	4,702	20,275	20,873
Other	-	72,008	-	16,295	4,888	93,191	22,363
Due from primary government	10,915	8,224	-	-	8,928	28,067	19,672
Inventories	-	-	1,249	-	-	1,249	1,520
Other current assets	-	324	627	23,394	356	24,701	24,988
Restricted cash	-	7,600	1,687	101,582	733	111,602	112,485
Restricted investments	-	147,073	-	163,348	7,242	317,663	579,593
Total current assets	<u>10,915</u>	<u>316,719</u>	<u>21,883</u>	<u>337,838</u>	<u>86,031</u>	<u>773,386</u>	<u>942,471</u>
<b>Noncurrent assets:</b>							
Loans receivable	-	-	-	656,822	800	657,622	652,720
Other	-	9,039	341	127	1,412	10,919	11,373
Total long term assets	<u>-</u>	<u>9,039</u>	<u>341</u>	<u>656,949</u>	<u>2,212</u>	<u>668,541</u>	<u>664,093</u>
<b>Capital assets, net</b>							
Property and equipment	-	569,434	44,646	1,878	113,149	729,107	740,118
Non-depreciable capital assets	27,744	47,535	8,873	573	24,332	109,057	79,346
<b>Total assets</b>	<u>38,659</u>	<u>942,727</u>	<u>75,743</u>	<u>997,238</u>	<u>225,724</u>	<u>2,280,091</u>	<u>2,426,028</u>
<b>LIABILITIES</b>							
<b>Current liabilities:</b>							
Payables:							
Accounts	6,401	6,394	7,987	2,656	11,480	34,918	32,178
Compensation	-	665	5,170	268	11,415	17,518	13,907
Due to primary government	4,272	1,886	-	-	18,587	24,745	32,618
Accrued liabilities	242	17,037	-	-	-	17,279	21,282
Unearned revenue	-	3,442	-	-	12,582	16,024	16,357
Current maturities	-	15,625	628	25,019	-	41,272	40,423
Other current liabilities	-	11,849	460	63,730	8,577	84,616	124,654
Total current liabilities	<u>10,915</u>	<u>56,898</u>	<u>14,245</u>	<u>91,673</u>	<u>62,641</u>	<u>236,372</u>	<u>281,419</u>
<b>Noncurrent liabilities:</b>							
Long term debt:							
Bonds payable	-	629,474	-	816,578	-	1,446,052	1,491,759
Other long-term liabilities	-	12,601	9,380	-	-	21,981	30,042
Refundable advances	-	1,081	-	-	984	2,065	2,244
Total long term liabilities	<u>-</u>	<u>643,156</u>	<u>9,380</u>	<u>816,578</u>	<u>984</u>	<u>1,470,098</u>	<u>1,524,045</u>
<b>Total liabilities</b>	<u>10,915</u>	<u>700,054</u>	<u>23,625</u>	<u>908,251</u>	<u>63,625</u>	<u>1,706,470</u>	<u>1,805,464</u>
<b>NET POSITION</b>							
Net investment in capital assets	27,744	221,110	52,327	1,661	137,481	440,323	379,341
Restricted - expendable	-	112,162	-	43,108	187	155,457	212,657
Restricted - nonexpendable	-	-	-	-	7,568	7,568	7,568
Unrestricted	-	(90,599)	(209)	44,218	16,863	(29,727)	20,998
<b>Total net position</b>	<u>\$ 27,744</u>	<u>\$ 242,673</u>	<u>\$ 52,118</u>	<u>\$ 88,987</u>	<u>\$ 162,099</u>	<u>\$ 573,621</u>	<u>\$ 620,564</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, 2013  
(With Comparative Totals for the Year Ended September 30, 2012)  
(\$000s)

	Health Benefit Exchange Authority	Washington Convention and Sports Authority	Not-for-Profit Hospital Corporation	Housing Finance Agency	University	Totals	
						2013	2012 as restated
<b>Expenses</b>	\$ 16,155	\$ 229,078	\$ 101,271	\$ 65,937	\$ 141,338	\$ 553,779	\$ 458,521
<b>Program revenues:</b>							
Charges for services, fees, fines & forfeits	-	26,505	89,956	5,004	30,173	151,638	151,087
Operating grants and contributions	16,155	-	-	-	23,277	39,432	26,061
Capital grants and contributions	27,744	-	-	-	19,960	47,704	26,036
<b>Net (expense) revenue</b>	<u>27,744</u>	<u>(202,573)</u>	<u>(11,315)</u>	<u>(60,933)</u>	<u>(67,928)</u>	<u>(315,005)</u>	<u>(255,337)</u>
<b>General revenues:</b>							
Investment earnings	-	614	(360)	42,588	2,715	45,557	53,829
Miscellaneous	-	3,085	1,103	14,123	13,681	31,992	30,206
Subsidy from primary government	-	104,108	11,000	-	75,405	190,513	182,088
<b>Total general revenues</b>	<u>-</u>	<u>107,807</u>	<u>11,743</u>	<u>56,711</u>	<u>91,801</u>	<u>268,062</u>	<u>266,123</u>
<b>Change in net position</b>	27,744	(94,766)	428	(4,222)	23,873	(46,943)	10,786
<b>Net position at October 1 (as restated)</b>	-	337,439	51,690	93,209	138,226	620,564	609,778
<b>Net position at September 30</b>	<u>\$ 27,744</u>	<u>\$ 242,673</u>	<u>\$ 52,118</u>	<u>\$ 88,987</u>	<u>\$ 162,099</u>	<u>\$ 573,621</u>	<u>\$ 620,564</u>

The accompanying notes are an integral part of this statement.