

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 Discretely Presented *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, 2017
 (With Comparative Totals at September 30, 2016, as restated)
 (\$000s)

	Primary Government				Component Units
	Governmental Activities	Business-Type Activities	Totals		
			2017	2016, as restated	
ASSETS					
Cash and cash equivalents	\$ 1,300,779	\$ 38,005	\$ 1,338,784	\$ 1,542,997	\$ 173,282
Investments	-	-	-	-	215,512
Due from federal government	499,108	1,125	500,233	459,630	-
Taxes receivable, net	458,442	-	458,442	380,407	-
Accounts receivable, net	255,217	38,292	293,509	282,651	16,237
Other receivables	-	-	-	2,017	21,324
Due from primary government	-	-	-	-	18,262
Due from component units	10,602	-	10,602	25,793	-
Internal balances	21,626	(21,626)	-	-	-
Inventories	14,969	1,904	16,873	13,350	-
Other current assets	6,532	2,899	9,431	7,160	22,413
Derivative instrument assets	555	-	555	513	-
Cash and cash equivalents (restricted)	1,631,384	442,730	2,074,114	1,975,634	158,948
Investments (restricted)	90,525	1,939	92,464	125,368	356,174
Other long-term assets	325,963	235	326,198	270,700	1,107,609
Net pension assets	727,102	-	727,102	279,069	-
Depreciable capital assets, net	10,783,230	63,375	10,846,605	10,317,499	781,534
Non-depreciable capital assets	2,237,139	16,362	2,253,501	2,182,865	37,032
Total assets	18,363,173	585,240	18,948,413	17,865,653	2,908,327
DEFERRED OUTFLOWS OF RESOURCES					
Derivative instrument - hedge	35,450	-	35,450	51,806	-
Pension	327,365	-	327,365	401,591	-
Advance refunding loss	6,057	-	6,057	5,747	13,536
Total deferred outflows of resources	368,872	-	368,872	459,144	13,536
Total assets and deferred outflows of resources	18,732,045	585,240	19,317,285	18,324,797	2,921,863
LIABILITIES					
Accounts payable	775,528	48,175	823,703	802,044	54,795
Compensation payable	156,131	9,100	165,231	143,830	12,478
Due to primary government	-	-	-	-	10,602
Due to component units	18,262	-	18,262	20,108	-
Unearned revenues	266,425	39	266,464	227,192	14,473
Accrued liabilities	333,535	8,241	341,776	291,845	15,870
Accrued interest payable	161,788	-	161,788	147,329	-
Other current liabilities	71,507	3,307	74,814	66,788	141,150
Derivative instrument liabilities	35,450	-	35,450	51,806	-
Long-term liabilities:					
Due within one year	613,428	464	613,892	565,305	42,224
Due in more than one year	10,689,013	8,656	10,697,669	10,834,407	1,690,866
Total liabilities	13,121,067	77,982	13,199,049	13,150,654	1,982,458
DEFERRED INFLOWS OF RESOURCES					
Capital lease gain	30,799	-	30,799	31,735	-
Pension	704,576	-	704,576	228,581	-
Total deferred inflows of resources	735,375	-	735,375	260,316	-
Total liabilities and deferred inflows of resources	13,856,442	77,982	13,934,424	13,410,970	1,982,458
NET POSITION					
Net investment in capital assets	3,204,028	79,700	3,283,728	2,903,782	445,634
Restricted for:					
Expendable					
Pension	260,142	-	260,142	209,890	-
Debt service	542,081	-	542,081	498,030	-
Benefit payments	-	416,373	416,373	364,237	-
Capital projects	53,710	-	53,710	68,324	-
Grants and special purposes	133,129	-	133,129	160,142	-
Budget reserves	40,063	-	40,063	21,664	-
Purpose restriction	95,661	-	95,661	95,774	-
Emergency reserves	413,901	-	413,901	387,065	-
Other	-	-	-	23,860	196,312
Nonexpendable	-	-	-	-	16,278
Unrestricted	132,888	11,185	144,073	181,059	281,181
Total net position	\$ 4,875,603	\$ 507,258	\$ 5,382,861	\$ 4,913,827	\$ 939,405

The accompanying notes are an integral part of this statement.

District of Columbia
Statement of Activities
For the Year Ended September 30, 2017
(With Comparative Totals for the Year Ended September 30, 2016, as restated)
(\$000s)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services, Fines & Forfeits	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units, as restated		
					Governmental Activities	Business-Type Activities		Totals	
						2017	2016, as restated		
Governmental activities:									
Governmental direction and support	\$ 1,085,592	\$ 81,036	\$ 59,525	\$ -	\$ (945,031)	\$ (945,031)	\$ (1,115,292)		
Economic development and regulation	591,861	180,307	69,482	1,295	(340,777)	(340,777)	(312,287)		
Public safety and justice	1,594,081	139,888	419,768	-	(1,034,425)	(1,034,425)	(1,198,451)		
Public education system	2,602,658	1,401	393,709	-	(2,207,548)	(2,207,548)	(1,910,304)		
Human support services	4,863,087	5,848	2,861,387	14,845	(1,981,007)	(1,981,007)	(1,809,959)		
Public works	758,431	185,842	28,950	203,611	(340,028)	(340,028)	(356,701)		
Public transportation	368,014	-	-	-	(368,014)	(368,014)	(359,097)		
Interest on long-term debt	446,621	-	-	-	(446,621)	(446,621)	(392,638)		
Total governmental activities	12,310,345	594,322	3,832,821	219,751	(7,663,451)	(7,663,451)	(7,454,729)		
Business-type activities:									
Lottery and games	173,241	218,732	-	-	\$ 45,491	45,491	53,301		
Unemployment compensation	143,942	-	23,776	-	(120,166)	(120,166)	(102,605)		
Not-for-profit hospital corporation	134,104	123,679	1,441	-	(8,984)	(8,984)	14,446		
Total business-type activities	451,287	342,411	25,217	-	(83,659)	(83,659)	(34,858)		
Total primary government	\$ 12,761,632	\$ 936,733	\$ 3,858,038	\$ 219,751	(7,663,451)	(83,659)	(7,747,110)	(7,489,587)	
Component units:									
Health benefit exchange	\$ 31,491	\$ 4,376	\$ 26,789	\$ -				\$ (326)	
Convention center	136,894	33,020	-	-				(103,874)	
Housing finance	72,768	45,593	-	-				(27,175)	
University	144,544	34,623	23,714	9,627				(76,580)	
Total component units	\$ 385,697	\$ 117,612	\$ 50,503	\$ 9,627				(207,955)	
General revenues:									
Taxes:									
Property taxes					2,651,688	-	2,651,688	2,504,617	-
Sales and use taxes					1,527,120	-	1,527,120	1,451,441	-
Income and franchise taxes					2,479,847	-	2,479,847	2,417,206	-
Gross receipts taxes					364,791	-	364,791	365,305	-
Other taxes					502,117	143,728	645,845	644,048	-
Investment earnings					9,288	9,645	18,933	20,133	13,619
Miscellaneous					527,920	-	527,920	510,330	98,011
Subsidy from primary government					-	-	-	-	215,799
Transfer in (out)					29,616	(29,616)	-	-	-
Total general revenues and transfers					8,092,387	123,757	8,216,144	7,913,080	327,429
Change in net position					428,936	40,098	469,034	423,493	119,474
Net position at October 1, as restated					4,446,667	467,160	4,913,827	4,490,334	819,931
Net position at September 30					\$ 4,875,603	\$ 507,258	\$ 5,382,861	\$ 4,913,827	\$ 939,405

The accompanying notes are an integral part of this statement.

Exhibit 2-a

**District of Columbia
Balance Sheet
Governmental Funds
September 30, 2017
(With Comparative Totals at September 30, 2016)
(\$000s)**

	General	Federal & Private Resources	Housing Production Trust	General Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds	
						2017	2016
ASSETS							
Cash and cash equivalents	\$ 1,300,779	\$ -	\$ -	\$ -	\$ -	\$ 1,300,779	\$ 1,493,011
Due from federal government	4,347	417,858	-	76,903	-	499,108	459,030
Taxes receivable, net	454,439	-	-	-	4,003	458,442	380,407
Accounts receivable, net	213,917	9,098	271	1,121	30,810	255,217	251,602
Due from component units	8,937	-	-	-	1,665	10,602	25,793
Due from other funds	810,478	21,819	5,663	-	15,376	853,336	383,974
Inventories	14,969	-	-	-	-	14,969	11,633
Other current assets	5,959	558	-	-	15	6,532	4,281
Cash and cash equivalents (restricted)	955,489	114,559	228,907	113,830	218,599	1,631,384	1,569,038
Investments (restricted)	36,179	-	2,147	-	52,199	90,525	123,032
Other long-term assets	99,125	98,793	95,014	14,033	-	306,965	270,438
Total assets	\$ 3,904,618	\$ 662,685	\$ 332,002	\$ 205,887	\$ 322,667	\$ 5,427,859	\$ 4,972,239
LIABILITIES							
Accounts payable	\$ 408,471	\$ 115,505	\$ -	\$ 218,868	\$ 6,843	\$ 749,687	\$ 730,147
Compensation payable	143,198	11,184	-	1,638	111	156,131	136,106
Due to other funds	21,469	203,265	-	603,104	3,872	831,710	360,481
Due to component units	13,766	1,649	-	873	1,974	18,262	20,108
Unearned revenue	66,559	91,104	95,014	13,748	-	266,425	227,111
Accrued liabilities	237,665	95,760	-	-	110	333,535	282,759
Other current liabilities	60,068	-	-	9,188	2,251	71,507	63,999
Total liabilities	951,196	518,467	95,014	847,419	15,161	2,427,257	1,820,711
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues	277,131	11,089	-	500	1,798	290,518	237,278
FUND BALANCES							
Nonspendable	14,969	-	-	-	-	14,969	11,633
Restricted	1,120,068	133,129	236,988	-	305,708	1,795,893	1,784,924
Committed	1,541,254	-	-	-	-	1,541,254	1,325,895
Assigned	-	-	-	-	-	-	20,668
Unassigned	-	-	-	(642,032)	-	(642,032)	(228,870)
Total fund balances	2,676,291	133,129	236,988	(642,032)	305,708	2,710,084	2,914,250
Total liabilities, deferred inflows of resources and fund balances	\$ 3,904,618	\$ 662,685	\$ 332,002	\$ 205,887	\$ 322,667		\$ 4,972,239

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		13,020,369
Certain long-term assets are not available to pay current period expenditures and are therefore not recognized as revenues in the funds:		
Unavailable tax revenue (Exhibit A-1)	\$ 127,668	
Other General Fund unavailable revenues (Exhibit A-1)	149,463	
Unavailable revenues - Federal & Private Resources (Exhibit 2-a)	11,089	
Unavailable revenues - General Capital Improvements (Exhibit 2-a)	500	
Unavailable revenues - Nonmajor Funds (Exhibit 2-a)	1,798	290,518
Deferred inflows of resources - capital lease gain (Exhibit 1-a)		(30,799)
Deferred inflows of resources - pension (Exhibit 1-a)		(704,576)
Deferred outflows of resources - pension (Exhibit 1-a)		327,365
Net pension asset (Exhibit 1-a)		727,102
Retainage liability not to be paid with current resources		(25,843)
Advanced refunding loss (Exhibit 1-a)		6,057
Derivative instrument asset (Exhibit 1-a)		555
Other long-term receivables (Walter Reed)		19,000
Certain liabilities are not due and payable in the current period:		
General obligation bonds (Note 8, Table N27)	\$ 4,078,160	
Income tax secured revenue bonds (Note 8, Table N27)	4,030,695	
Tobacco settlement asset-backed bonds (Note 8, Table N27)	583,434	
TIF bonds (Note 8, Table N27)	92,686	
GARVEE (Note 8, Table N27)	90,170	
Ballpark bonds (Note 8, Table N27)	334,005	
QZAB (Note 8, Table N27)	3,155	
Accrued interest payable (Exhibit 1-a)	161,788	
Deed tax revenue bonds (Note 8, Table N27)	110,240	
PILOT revenue bonds and notes (Note 8, Table N27)	205,696	
Other long-term liabilities (Note 8, Table N27)	1,774,200	(11,464,229)
Net position of governmental activities		<u>\$ 4,875,603</u>

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, 2017
(With Comparative Totals for the Year Ended September 30, 2016)

	(\$000s)					Total	
	General	Federal & Private Resources	Housing Production Trust	General Capital Improvements	Nonmajor Governmental Funds	2017	2016
REVENUES							
Taxes:							
Property taxes	\$ 2,571,517	\$ -	\$ -	\$ -	\$ 45,586	\$ 2,617,103	\$ 2,503,891
Sales and use taxes	1,477,254	-	-	-	49,866	1,527,120	1,451,441
Income and franchise taxes	2,512,522	-	-	-	-	2,512,522	2,464,330
Gross receipts taxes	323,262	-	-	-	41,529	364,791	365,305
Other taxes	444,103	-	58,014	-	-	502,117	498,161
Fines and forfeits	176,351	-	-	-	-	176,351	202,314
Licenses and permits	127,546	-	-	-	-	127,546	123,029
Charges for services	283,767	1,658	-	5,000	-	290,425	273,404
Investment earnings	9,238	1,308	10	189	3,294	14,039	11,601
Miscellaneous	381,097	37,719	10,409	936	40,231	470,392	457,163
Federal contributions	-	535,131	-	-	-	535,131	521,828
Operating grants	-	3,297,690	-	219,751	-	3,517,441	3,223,211
Total revenues	8,306,657	3,873,506	68,433	225,876	180,506	12,654,978	12,095,678
EXPENDITURES							
Current:							
Governmental direction and support	945,270	71,407	-	-	54,006	1,070,683	1,068,253
Economic development and regulation	382,625	71,129	124,488	-	-	578,242	560,365
Public safety and justice	1,188,291	407,853	-	-	-	1,596,144	1,671,804
Public education system	2,078,134	422,133	-	-	-	2,500,267	2,309,778
Human support services	1,949,127	2,865,062	-	-	-	4,814,189	4,514,647
Public works	358,929	31,812	-	-	-	390,741	365,437
Public transportation	368,014	-	-	-	-	368,014	359,097
Debt service:							
Principal	256,575	-	-	7,250	69,480	333,305	361,375
Interest	388,128	18,132	-	4,523	59,524	470,307	449,347
Fiscal charges	7,572	-	-	-	277	7,849	3,732
Capital outlay	-	-	-	1,192,270	40,734	1,233,004	1,107,239
Total expenditures	7,922,665	3,887,528	124,488	1,204,043	224,021	13,362,745	12,771,074
Excess (deficiency) of revenues over (under) expenditures	383,992	(14,022)	(56,055)	(978,167)	(43,515)	(707,767)	(675,396)
OTHER FINANCING SOURCES (USES)							
Debt issuance	2,260	-	-	396,651	-	398,911	431,815
Refunding debt issuance	1,168,615	-	-	-	-	1,168,615	95,575
Premium on sale of bonds	123,053	-	-	54,349	-	177,402	84,235
Payment to refunded bond escrow agent	(1,287,378)	-	-	-	-	(1,287,378)	(95,120)
Equipment finance program	-	-	-	-	-	-	11,368
Transfers in	98,487	-	42,732	133,447	83,336	358,002	460,462
Transfers out	(202,278)	(12,991)	-	(19,442)	(77,691)	(312,402)	(407,175)
Sale of capital assets	451	-	-	-	-	451	15,800
Total other financing sources (uses)	(96,790)	(12,991)	42,732	565,005	5,645	503,601	596,960
Net change in fund balances	287,202	(27,013)	(13,323)	(413,162)	(37,870)	(204,166)	(78,436)
Fund balances at October 1	2,389,089	160,142	250,311	(228,870)	343,578	2,914,250	2,992,686
Fund balances at September 30	\$ 2,676,291	\$ 133,129	\$ 236,988	\$ (642,032)	\$ 305,708	\$ 2,710,084	\$ 2,914,250

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, 2017
(\$000s)

Net change in fund balances - total governmental funds \$ (204,166)

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.

Capital outlay capitalized (Note 5, Table N15)	975,708	
Depreciation expense (Note 5, Table N17)	(435,281)	
Capital asset additions (Note 5, Table N15)	55,557	
Transfers/dispositions (Note 5, Table N15)	<u>(7,504)</u>	
		588,480

Deferred inflows of resources, including property tax revenues which were earned but were not available for the purpose of recognition in the governmental funds, were recognized in the government-wide financial statements.

Current year deferred inflows of resources reported in Exhibit 2-a	290,518	
Prior year deferred inflows of resources	<u>(237,278)</u>	
		53,240

Proceeds from long-term liabilities 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 long-term liabilities additions exceeded reductions. (Note 8, Table N44)

Long-term liabilities additions	(1,892,564)	
Long-term liabilities reductions	<u>1,975,747</u>	
		83,183

Pension expense reported in the statement of activities was adjusted to reflect the difference between the actuarial assumptions and actual performance of the District retirement funds.

Increase in net pension assets - Police & Firefighters (Note 9, Table N53)	448,033	
Change in deferred outflows of resources - Teachers (Change in Note 9, Table N55)	(29,827)	
Change in deferred outflows of resources - Police & Firefighters (Change in Note 9, Table N55)	(44,399)	
Change in deferred inflows of resources - Teachers (Change in Note 9, Table N55)	(109,026)	
Change in deferred inflows of resources - Police & Firefighters (Change in Note 9, Table N55)	<u>(366,969)</u>	
		(102,188)

Other adjustments include:

Advance refunding loss amortization	310	
Realized capital lease gain	936	
Increase in long-term accrued interest liabilities	(14,459)	
Decrease in retainage payables	4,558	
Net gain on donated property	<u>19,000</u>	
		10,345

Investment income from investment derivative instruments	<u>42</u>	
Change in net position of governmental activities	<u>\$ 428,936</u>	

The accompanying notes are an integral part of this statement.

District of Columbia
 Budgetary Comparison Statement
 For the Year Ended September 30, 2017
 (\$000s)

	General Fund				Federal and Private Resources				Totals			
	Budget		Actual	Variance	Budget		Actual	Variance	Budget		Actual	Variance
	Original	Revised			Original	Revised			Original	Revised		
Revenues and Other Sources:												
Taxes:												
Property taxes	\$ 2,515,160	\$ 2,579,793	\$ 2,523,515	\$ (56,278)	\$ -	\$ -	\$ -	\$ -	\$ 2,515,160	\$ 2,579,793	\$ 2,523,515	\$ (56,278)
Sales and use taxes	1,408,495	1,495,204	1,476,680	(18,524)	-	-	-	-	1,408,495	1,495,204	1,476,680	(18,524)
Income and franchise taxes	2,357,020	2,461,789	2,512,522	50,733	-	-	-	-	2,357,020	2,461,789	2,512,522	50,733
Gross receipts and other taxes	683,566	769,200	764,970	(4,230)	-	-	-	-	683,566	769,200	764,970	(4,230)
Total taxes	6,964,241	7,305,986	7,277,687	(28,299)	-	-	-	-	6,964,241	7,305,986	7,277,687	(28,299)
Licenses and permits	90,074	88,900	92,549	3,649	-	-	-	-	90,074	88,900	92,549	3,649
Fines and forfeits	146,045	160,565	167,385	6,820	-	-	-	-	146,045	160,565	167,385	6,820
Charges for services	80,512	75,507	81,371	5,864	-	-	-	-	80,512	75,507	81,371	5,864
Miscellaneous	106,148	100,921	146,208	45,287	-	-	-	-	106,148	100,921	146,208	45,287
Other sources	609,942	592,050	548,367	(43,683)	-	-	-	-	609,942	592,050	548,367	(43,683)
Bond proceeds	6,000	6,000	5,565	(435)	-	-	-	-	6,000	6,000	5,565	(435)
Federal contributions	-	-	-	-	122,930	90,380	82,930	(7,450)	122,930	90,380	82,930	(7,450)
Operating grants	-	-	-	-	3,265,986	3,195,169	3,105,270	(89,899)	3,265,986	3,195,169	3,105,270	(89,899)
Fund balance released from restrictions	139,551	197,214	-	(197,214)	-	11,912	11,912	-	139,551	209,126	11,912	(197,214)
Interfund transfer-from lottery and games	55,500	45,000	45,600	600	-	-	-	-	55,500	45,000	45,600	600
Interfund transfer-others	15,162	55,329	45,856	(9,473)	-	-	-	-	15,162	55,329	45,856	(9,473)
Total revenues and other sources	8,213,175	8,627,472	8,410,588	(216,884)	3,388,916	3,297,461	3,200,112	(97,349)	11,602,091	11,924,933	11,610,700	(314,233)
Expenditures and Other Uses:												
Governmental direction and support	788,837	779,341	759,769	19,572	30,225	29,023	27,746	1,277	819,062	808,364	787,515	20,849
Economic development and regulation	493,021	474,753	439,702	35,051	93,240	75,772	71,636	4,136	586,261	550,525	511,338	39,187
Public safety and justice	1,202,866	1,204,324	1,188,028	16,296	162,668	123,241	121,892	1,349	1,365,534	1,327,565	1,309,920	17,645
Public education system	2,012,348	1,807,482	1,775,317	32,165	348,780	315,489	252,426	63,063	2,361,128	2,122,971	2,027,743	95,228
Public education AY18 expenditure	-	282,919	282,919	-	-	-	-	-	-	282,919	282,919	-
Human support services	1,938,105	1,936,580	1,914,420	22,160	2,661,214	2,658,976	2,632,057	26,919	4,599,319	4,595,556	4,546,477	49,079
Public works	743,264	763,406	731,261	32,145	39,632	32,286	31,811	475	782,896	795,692	763,072	32,620
Workforce investments	18,025	-	-	-	-	-	-	-	18,025	-	-	-
Inaugural expenses	-	-	-	-	-	27,300	27,300	-	-	27,300	27,300	-
Wilson building	4,369	4,369	4,210	159	-	-	-	-	4,369	4,369	4,210	159
Repayment of loans and interest	624,419	622,151	622,151	-	18,262	18,262	18,132	130	642,681	640,413	640,283	130
Repayment of revenue bonds	7,835	7,835	7,825	10	-	-	-	-	7,835	7,835	7,825	10
Debt service - issuance costs	6,000	6,000	5,721	279	-	-	-	-	6,000	6,000	5,721	279
Interest expense on short-term borrowing	1,250	-	-	-	-	-	-	-	1,250	-	-	-
Settlements and judgments fund	21,292	21,292	21,292	-	-	-	-	-	21,292	21,292	21,292	-
Convention center transfer	122,286	141,801	141,801	-	-	-	-	-	122,286	141,801	141,801	-
Highway transportation fund	24,754	26,099	26,099	-	-	-	-	-	24,754	26,099	26,099	-
Emergency planning and security fund	-	-	-	-	34,895	17,112	17,112	-	34,895	17,112	17,112	-
Operating lease-equipment	29,381	27,445	27,445	-	-	-	-	-	29,381	27,445	27,445	-
Pay-as-you-go capital fund	120,542	133,380	133,380	-	-	-	-	-	120,542	133,380	133,380	-
Schools modernization fund	13,523	13,523	13,523	-	-	-	-	-	13,523	13,523	13,523	-
D.C. retiree health contribution	31,000	31,000	31,000	-	-	-	-	-	31,000	31,000	31,000	-
Non-departmental	7,224	-	-	-	-	-	-	-	7,224	-	-	-
Total expenditures and other uses	8,210,341	8,283,700	8,125,863	157,837	3,388,916	3,297,461	3,200,112	97,349	11,599,257	11,581,161	11,325,975	255,186
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES - BUDGETARY BASIS	\$ 2,834	\$ 343,772	\$ 284,725	\$ (59,047)	\$ -	\$ -	\$ -	\$ -	\$ 2,834	\$ 343,772	\$ 284,725	\$ (59,047)

The accompanying notes are an integral part of this statement.

Exhibit 3-a

District of Columbia
Statement of Net Position
Proprietary Funds
September 30, 2017
(With Comparative Totals at September 30, 2016, as restated)
(\$000s)

	Lottery and Games	Unemployment Compensation	Not-for-Profit Hospital Corporation	Totals	
				2017	2016, as restated
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 12,150	\$ -	\$ 25,855	\$ 38,005	\$ 49,986
Due from federal government	-	1,125	-	1,125	600
Accounts receivable, net	3,859	10,193	24,240	38,292	31,049
Due from other funds	-	430	-	430	419
Inventories	-	-	1,904	1,904	1,717
Other current assets	2	-	2,897	2,899	2,879
Cash and cash equivalents (restricted)	-	442,730	-	442,730	406,596
Total current assets	16,011	454,478	54,896	525,385	493,246
Noncurrent assets:					
Investments (restricted)	1,939	-	-	1,939	2,336
Depreciable capital assets, net	350	-	63,025	63,375	14,545
Non-depreciable capital assets	-	-	16,362	16,362	53,930
Other	-	-	235	235	262
Total noncurrent assets	2,289	-	79,622	81,911	71,073
Total assets	18,300	454,478	134,518	607,296	564,319
LIABILITIES					
Current liabilities:					
Accounts payable	2,746	35,170	10,259	48,175	41,496
Accrued compensated absences	292	-	8,808	9,100	7,724
Due to other funds	-	22,056	-	22,056	21,895
Unearned revenues	39	-	-	39	81
Accrued liabilities	8,241	-	-	8,241	9,086
Other current liabilities	-	-	3,307	3,307	2,789
Long-term liabilities due within one year	428	-	36	464	927
Total current liabilities	11,746	57,226	22,410	91,382	83,998
Noncurrent liabilities:					
Long-term liabilities due in more than one year	1,957	-	6,699	8,656	13,161
Total noncurrent liabilities	1,957	-	6,699	8,656	13,161
Total liabilities	13,703	57,226	29,109	100,038	97,159
NET POSITION					
Net investment in capital assets	350	-	79,350	79,700	68,319
Restricted - expendable	-	397,252	19,121	416,373	388,097
Unrestricted	4,247	-	6,938	11,185	10,744
Total net position	\$ 4,597	\$ 397,252	\$ 105,409	\$ 507,258	\$ 467,160

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, 2017
(With Comparative Totals for the Year Ended September 30, 2016, as restated)
(\$000s)

	Lottery and Games	Unemployment Compensation	Not-for-Profit Hospital Corporation	Totals	
				2017	2016, as restated
Operating revenues:					
Employer taxes	\$ -	\$ 143,728	\$ -	\$ 143,728	\$ 145,887
Charges for services	218,732	-	123,679	342,411	346,805
Benefit contributions	-	23,776	-	23,776	12,028
Operating grants and contributions	-	-	1,441	1,441	1,300
Total operating revenues	218,732	167,504	125,120	511,356	506,020
Operating expenses:					
Benefits	-	143,942	14,900	158,842	128,782
Prizes and other expenses	140,408	-	-	140,408	141,310
Personnel services	7,030	-	56,172	63,202	61,640
Supplies	-	-	14,776	14,776	15,466
Utilities	-	-	3,019	3,019	2,808
Insurance	-	-	1,796	1,796	1,813
Rent	-	-	876	876	785
Repairs and maintenance	-	-	1,931	1,931	1,296
Other expenses	-	-	911	911	1,172
Contractual services	25,684	-	30,241	55,925	52,243
Depreciation	119	-	9,482	9,601	7,789
Total operating expenses	173,241	143,942	134,104	451,287	415,104
Operating income (loss)	45,491	23,562	(8,984)	60,069	90,916
Non-operating revenues:					
Interest and investment income	192	9,453	-	9,645	8,532
Total nonoperating revenues	192	9,453	-	9,645	8,532
Income (loss) before transfers	45,683	33,015	(8,984)	69,714	99,448
Transfer in (out)	(45,600)	-	15,984	(29,616)	(23,174)
Change in net position	83	33,015	7,000	40,098	76,274
Net position at October 1, as restated	4,514	364,237	98,409	467,160	390,886
Net position at September 30	\$ 4,597	\$ 397,252	\$ 105,409	\$ 507,258	\$ 467,160

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, 2017
(With Comparative Totals for the Year Ended September 30, 2016, as restated)
(\$000s)

	Lottery and Games	Unemployment Compensation	Not-for-Profit Hospital Corporation	Totals	
				2017	2016, as restated
Cash flows from operating activities:					
Cash receipts from customers/employers	\$ 218,386	\$ 166,682	\$ 100,275	\$ 485,343	\$ 498,707
Other cash receipts	215	232	13,738	14,185	80
Cash payments to vendors	(21,360)	-	(51,163)	(72,523)	(72,745)
Cash payments to employees	(6,976)	-	(69,747)	(76,723)	(77,568)
Cash payments to claimants	-	(140,233)	-	(140,233)	(116,286)
Other cash payments, including prizes	(144,943)	-	-	(144,943)	(137,994)
Net cash provided (used) by operating activities	45,322	26,681	(6,897)	65,106	94,194
Cash flows from noncapital financing activities:					
Interfund transfers out	(45,600)	-	-	(45,600)	(43,287)
Net cash used in noncapital financing activities	(45,600)	-	-	(45,600)	(43,287)
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(139)	-	(20,723)	(20,862)	(13,855)
Interfund transfers in	-	-	15,984	15,984	20,113
Repayment of capital lease obligation	-	-	(120)	(120)	(135)
Net cash used in capital and related financing activities	(139)	-	(4,859)	(4,998)	6,123
Cash flows from investing activities:					
Receipts of interest and dividends	192	9,453	-	9,645	8,532
Net cash provided by investing activities	192	9,453	-	9,645	8,532
Net increase (decrease) in cash and cash equivalents	(225)	36,134	(11,756)	24,153	65,562
Cash and cash equivalents at October 1, as restated	12,375	406,596	37,611	456,582	391,020
Cash and cash equivalents at September 30	\$ 12,150	\$ 442,730	\$ 25,855	\$ 480,735	\$ 456,582
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 45,491	\$ 23,562	\$ (8,984)	\$ 60,069	\$ 90,917
Depreciation	119	-	9,482	9,601	7,789
Decrease (increase) in assets:					
Accounts receivable	(89)	(297)	(6,868)	(7,254)	(4,418)
Other current assets	2	(525)	(209)	(732)	(996)
Increase (decrease) in liabilities:					
Accounts payable	632	3,941	2,268	6,841	(6,035)
Accrued liabilities	(499)	-	1,325	826	1,116
Unearned revenues	(42)	-	-	(42)	47
Other current liabilities	(292)	-	(3,911)	(4,203)	5,774
Net cash provided (used) by operating activities:	\$ 45,322	\$ 26,681	\$ (6,897)	\$ 65,106	\$ 94,194

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, 2017
(\$000s)

	Pension/OPEB Trust Funds	Private Purpose Trust Fund	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 170,274	\$ -	\$ 68,991
Investments:			
Equities	5,288,773	264,172	-
Fixed income securities	2,557,696	264,347	-
Real estate	614,886	-	-
Private equity	470,532	-	-
Commodities	42,621	-	-
Money market funds	-	5,434	-
Accounts receivable	-	692	-
Due from federal government	1,588	-	21,336
Benefit contributions receivable	10,198	-	-
Other receivables	-	-	11,143
Other assets	55,504	-	-
Total assets	<u>9,212,072</u>	<u>534,645</u>	<u>\$ 101,470</u>
LIABILITIES			
Accounts payable	24,514	201	\$ 1,602
Other current liabilities	66,235	-	99,868
Total liabilities	<u>90,749</u>	<u>201</u>	<u>\$ 101,470</u>
NET POSITION			
Net position restricted for pensions, OPEB benefits and other purposes	<u>\$ 9,121,323</u>	<u>\$ 534,444</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, 2017
(\$000s)

	Pension/OPEB Trust Funds	Private Purpose Trust Fund
ADDITIONS		
Contributions:		
Employer	\$ 233,412	\$ -
Plan members	68,309	69,928
Total contributions	301,721	69,928
Investment earnings:		
Net increase in fair value of investments	1,012,390	44,372
Other loss	(1,288)	-
Interest and dividends	54,031	7,941
Total investment gain	1,065,133	52,313
Less - investment expenses	(19,753)	(2,138)
Net gain from investing activities	1,045,380	50,175
Other Income	3,375	-
Total additions	1,350,476	120,103
DEDUCTIONS		
Benefits	185,311	-
Administrative expenses	17,863	1,314
Distributions to participants	-	43,609
Total deductions	203,174	44,923
Change in net position	1,147,302	75,180
Net position at October 1	7,974,021	459,264
Net position at September 30	\$ 9,121,323	\$ 534,444

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, 2017
(With Comparative Totals at September 30, 2016, as restated)
(\$000s)

	Health Benefit Exchange Authority	Washington Convention and Sports Authority	Housing Finance Agency	University of the District of Columbia	Totals	
					2017	2016, as restated
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 78,720	\$ 13,285	\$ 52,442	\$ 28,835	\$ 173,282	\$ 144,060
Investments	-	176,323	3,633	35,556	215,512	158,445
Receivables, net:						
Accounts	811	3,851	1,432	10,143	16,237	16,712
Other	7,183	644	9,021	4,476	21,324	18,706
Due from primary government	642	12,909	1,432	3,279	18,262	20,108
Other current assets	-	988	20,774	651	22,413	69,161
Restricted cash	24,591	9,690	121,524	3,143	158,948	176,914
Restricted investments	-	230,635	101,461	24,078	356,174	371,766
Total current assets	111,947	448,325	311,719	110,161	982,152	975,872
Noncurrent assets:						
Loans receivable	-	-	1,061,386	-	1,061,386	984,210
Other	-	46,000	116	107	46,223	47,304
Total long-term assets	-	46,000	1,061,502	107	1,107,609	1,031,514
Capital assets, net						
Property and equipment	85,620	498,155	1,848	195,911	781,534	786,841
Non-depreciable capital assets	-	21,206	573	15,253	37,032	21,571
Total assets	197,567	1,013,686	1,375,642	321,432	2,908,327	2,815,798
Deferred outflows of resources						
	-	13,320	216	-	13,536	14,729
LIABILITIES						
Current liabilities:						
Payables:						
Accounts	34,060	12,126	288	8,321	54,795	33,657
Compensation	415	1,259	279	10,525	12,478	9,651
Due to primary government	726	2,991	-	6,885	10,602	25,793
Accrued liabilities	444	15,419	-	7	15,870	16,614
Unearned revenue	-	3,394	-	11,079	14,473	14,807
Current maturities	-	20,655	21,569	-	42,224	88,568
Other current liabilities	272	8,996	128,110	3,772	141,150	151,035
Total current liabilities	35,917	64,840	150,246	40,589	291,592	340,125
Noncurrent liabilities:						
Long-term debt:						
Bonds payable	-	572,276	1,112,409	-	1,684,685	1,665,552
Other long-term liabilities	-	6,181	-	-	6,181	4,919
Total long-term liabilities	-	578,457	1,112,409	-	1,690,866	1,670,471
Total liabilities	35,917	643,297	1,262,655	40,589	1,982,458	2,010,596
NET POSITION						
Net investment in capital assets	85,620	146,870	2,421	210,723	445,634	420,422
Restricted - expendable	-	150,821	36,502	8,989	196,312	205,496
Restricted - nonexpendable	-	-	-	16,278	16,278	15,866
Unrestricted	76,030	86,018	74,280	44,853	281,181	178,147
Total net position	\$ 161,650	\$ 383,709	\$ 113,203	\$ 280,843	\$ 939,405	\$ 819,931

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, 2017
(With Comparative Totals for the Year Ended September 30, 2016, as restated)

	(\$000s)				Totals	
	Health Benefit Exchange Authority	Washington Convention and Sports Authority	Housing Finance Agency	University of the District of Columbia	2017	2016, as restated
Expenses	\$ 31,491	\$ 136,894	\$ 72,768	\$ 144,544	\$ 385,697	\$ 377,221
Program revenues:						
Charges for services, fees, fines & forfeits	4,376	33,020	45,593	34,623	117,612	102,251
Operating grants and contributions	26,789	-	-	23,714	50,503	57,342
Capital grants and contributions	-	-	-	9,627	9,627	15,357
Net expense	(326)	(103,874)	(27,175)	(76,580)	(207,955)	(202,271)
General revenues:						
Investment earnings	38	2,092	5,133	6,356	13,619	8,744
Miscellaneous	32,261	23,842	30,509	11,399	98,011	98,178
Subsidy from primary government	-	138,128	-	77,671	215,799	195,493
Total general revenues	32,299	164,062	35,642	95,426	327,429	302,415
Change in net position	31,973	60,188	8,467	18,846	119,474	100,144
Net position at October 1, as restated	129,677	323,521	104,736	261,997	819,931	719,787
Net position at September 30	\$ 161,650	\$ 383,709	\$ 113,203	\$ 280,843	\$ 939,405	\$ 819,931

The accompanying notes are an integral part of this statement.