



CAFR

2013

COMPREHENSIVE ANNUAL FINANCIAL REPORT



VINCENT C. GRAY
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



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:

<u>Section</u>	<u>Page</u>
1. Financial Trends	163
2. Revenue Capacity.....	171
3. Debt Capacity	177
4. Demographic and Economic Information	183
5. Operating Information	185



[This page intentionally left blank]

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)	NET POSITION										** 2013	
	2004	2005	2006	2007	2008	2009	2010	2011	2012	*		
Governmental activities												
Net investment in capital assets	\$ 774,533	\$ 1,069,731	\$ 938,597	\$ 1,197,275	\$ 1,794,279	\$ 2,155,206	\$ 2,437,385	\$ 2,534,538	\$ 2,872,272	\$ 2,849,043		
Restricted	807,839	930,021	987,650	1,269,708	1,156,213	852,061	1,117,560	963,694	1,057,582	1,264,682		
Unrestricted	(370,474)	(249,088)	167,779	92,345	(404,959)	(505,804)	(739,720)	(527,647)	(601,284)	(632,045)		
Total governmental activities net position	1,211,898	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		
Business-type activities												
Net investment in capital assets	17,927	16,183	17,505	17,211	16,747	16,012	4,827	478	480	427		
Restricted	288,224	322,893	347,938	375,148	374,282	304,773	233,296	226,229	229,930	241,952		
Unrestricted	34,829	34,968	29,000	25,980	24,773	25,864	8,628	3,501	3,607	3,911		
Total business-type activities net position	340,980	374,044	394,443	418,339	415,802	346,649	246,751	230,208	234,017	246,290		
Primary government												
Net investment in capital assets	792,460	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		
Restricted	1,096,063	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		
Unrestricted	(335,645)	(214,120)	196,779	118,325	(380,186)	(479,940)	(731,092)	(524,146)	(597,677)	(628,134)		
Total primary government net position	\$ 1,552,878	\$ 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		

* 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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities							*			**
Expenses										
Governmental direction and support	\$ 554,614	\$ 641,964	\$ 574,097	\$ 787,392	\$ 834,694	\$ 878,219	\$ 871,240	\$ 783,557	\$ 987,978	\$ 993,774
Economic development and regulation	253,311	283,186	391,203	509,874	499,644	470,567	374,149	370,592	353,618	460,082
Public safety and justice	1,007,755	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
Public education system	1,301,807	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
Human support services	2,537,195	2,663,556	2,967,372	2,992,805	3,285,325	3,598,570	3,677,407	3,889,812	3,925,613	4,086,722
Public works	313,580	307,247	351,917	481,702	586,649	553,233	497,027	489,304	587,002	603,423
Public transportation	162,602	167,783	187,615	198,484	214,905	230,499	243,668	257,703	221,339	284,851
Interest on long-term debt	189,697	201,882	269,725	281,918	293,339	336,536	324,319	356,164	397,216	382,530
Total governmental activities expenses	6,320,561	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
Program revenues										
Charges for services, fees, fines & forfeitures:										
Economic development and regulation	83,866	92,198	94,487	102,230	111,105	105,148	112,074	126,407	134,410	136,436
Public works	134,875	132,533	146,628	151,957	206,771	196,119	219,005	228,287	191,960	170,810
Others	81,369	102,431	84,298	80,790	61,273	98,211	118,943	135,407	211,033	223,969
Operating grants & contributions	2,060,973	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
Capital grants & contributions	151,334	112,704	119,715	130,557	175,841	180,602	259,277	172,964	261,411	270,813
Total governmental activities program revenues	2,512,417	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
Net expenses	<u>(3,808,144)</u>	<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>
General revenues										
Taxes:										
Property taxes	1,017,653	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
Sales and use taxes	828,391	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
Income and franchise taxes	1,299,009	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
Gross receipts taxes	271,897	295,819	278,453	302,768	302,873	315,976	295,531	279,002	319,036	345,852
Other taxes	379,521	377,213	390,542	498,198	413,401	261,909	264,959	403,199	404,066	400,308
Grants and contributions - unrestricted	24,543	-	-	-	-	-	-	-	-	-
Investment earnings	16,211	39,811	73,207	124,420	95,847	28,242	19,156	6,122	21,944	6,071
Miscellaneous	314,596	311,662	431,182	456,425	458,469	530,847	447,368	563,400	514,590	580,097
Special items	-	-	-	(8,838)	153,640	287,137	266,942	-	-	-
Transfers	73,500	71,450	73,800	65,376	70,300	68,775	96,624	71,311	66,404	68,314
Total governmental activities general revenues	4,225,321	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
Change in net position --- governmental activities	\$ 417,177	\$ 538,766	\$ 363,362	\$ 445,302	\$ (13,795)	\$ (44,070)	\$ 277,588	\$ 155,360	\$ 357,985	\$ 300,785

* 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) **									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business activities							*			
Expenses										
Lottery and games	\$ 167,938	\$ 164,066	\$ 193,907	\$ 192,336	\$ 182,981	\$ 176,625	\$ 163,393	\$ 169,526	\$ 183,185	\$ 173,927
Unemployment compensation	113,888	92,728	102,749	99,920	150,237	370,775	480,976	408,997	344,913	255,645
Nursing home services	33,023	35,066	35,434	37,556	40,837	44,601	18,817	4,555	-	-
Total business-type activities expenses	314,849	291,860	332,090	329,812	374,055	592,001	663,186	583,078	528,098	429,572
Program revenues										
Charges for services, fees, fines & forfeitures:										
Lottery and games	241,133	234,931	266,391	256,824	252,721	245,370	230,159	231,749	249,675	242,460
Nursing home services	30,907	32,184	29,154	31,849	37,435	43,424	19,991	4,135	-	-
Operating grants & contributions	26,588	16,707	14,825	18,358	21,191	36,985	36,998	34,968	27,945	32,790
Capital grants & contributions	15,464	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	314,092	283,822	310,370	307,031	311,347	325,779	287,148	270,852	277,620	275,250
Net expenses	(757)	(8,038)	(21,720)	(22,781)	(62,708)	(266,222)	(376,038)	(312,226)	(250,478)	(154,322)
General revenues										
Taxes:										
Other taxes	97,196	92,985	95,888	90,117	92,733	94,622	129,471	128,875	133,618	131,025
Investment earnings	16,847	18,887	19,321	20,841	21,317	19,061	13,584	11,764	8,517	7,723
Miscellaneous	250	680	710	1,095	16,355	152,161	229,709	226,355	178,556	96,161
Transfers	(73,500)	(71,450)	(73,800)	(65,376)	(70,300)	(68,775)	(96,624)	(71,311)	(66,404)	(68,314)
Total business-type activities general revenues	40,793	41,102	42,119	46,677	60,105	197,069	276,140	295,683	254,287	166,595
Change in net position --- business-type activities	\$ 40,036	\$ 33,064	\$ 20,399	\$ 23,896	\$ (2,603)	\$ (69,153)	\$ (99,898)	\$ (16,543)	\$ 3,809	\$ 12,273
Total primary government										
Expenses	\$ 6,635,410	\$ 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
Program revenues	2,820,257	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
Net (expenses)/revenues	(3,815,153)	(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)
General revenues	4,272,366	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
Change in net position --- primary government	\$ 457,213	\$ 571,830	\$ 383,761	\$ 469,198	\$ (16,398)	\$ (113,223)	\$ 177,690	\$ 138,817	\$ 361,794	\$ 313,058

* 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.

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

Exhibit S-1C

	2004	2005	2006	2007	2008	2009	2010
General Fund							*
Reserved	\$ 607,903	\$ 1,110,770	\$ 1,045,560	\$ 1,135,459	\$ 957,977	\$ 703,694	\$ 836,181
Unreserved	607,112	473,913	389,582	358,541	286,745	216,789	94,588
Total general fund	\$ 1,215,015	\$ 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	\$ 239,291	\$ 249,911	\$ 321,878	\$ 460,556	\$ 465,229	\$ 507,678	\$ 555,476
Capital project funds	43,914	86,530	732,602	835,024	629,805	417,212	137,922
Unreserved, reported in:							
Capital project funds	(273,432)	(312,161)	-	-	-	-	-
Total all other governmental funds	\$ 9,773	\$ 24,280	\$ 1,054,480	\$ 1,295,580	\$ 1,095,034	\$ 924,890	\$ 693,398

	2011	2012	2013
General Fund			
Nonspendable	\$ 18,465	\$ 20,357	\$ 16,015
Restricted	756,650	856,277	976,071
Committed	256,287	595,008	659,567
Assigned	73,492	34,879	97,275
Unassigned	-	-	-
Total general fund	\$ 1,104,894	\$ 1,506,521	\$ 1,748,928

	2011	2012	2013
All other governmental funds			
Nonspendable	\$ -	\$ -	\$ -
Restricted	621,740	541,642	717,664
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	(116,269)	-
Total all other governmental funds	\$ 621,740	\$ 425,373	\$ 717,664

* Due to the District's policy change on the recognition of personal property tax revenues, FY2010 information has been adjusted. In FY2011, the District implemented GASB Statement #54; presentation is not comparable to prior years. 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)

Exhibit S-1D

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
REVENUES										
Taxes	\$ 3,806,906	\$ 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
Fines and forfeits	102,828	111,146	112,919	101,971	99,452	106,169	128,473	129,448	185,771	178,708
Licenses and permits	62,968	82,093	81,222	89,072	94,988	91,230	86,951	102,769	99,300	105,081
Charges for services	134,314	133,923	131,273	143,934	184,709	202,079	234,598	257,884	252,332	247,426
Investment earnings	16,211	39,811	73,206	124,420	95,847	28,242	19,156	5,789	21,728	6,608
Miscellaneous	305,039	311,573	489,067	444,262	457,747	524,046	447,365	549,006	514,694	511,582
Federal contributions	393,928	382,966	362,075	440,962	433,206	573,446	670,186	617,845	554,979	555,038
Operating grants	1,842,922	1,828,461	1,912,675	1,999,090	1,920,910	2,420,724	2,910,762	2,898,866	2,896,470	2,992,893
Total revenues	6,665,116	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
EXPENDITURES										
Governmental direction and support	483,185	590,344	611,620	651,974	695,175	672,463	657,935	698,117	787,331	810,803
Economic development and regulation	236,220	267,335	348,091	444,508	461,707	405,140	388,424	351,814	318,266	383,143
Public safety and justice	984,062	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
Public education system	1,284,448	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
Human support services	2,563,646	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
Public works	164,231	175,300	184,200	329,942	416,982	388,713	318,590	265,750	342,215	287,598
Public transportation	162,602	167,783	187,615	198,484	214,905	230,499	243,668	257,703	221,339	284,851
Debt service:										
Principal	152,086	183,845	205,654	232,389	251,998	277,523	209,746	211,696	217,645	254,312
Interest and other charges	189,697	202,387	225,195	258,769	287,354	292,484	300,123	333,872	375,461	410,020
Fiscal charges	13,721	9,277	31,958	15,095	25,330	19,659	64,532	14,296	15,447	8,640
Total debt service	355,504	395,509	462,807	506,253	564,682	589,666	574,401	559,864	608,553	672,972
Subtotal expenditures	6,233,898	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
Capital outlay	666,649	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
Total expenditures	6,900,547	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
Excess (deficiency) of revenues over (under) expenditures	(235,431)	(103,267)	(586,202)	(424,683)	(1,433,476)	(1,146,369)	(1,207,968)	(784,906)	(403,473)	(562,588)
OTHER FINANCING SOURCES (USES)										
Debt issuance	325,726	386,370	1,342,612	610,580	664,105	491,645	750,298	745,025	439,370	833,286
Refunding debt issuance	-	-	116,475	251,155	675,895	580,140	835,010	63,860	608,210	25,005
Premium on sale of bonds	-	14,478	39,944	16,063	36,282	50,198	89,505	24,711	124,679	154,681
Payment to escrow agent	-	-	(136,137)	(264,334)	(675,385)	(607,640)	(855,011)	(63,335)	(679,843)	(28,929)
Other sources	9,557	89	-	-	-	-	-	-	-	-
Proceeds from capital lease	503	19	-	-	-	-	-	-	-	-
Equipment financing program	20,822	15,036	30,167	42,471	36,479	62,068	34,162	45,801	49,463	41,016
Transfers in	109,717	193,439	685,206	694,229	477,829	447,639	429,033	302,059	353,087	364,563
Transfers out	(36,217)	(121,989)	(611,406)	(628,853)	(407,529)	(378,864)	(332,409)	(230,748)	(286,683)	(296,249)
Sale of capital assets	-	-	-	12,168	726	6,800	-	-	450	3,913
Total other financing sources	430,108	487,442	1,466,861	733,479	808,402	651,986	950,588	887,373	608,733	1,097,286
Special items	-	-	(8,838)	(8,838)	175,250	-	-	-	-	-
Net change in fund balances	\$ 194,677	\$ 384,175	\$ 880,659	\$ 299,958	\$ (449,824)	\$ (494,383)	\$ (257,380)	\$ 102,467	\$ 205,260	\$ 534,698
Total capitalized expenditures	\$ 690,609	\$ 648,795	\$ 771,069	\$ 857,739	\$ 1,402,291	\$ 1,222,453	\$ 1,455,655	\$ 936,823	\$ 999,605	\$ 925,053
Debt service as a percentage of noncapital expenditures	5.50%	5.86%	5.78%	6.10%	6.23%	6.40%	5.54%	5.64%	6.08%	6.41%

* 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			Sales and Use	Income and Franchise	Gross Receipts	Other Taxes	Total
	Real	Personal	Rental					
2004	\$ 947,690	\$ 63,558	\$ 16,840	\$ 828,391	\$ 1,299,009	\$ 271,897	\$ 379,521	\$ 3,806,906
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

* 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.