

## 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 Assets**  
**September 30, 2010**  
 (With Comparative Totals at September 30, 2009)  
 (\$000s)

			Primary Government		Component Units
			Governmental	Business-Type	
	Activities	Activities	2010	2009	
<b>ASSETS</b>					
Cash and cash equivalents (unrestricted)	\$ 76,455	\$ 13,919	\$ 90,374	\$ 401,453	\$ 147,975
Investments (unrestricted)	-	288	288	5,627	160,871
Due from federal government	585,463	5,505	590,968	462,781	40,264
Taxes receivable, net	355,860	-	355,860	351,096	-
Accounts receivable, net	214,741	23,730	238,471	232,327	62,034
Other receivables	-	-	-	-	29,795
Due from primary government	-	-	-	-	15,513
Due from component units	61,014	-	61,014	26,016	-
Due from fiduciary funds	1,882	-	1,882	4,677	-
Internal balances	31,510	(31,510)	-	-	-
Inventories	13,753	-	13,753	11,431	8,318
Other current assets	6,128	258	6,386	1,753	25,558
Cash and cash equivalents (restricted)	1,443,419	322,826	1,766,245	1,975,701	367,509
Investments (restricted)	319,945	29,218	349,163	220,573	463,978
Other long term assets	113,300	-	113,300	142,192	543,161
Deferred outflow of resources	61,697	-	61,697	-	-
Deferred charges	167,990	-	167,990	99,693	-
Depreciable capital assets, net	6,136,620	4,827	6,141,447	5,673,990	3,421,622
Non-depreciable capital assets	3,091,911	-	3,091,911	2,456,841	399,226
<b>Total assets</b>	<b>12,681,688</b>	<b>369,061</b>	<b>13,050,749</b>	<b>12,066,151</b>	<b>5,685,824</b>
<b>LIABILITIES</b>					
Accounts payable	734,032	82,197	816,229	753,671	127,220
Compensation payable	153,376	1,452	154,828	181,791	34,687
Due to primary government	-	-	-	-	61,014
Due to component units	15,513	-	15,513	14,151	-
Due to fiduciary funds	2,292	-	2,292	-	-
Unearned revenues	295,111	152	295,263	281,467	69,580
Accrued liabilities	351,513	9,291	360,804	306,542	48,076
Accrued interest payable	107,960	-	107,960	88,736	-
Other current liabilities	11,507	-	11,507	10,689	68,792
Derivative instrument liabilities	61,697	-	61,697	-	-
Long-term liabilities:					
Due within one year	421,311	6,873	428,184	518,243	63,166
Due in more than one year	7,752,794	22,345	7,775,139	7,062,749	3,560,204
<b>Total liabilities</b>	<b>9,907,106</b>	<b>122,310</b>	<b>10,029,416</b>	<b>9,218,039</b>	<b>4,032,739</b>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	2,437,385	4,827	2,442,212	2,171,218	1,163,678
Restricted for:					
Expendable					
Debt service	288,336	-	288,336	203,298	-
Benefit payments	-	233,296	233,296	304,773	-
Capital projects	4,484	-	4,484	-	-
Grants and special purposes	276,895	-	276,895	142,566	-
Budget and subsequent years expenditures	74,447	-	74,447	-	-
Purpose restriction	118,143	-	118,143	104,626	-
Emergency reserves	337,945	-	337,945	284,316	-
Other	17,310	-	17,310	117,255	200,779
Nonexpendable	-	-	-	-	7,242
Unrestricted (deficit)	(780,363)	8,628	(771,735)	(479,940)	281,386
<b>Total net assets</b>	<b>\$ 2,774,582</b>	<b>\$ 246,751</b>	<b>\$ 3,021,333</b>	<b>\$ 2,848,112</b>	<b>\$ 1,653,085</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, 2010  
(With Comparative Totals for the Year Ended September 30, 2009)  
(\$000s)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets				Component Units
	Expenses	Charges for Services, Fees, Fines & Forfeits	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals		
							2010	2009	
<b>Primary government:</b>									
<b>Governmental activities:</b>									
Governmental direction and support	\$ 871,240	\$ 28,388	\$ 40,199	\$ 15,000	\$ (787,653)		\$ (787,653)	\$ (757,632)	
Economic development and regulation	374,149	112,074	118,202	-	(143,873)		(143,873)	(288,728)	
Public safety and justice	1,563,505	76,952	528,688	-	(957,865)		(957,865)	(943,348)	
Public education system	1,989,518	449	495,727	-	(1,493,342)		(1,493,342)	(1,527,277)	
Human support services	3,677,405	13,154	2,104,280	18,760	(1,541,211)		(1,541,211)	(1,750,044)	
Public works	497,027	219,005	34,575	225,517	(17,930)		(17,930)	(184,316)	
Public transportation	243,668	-	-	-	(243,668)		(243,668)	(230,499)	
Interest on long-term debt	324,319	-	-	-	(324,319)		(324,319)	(336,536)	
<b>Total governmental activities</b>	<b>9,540,831</b>	<b>450,022</b>	<b>3,321,671</b>	<b>259,277</b>	<b>(5,509,861)</b>		<b>(5,509,861)</b>	<b>(6,018,380)</b>	
<b>Business-type activities:</b>									
Lottery and games	163,393	230,159	-	-		\$ 66,766	66,766	68,745	
Unemployment compensation	480,976	-	36,998	-		(443,978)	(443,978)	(333,790)	
Nursing home services	18,817	19,991	-	-		1,174	1,174	(1,177)	
<b>Total business-type activities</b>	<b>663,186</b>	<b>250,150</b>	<b>36,998</b>			<b>(376,038)</b>	<b>(376,038)</b>	<b>(266,222)</b>	
<b>Total primary government</b>	<b>\$ 10,204,017</b>	<b>\$ 700,172</b>	<b>\$ 3,358,669</b>	<b>\$ 259,277</b>	<b>(5,509,861)</b>	<b>(376,038)</b>	<b>(5,885,899)</b>	<b>(6,284,602)</b>	
<b>Component units:</b>									
Water and sewer authority	\$ 387,495	\$ 357,093	\$ -	\$ 30,403					\$ 1
Convention center	111,990	21,365	-	-					(90,625)
United Medical Center	20,560	21,336	-	-					776
Housing finance	58,048	7,151	-	-					(50,897)
University	141,266	27,907	29,079	1,473					(82,807)
<b>Total component units</b>	<b>\$ 719,359</b>	<b>\$ 434,852</b>	<b>\$ 29,079</b>	<b>\$ 31,876</b>					<b>(223,552)</b>
<b>General revenues:</b>									
<b>Taxes:</b>									
Property taxes					1,877,264	-	1,877,264	1,951,345	-
Sales and use taxes					1,081,005	-	1,081,005	1,052,011	-
Income and franchise taxes					1,434,131	-	1,434,131	1,478,068	-
Gross receipts taxes					295,531	-	295,531	315,976	-
Other taxes					264,959	129,471	394,430	356,531	-
Investment earnings					19,156	13,584	32,740	47,303	52,142
Miscellaneous					447,368	229,709	677,077	683,008	27,213
Subsidy from primary government					-	-	-	-	156,178
Special item - federal real property swap					266,942	-	266,942	287,137	-
Transfer in (out)					96,624	(96,624)	-	-	48,128
<b>Total general revenues, special item and transfers</b>					<b>5,782,980</b>	<b>276,140</b>	<b>6,059,120</b>	<b>6,171,379</b>	<b>283,661</b>
<b>Change in net assets</b>					<b>273,119</b>	<b>(99,898)</b>	<b>173,221</b>	<b>(113,223)</b>	<b>60,109</b>
Net assets at October 1,					2,501,463	346,649	2,848,112	2,961,335	1,592,976
Net assets at September 30					<b>\$ 2,774,582</b>	<b>\$ 246,751</b>	<b>\$ 3,021,333</b>	<b>\$ 2,848,112</b>	<b>\$ 1,653,085</b>

The accompanying notes are an integral part of this statement.

Exhibit 2-a

**District of Columbia  
Balance Sheet  
Governmental Funds  
September 30, 2010  
(With Comparative Totals at September 30, 2009)  
(\$000s)**

	General	Federal & Private Resources	General Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds	
					2010	2009
<b>ASSETS</b>						
Cash and cash equivalents (unrestricted)	\$ 76,455	\$ -	\$ -	\$ -	\$ 76,455	\$ 385,459
Due from federal government	25,910	496,130	63,423	-	585,463	443,898
Taxes receivable, net	355,860	-	-	-	355,860	351,096
Accounts receivable, net	99,531	81,028	3,696	30,486	214,741	207,629
Due from component units	59,873	-	-	1,141	61,014	26,016
Due from other funds	593,501	37,131	73	18,273	648,978	388,834
Inventories	9,614	4,139	-	-	13,753	11,431
Other current assets	2,005	824	3,299	-	6,128	1,107
Cash and cash equivalents (restricted)	311,945	195,297	565,523	370,654	1,443,419	1,609,298
Investments (restricted)	319,945	-	-	-	319,945	181,583
Other long term assets	22,030	12,889	-	78,381	113,300	142,192
<b>Total assets</b>	<u>\$ 1,876,669</u>	<u>\$ 827,438</u>	<u>\$ 636,014</u>	<u>\$ 498,935</u>	<u>\$ 3,839,056</u>	<u>\$ 3,748,543</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	403,254	111,364	192,365	27,049	734,032	679,832
Compensation payable	133,562	16,844	2,779	191	153,376	178,646
Due to other funds	24,051	268,790	302,210	22,827	617,878	364,387
Due to component units	12,050	3,285	178	-	15,513	14,151
Deferred revenue	190,877	95,981	5,042	79,813	371,713	357,128
Accrued liabilities	214,658	136,737	-	118	351,513	298,337
Other current liabilities	8,091	3,414	2	-	11,507	10,689
<b>Total liabilities</b>	<u>986,543</u>	<u>636,415</u>	<u>502,576</u>	<u>129,998</u>	<u>2,255,532</u>	<u>1,903,170</u>
<b>Fund balances:</b>						
Reserved for:						
General fund purposes	836,181	-	-	-	836,181	703,694
Special revenue funds purposes	-	191,023	-	364,453	555,476	507,678
Capital project purposes	-	-	133,438	4,484	137,922	417,212
Unreserved, designated, reported in:						
General fund	53,945	-	-	-	53,945	216,789
<b>Total fund balances</b>	<u>890,126</u>	<u>191,023</u>	<u>133,438</u>	<u>368,937</u>	<u>1,583,524</u>	<u>1,845,373</u>
<b>Total liabilities and fund balances</b>	<u>\$ 1,876,669</u>	<u>\$ 827,438</u>	<u>\$ 636,014</u>	<u>\$ 498,935</u>	<u>\$ 3,839,056</u>	<u>\$ 3,748,543</u>

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	9,228,531
Certain long term assets are not available to pay current period expenditures and are therefore deferred in the funds.	76,602
Adjustment for deferred charges.	167,990
Certain liabilities (such as bonds payable and accrued expenses) are not due and payable in the current period:	
General obligation bonds	2,781,053
Income tax revenue bonds	2,570,650
Tobacco settlement bonds	699,779
TIF bonds	91,807
Ballpark bonds	517,390
QZAB	9,518
Accrued interest payable	107,960
Capital leases	36,108
Other long-term liabilities	1,467,800

(8,282,065)  
Net assets of governmental activities \$ 2,774,582

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, 2010**  
**(With Comparative Totals for the Year Ended September 30, 2009)**  
**(\$000s)**

	Federal & Private Resources		General Capital Improvements		Nonmajor Governmental Funds		Total Governmental Funds	
	General						2010	2009
<b>REVENUES</b>								
Taxes:								
Property taxes	\$ 1,876,815	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,876,815	\$ 1,934,523
Sales and use taxes	1,081,005	-	-	-	-	-	1,081,005	1,052,011
Income and franchise taxes	1,434,131	-	-	-	-	-	1,434,131	1,478,068
Gross receipts taxes	295,531	-	-	-	-	-	295,531	315,976
Other taxes	264,959	-	-	-	-	-	264,959	261,909
Fines and forfeitures	128,473	-	-	-	-	-	128,473	106,169
Licenses and permits	86,946	5	-	-	-	-	86,951	91,230
Charges for services	223,454	4,411	-	6,733	-	-	234,598	202,079
Investment earnings	2,325	757	114	15,960	-	-	19,156	28,242
Miscellaneous	356,122	36,168	4,905	50,170	-	-	447,365	524,046
Federal contributions	-	655,186	15,000	-	-	-	670,186	573,446
Operating grants	-	2,666,485	244,277	-	-	-	2,910,762	2,420,724
<b>Total revenues</b>	<b>5,749,761</b>	<b>3,363,012</b>	<b>264,296</b>	<b>72,863</b>	<b>-</b>	<b>-</b>	<b>9,449,932</b>	<b>8,988,423</b>
<b>EXPENDITURES</b>								
Current:								
Governmental direction and support	579,457	43,936	-	34,542	-	-	657,935	672,463
Economic development and regulation	247,355	100,993	-	40,076	-	-	388,424	405,140
Public safety and justice	1,018,335	528,138	-	-	-	-	1,546,473	1,381,873
Public education system	1,400,832	503,191	-	-	-	-	1,904,023	1,850,200
Human support service	1,564,143	2,095,367	-	9,857	-	-	3,669,367	3,485,267
Public works	276,990	41,600	-	-	-	-	318,590	388,713
Public transportation	243,668	-	-	-	-	-	243,668	230,499
Debt service:								
Principal	175,019	-	-	34,727	-	-	209,746	277,523
Interest	233,536	-	-	66,587	-	-	300,123	292,484
Fiscal charges	64,532	-	-	-	-	-	64,532	19,659
Capital outlay	-	-	1,307,946	51,542	-	-	1,359,488	1,130,971
<b>Total expenditures</b>	<b>5,803,867</b>	<b>3,313,225</b>	<b>1,307,946</b>	<b>237,331</b>	<b>-</b>	<b>-</b>	<b>10,662,369</b>	<b>10,134,792</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(54,106)</b>	<b>49,787</b>	<b>(1,043,650)</b>	<b>(164,468)</b>	<b>-</b>	<b>-</b>	<b>(1,212,437)</b>	<b>(1,146,369)</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Debt issuance	21,269	-	699,656	29,373	-	-	750,298	491,645
Refunding debt issuance	835,010	-	-	-	-	-	835,010	580,140
Premium on sale of bonds	74,840	-	13,321	1,344	-	-	89,505	50,198
Payment to refunded bond escrow agent	(855,011)	-	-	-	-	-	(855,011)	(607,640)
Equipment financing program	-	-	34,162	-	-	-	34,162	62,068
Transfers in	125,002	259	81,177	222,595	-	-	429,033	447,639
Transfers out	(177,361)	(1,589)	(58,082)	(95,377)	-	-	(332,409)	(378,864)
Sale of capital assets	-	-	-	-	-	-	-	6,800
<b>Total other financing sources (uses)</b>	<b>23,749</b>	<b>(1,330)</b>	<b>770,234</b>	<b>157,935</b>	<b>-</b>	<b>-</b>	<b>950,588</b>	<b>651,986</b>
<b>Net change in fund balances</b>	<b>(30,357)</b>	<b>48,457</b>	<b>(273,416)</b>	<b>(6,533)</b>	<b>-</b>	<b>-</b>	<b>(261,849)</b>	<b>(494,383)</b>
Fund balances at October 1	920,483	142,566	406,854	375,470	-	-	1,845,373	2,339,756
Fund balances at September 30	\$ 890,126	\$ 191,023	\$ 133,438	\$ 368,937	\$ -	\$ -	\$ 1,583,524	\$ 1,845,373

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, 2010  
 (\$000s)**

Net change in fund balances - total governmental funds	\$ (261,849)
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 exceeded depreciation expense in the current period.	1,113,713
Deferred 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.	449
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bond proceeds exceeded repayments.	(553,215)
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.	<u>(25,979)</u>
Change in net assets of governmental activities	<u>\$ 273,119</u>

*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, 2010  
(\$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	\$ 1,835,702	\$ 1,838,534	\$ 1,873,491	\$ 34,957	\$ -	\$ -	\$ -	\$ -	\$ 1,835,702	\$ 1,838,534	\$ 1,873,491	\$ 34,957
Sales and use taxes	1,141,396	1,109,544	1,060,921	(48,623)	-	-	-	-	1,141,396	1,109,544	1,060,921	(48,623)
Income and franchise taxes	1,463,177	1,572,680	1,434,131	(138,549)	-	-	-	-	1,463,177	1,572,680	1,434,131	(138,549)
Other taxes	524,651	524,210	535,324	11,114	-	-	-	-	524,651	524,210	535,324	11,114
Total taxes	4,964,926	5,044,968	4,903,867	(141,101)	-	-	-	-	4,964,926	5,044,968	4,903,867	(141,101)
Licenses and permits	60,959	66,155	60,852	(5,303)	-	-	-	-	60,959	66,155	60,852	(5,303)
Fines and forfeits	180,411	147,203	111,488	(35,715)	-	-	-	-	180,411	147,203	111,488	(35,715)
Charges for services	45,901	37,774	46,125	8,351	-	-	-	-	45,901	37,774	46,125	8,351
Miscellaneous	122,069	83,185	119,743	36,558	-	-	-	-	122,069	83,185	119,743	36,558
Other sources	460,574	440,479	439,908	(571)	-	-	-	-	460,574	440,479	439,908	(571)
General obligation bonds	15,000	15,000	5,079	(9,921)	-	-	-	-	15,000	15,000	5,079	(9,921)
Federal contributions	-	-	-	-	136,175	186,207	135,839	(50,368)	136,175	186,207	135,839	(50,368)
Operating grant	-	-	-	-	2,646,603	2,854,733	2,493,351	(361,382)	2,646,603	2,854,733	2,493,351	(361,382)
Fund balance released from restrictions	129,047	214,852	138,421	(76,431)	-	14,156	14,156	-	129,047	229,008	152,577	(76,431)
Interfund transfer-from lottery and games	65,775	67,350	66,750	(600)	-	-	-	-	65,775	67,350	66,750	(600)
Interfund transfer-others	3,497	23,897	24,287	390	-	-	-	-	3,497	23,897	24,287	390
Total revenues and other sources	<u>6,048,159</u>	<u>6,140,863</u>	<u>5,916,520</u>	<u>(224,343)</u>	<u>2,782,778</u>	<u>3,055,096</u>	<u>2,643,346</u>	<u>(411,750)</u>	<u>8,830,937</u>	<u>9,195,959</u>	<u>8,559,866</u>	<u>(636,093)</u>
<b>Expenditures and Other Uses:</b>												
Governmental direction and support	373,596	388,565	375,801	12,764	28,280	29,795	28,931	864	401,876	418,360	404,732	13,628
Economic development and regulation	318,012	323,801	265,865	57,936	115,456	187,811	102,021	85,790	433,468	511,612	367,886	143,726
Public safety and justice	1,020,190	1,040,529	1,018,244	22,285	263,556	255,860	117,779	138,081	1,283,746	1,296,389	1,136,023	160,366
Public education system	1,380,532	1,282,280	1,271,348	10,932	357,228	534,995	395,372	139,623	1,737,760	1,817,275	1,666,720	150,555
Public education AY11 expenditure	-	135,643	135,643	-	-	-	-	-	-	135,643	135,643	-
Human support services	1,410,425	1,479,115	1,461,273	17,843	1,947,166	1,987,698	1,881,865	105,833	3,357,591	3,466,813	3,343,137	123,676
Public works	579,216	592,453	565,731	26,722	56,092	43,269	41,745	1,524	635,308	635,722	607,476	28,246
Emergency planning and security costs	-	-	-	-	15,000	15,624	15,624	-	15,000	15,624	15,624	-
Wilson building	3,625	3,242	3,226	16	-	-	-	-	3,625	3,242	3,226	16
Repay bonds and interest	472,061	370,795	351,816	18,979	-	-	-	-	472,061	370,795	351,816	18,979
Repay revenue bonds and interest	4,861	4,861	2,149	2,712	-	-	-	-	4,861	4,861	2,149	2,712
Bond fiscal charge	15,000	15,000	6,514	8,486	-	-	-	-	15,000	15,000	6,514	8,486
Interest on short term borrowing	9,000	3,000	2,373	627	-	-	-	-	9,000	3,000	2,373	627
Certificates of participation	32,285	32,285	32,257	28	-	-	-	-	32,285	32,285	32,257	28
Settlements and judgments fund	21,477	21,477	21,470	7	-	-	-	-	21,477	21,477	21,470	7
Presidential inauguration	-	-	-	-	-	44	44	-	-	44	44	-
Baseball tax transfer	32,081	32,081	32,081	-	-	-	-	-	32,081	32,081	32,081	-
Convention center transfer	93,054	93,054	93,054	-	-	-	-	-	93,054	93,054	93,054	-
Highway trust transfer	29,762	29,762	24,889	4,873	-	-	-	-	29,762	29,762	24,889	4,873
TIF and pilot transfer	45,992	45,992	34,140	11,852	-	-	-	-	45,992	45,992	34,140	11,852
Equipment lease operating	46,157	44,320	43,863	457	-	-	-	-	46,157	44,320	43,863	457
Emergency and contingency reserve	-	47,480	-	47,480	-	-	-	-	-	47,480	-	47,480
Pay-go capital	2,984	14,933	14,933	-	-	-	-	-	2,984	14,933	14,933	-
Schools modernization fund	8,612	8,612	8,612	-	-	-	-	-	8,612	8,612	8,612	-
District retiree health contribution	90,700	90,700	90,700	-	-	-	-	-	90,700	90,700	90,700	-
Cash reserve	-	53	-	53	-	-	-	-	-	53	-	53
Non-departmental agency	3,603	2,761	2,410	351	-	-	-	-	3,603	2,761	2,410	351
Total expenditures and other uses	<u>5,993,225</u>	<u>6,102,794</u>	<u>5,858,391</u>	<u>244,403</u>	<u>2,782,778</u>	<u>3,055,096</u>	<u>2,583,381</u>	<u>471,715</u>	<u>8,776,003</u>	<u>9,157,890</u>	<u>8,441,772</u>	<u>716,118</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES -- BUDGETARY BASIS</b>	<b>\$ 54,934</b>	<b>\$ 38,069</b>	<b>\$ 58,129</b>	<b>\$ 20,060</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 59,965</b>	<b>\$ 59,965</b>	<b>\$ 54,934</b>	<b>\$ 38,069</b>	<b>\$ 118,094</b>	<b>\$ 80,025</b>

The accompanying notes are an integral part of this statement.

## Exhibit 3-a

District of Columbia  
Statement of Net Assets  
Proprietary Funds  
September 30, 2010  
(With Comparative Totals at September 30, 2009)  
(\$000s)

	Lottery and Games	Unemployment Compensation	Nonmajor* Proprietary Fund	Totals	
				2010	2009
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents (unrestricted)	\$ 10,858	\$ -	\$ 3,061	\$ 13,919	\$ 15,994
Investments (unrestricted)	-	-	288	288	5,627
Due from federal government	-	5,505	-	5,505	18,883
Accounts receivable, net	4,969	16,006	2,755	23,730	24,698
Due from other funds	-	5,621	-	5,621	-
Other current assets	7	-	251	258	646
Cash and cash equivalents (restricted)	-	322,826	-	322,826	366,403
<b>Total current assets</b>	<b>15,834</b>	<b>349,958</b>	<b>6,355</b>	<b>372,147</b>	<b>432,251</b>
Noncurrent assets:					
Investments (restricted)	29,218	-	-	29,218	38,990
Capital assets, net	579	-	4,248	4,827	16,012
<b>Total noncurrent assets</b>	<b>29,797</b>	<b>-</b>	<b>4,248</b>	<b>34,045</b>	<b>55,002</b>
<b>Total assets</b>	<b>45,631</b>	<b>349,958</b>	<b>10,603</b>	<b>406,192</b>	<b>487,253</b>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	2,221	79,531	445	82,197	73,839
Accrued compensated absences	838	-	614	1,452	3,145
Due to other funds	-	37,131	-	37,131	19,770
Deferred revenue	152	-	-	152	492
Accrued liabilities	9,291	-	-	9,291	8,205
Long term liabilities due within one year	6,873	-	-	6,873	7,406
<b>Total current liabilities</b>	<b>19,375</b>	<b>116,662</b>	<b>1,059</b>	<b>137,096</b>	<b>112,857</b>
Noncurrent liabilities					
Long term liabilities due in more than one year	22,345	-	-	22,345	27,747
<b>Total noncurrent liabilities</b>	<b>22,345</b>	<b>-</b>	<b>-</b>	<b>22,345</b>	<b>27,747</b>
<b>Total liabilities</b>	<b>41,720</b>	<b>116,662</b>	<b>1,059</b>	<b>159,441</b>	<b>140,604</b>
<b>NET ASSETS</b>					
Invested in capital assets	579	-	4,248	4,827	16,012
Restricted - expendable	-	233,296	-	233,296	304,773
Unrestricted	3,332	-	5,296	8,628	25,864
<b>Total net assets</b>	<b>\$ 3,911</b>	<b>\$ 233,296</b>	<b>\$ 9,544</b>	<b>\$ 246,751</b>	<b>\$ 346,649</b>

\* This column includes Washington Center for Aging activities.  
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 Assets  
Proprietary Funds  
For the Year Ended September 30, 2010  
(With Comparative Totals for the Year Ended September 30, 2009)  
(\$000s)

	Lottery and Games	Unemployment Compensation	Nonmajor* Proprietary Fund	Totals	
				2010	2009
<b>Operating revenues:</b>					
Employer taxes	\$ -	\$ 129,471	\$ -	\$ 129,471	\$ 94,622
Charges for services	230,159	-	19,991	250,150	288,794
Benefit contributions	-	36,998	-	36,998	36,985
Miscellaneous	-	-	211	211	919
<b>Total operating revenues</b>	<b>230,159</b>	<b>166,469</b>	<b>20,202</b>	<b>416,830</b>	<b>421,320</b>
<b>Operating expenses:</b>					
Benefits	-	480,976	-	480,976	370,775
Prizes, agents commission & advertising	138,558	-	-	138,558	148,274
Personnel services	10,177	-	2,438	12,615	17,677
Contractual services	14,508	-	12,077	26,585	44,525
Depreciation	150	-	427	577	2,354
Miscellaneous	-	-	3,875	3,875	8,396
<b>Total operating expenses</b>	<b>163,393</b>	<b>480,976</b>	<b>18,817</b>	<b>663,186</b>	<b>592,001</b>
<b>Operating income (loss)</b>	<b>66,766</b>	<b>(314,507)</b>	<b>1,385</b>	<b>(246,356)</b>	<b>(170,681)</b>
<b>Nonoperating revenues:</b>					
Interest and investment revenue	25	13,532	27	13,584	19,061
Federal contribution	-	229,498	-	229,498	151,242
<b>Total nonoperating revenue</b>	<b>25</b>	<b>243,030</b>	<b>27</b>	<b>243,082</b>	<b>170,303</b>
<b>Income (loss) before transfers</b>	<b>66,791</b>	<b>(71,477)</b>	<b>1,412</b>	<b>(3,274)</b>	<b>(378)</b>
Transfer out	(66,750)	-	(29,874)	(96,624)	(68,775)
<b>Change in net assets</b>	<b>41</b>	<b>(71,477)</b>	<b>(28,462)</b>	<b>(99,898)</b>	<b>(69,153)</b>
Total net assets at October 1	3,870	304,773	38,006	346,649	415,802
Total net assets at September 30	\$ 3,911	\$ 233,296	\$ 9,544	\$ 246,751	\$ 346,649

\* This column includes Washington Center for Aging activities.

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, 2010**  
**(With Comparative Totals for the Year Ended September 30, 2009)**  
**(\$000s)**

	Lottery and Games	Unemployment Compensation	Nonmajor* Proprietary Fund	Totals	
				2010	2009
<b>Cash Flows from Operating activities:</b>					
Cash receipts from customers/employers	\$ 232,001	\$ 157,914	\$ 18,560	\$ 408,475	\$ 415,728
Other cash receipts	453	-	80	533	1,417
Cash payments to vendors	(22,494)	-	(17,187)	(39,681)	(66,235)
Cash payments to employees/claimants	(7,014)	(475,173)	-	(482,187)	(352,306)
Other cash payments, including prizes	(132,793)	-	(4,735)	(137,528)	(143,172)
Net cash provided by (used in) operating activities	<u>70,153</u>	<u>(317,259)</u>	<u>(3,282)</u>	<u>(250,388)</u>	<u>(144,568)</u>
<b>Cash Flows from Noncapital financing activities:</b>					
Intergovernmental grants	-	261,298	-	261,298	143,559
Interfund transfers out	(66,750)	-	(29,874)	(96,624)	(71,916)
Reimbursement of administrative cost	-	(1,148)	-	(1,148)	-
Net cash provided by (used in) noncapital financing activities	<u>(66,750)</u>	<u>260,150</u>	<u>(29,874)</u>	<u>163,526</u>	<u>71,643</u>
<b>Cash Flows from Capital and related financing activities:</b>					
Acquisitions of capital assets	(250)	-	29,581	29,331	(1,617)
Net cash used in capital and related financing activities	<u>(250)</u>	<u>-</u>	<u>29,581</u>	<u>29,331</u>	<u>(1,617)</u>
<b>Cash Flows from Investing activities:</b>					
Receipts of interest and dividends	25	13,532	27	13,584	19,061
Net proceeds from related party	-	-	(1,417)	(1,417)	(800)
Sales of investments	-	-	(288)	(288)	(1,889)
Net cash provided by (used in) investing activities	<u>25</u>	<u>13,532</u>	<u>(1,678)</u>	<u>11,879</u>	<u>16,372</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>3,178</b>	<b>(43,577)</b>	<b>(5,253)</b>	<b>(45,652)</b>	<b>(58,170)</b>
<b>Cash and cash equivalents at October 1</b>	<b>7,680</b>	<b>\$ 366,403</b>	<b>\$ 8,314</b>	<b>382,397</b>	<b>440,567</b>
<b>Cash and cash equivalents at September 30</b>	<b>\$ 10,858</b>	<b>\$ 322,826</b>	<b>\$ 3,061</b>	<b>\$ 336,745</b>	<b>\$ 382,397</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ 66,766	\$ (314,508)	\$ 1,385	\$ (246,357)	\$ (170,681)
Depreciation	150	-	427	577	2,354
Decrease (increase) in assets:					
Accounts receivable	2,323	(8,554)	(1,431)	(7,662)	(5,164)
Allowance for uncollectible	-	-	1,146	1,146	2,761
Deposits	-	-	28	28	(356)
Other current assets	1	-	(4,735)	(4,734)	67
Increase (decrease) in liabilities:					
Accounts payable	(251)	5,803	30	5,582	25,654
Accrued liabilities	617	-	(132)	485	694
Deferred revenue	(28)	-	-	(28)	(123)
Other current liabilities	575	-	-	575	226
<b>Net cash provided by (used in) operating activities:</b>	<b>\$ 70,153</b>	<b>\$ (317,259)</b>	<b>\$ (3,282)</b>	<b>\$ (250,388)</b>	<b>\$ (144,568)</b>

\* This column includes Washington Center for Aging activities.  
The accompanying notes are an integral part of this statement.

Exhibit 4-a

**District of Columbia**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**September 30, 2010**  
**(\$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	\$ 317,268	\$ -	\$ 77,638
Investments - restricted:			
Equities	2,736,517	100,398	-
Fixed income securities	966,605	45,628	-
Real estate	188,543	-	-
Private Equity	614,419	-	-
Collateral for securities lending transactions	515,203	-	-
Accounts receivable	-	30	-
Due from federal government	1,321	-	-
Benefit contribution receivables	8,650	-	-
Due from other funds	-	-	2,292
Other receivables	-	-	18,077
Other current assets	219,913	-	-
Capital assets	16	-	-
Total assets	<u>5,568,455</u>	<u>146,056</u>	<u>98,007</u>
<b>LIABILITIES</b>			
Accounts payable	5,043	38	8,520
Securities lending collateral	519,562	-	-
Due to other funds	1,882	-	-
Other current liabilities	374,502	-	89,487
Total liabilities	<u>900,989</u>	<u>38</u>	<u>\$ 98,007</u>
<b>NET ASSETS</b>			
Held in trust for pension and OPEB benefits and other purposes	<u>\$ 4,667,466</u>	<u>\$ 146,018</u>	

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

## Exhibit 4-b

**District of Columbia**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Year Ended September 30, 2010**  
**(\$000s)**

	<b>Pension/OPEB Trust Funds</b>	<b>Private Purpose Trust Fund</b>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 223,000	\$ -
Plan members	61,755	27,012
Total contributions	284,755	27,012
Investment earnings:		
<i>From investment activities</i>		
Net increase in fair value of investments	251,413	9,160
Other revenue	2,250	-
Interest and dividends	185,687	2,091
Total investment gain	439,350	11,251
Less - investment expenses	(13,479)	(1,382)
Net gain from investing activities	425,871	9,869
<i>From securities lending activities</i>		
Securities lending income	3,238	-
Less: securities lending expenses	(1,193)	-
Net income from securities lending activities	2,045	-
Net investment gain	427,916	9,869
<b>Total additions</b>	<b>712,671</b>	<b>36,881</b>
<b>DEDUCTIONS</b>		
Benefits	74,212	-
Administrative expenses	9,514	406
Distributions to participants	-	8,384
<b>Total deductions</b>	<b>83,726</b>	<b>8,790</b>
<b>Change in net assets</b>	<b>628,945</b>	<b>28,091</b>
Net assets at October 1	4,038,521	117,927
Net assets at September 30	\$ 4,667,466	\$ 146,018

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

District of Columbia  
Discretely Presented Component Units  
Combining Statement of Net Assets  
September 30, 2010  
(With Comparative Totals at September 30, 2009)  
(\$000s)

	Water and Sewer Authority	Washington Convention and Sports Authority	Not-for-Profit Hospital Corporation	Housing Finance Agency	University	Totals	
						2010	2009
<b>ASSETS</b>							
<b>Current Assets:</b>							
Cash and cash equivalents (unrestricted)	\$ 81,069	\$ 14,103	\$ 8,148	\$ 20,348	\$ 24,307	\$ 147,975	\$ 158,018
Investments (unrestricted)	70,255	81,645	-	8,971	-	160,871	183,176
Receivables, net:							
Accounts	39,742	2,185	9,372	-	10,735	62,034	45,921
Other	8,531	-	1,702	12,646	6,916	29,795	46,939
Due from federal government	40,077	-	187	-	-	40,264	69,857
Due from primary government	1,996	8,487	-	-	5,030	15,513	14,151
Inventories	7,339	-	979	-	-	8,318	9,369
Other current assets	371	1,527	499	21,836	1,325	25,558	1,068
Restricted cash	116,786	2,500	19,607	227,778	838	367,509	312,348
Restricted investments	40,027	83,137	-	305,959	34,855	463,978	524,755
Total current assets	<u>406,193</u>	<u>193,584</u>	<u>40,494</u>	<u>597,538</u>	<u>84,006</u>	<u>1,321,815</u>	<u>1,365,602</u>
<b>Noncurrent Assets:</b>							
Loans receivable	-	-	-	525,321	1,141	526,462	578,664
Other	7,990	5,892	327	2,194	296	16,699	18,590
Total long term assets	<u>7,990</u>	<u>5,892</u>	<u>327</u>	<u>527,515</u>	<u>1,437</u>	<u>543,161</u>	<u>597,254</u>
<b>Capital assets, net</b>							
Property and equipment	2,673,074	626,555	53,370	1,807	66,816	3,421,622	3,075,258
Non-depreciable capital assets	327,738	45,004	8,100	573	17,811	399,226	453,804
<b>Total assets</b>	<u><b>3,414,995</b></u>	<u><b>871,035</b></u>	<u><b>102,291</b></u>	<u><b>1,127,433</b></u>	<u><b>170,070</b></u>	<u><b>5,685,824</b></u>	<u><b>5,491,918</b></u>
<b>LIABILITIES</b>							
<b>Current Liabilities:</b>							
Payables:							
Accounts	95,184	5,234	13,626	991	12,185	127,220	116,360
Compensation	15,043	599	8,736	182	10,127	34,687	25,540
Due to primary government	2,510	2,422	26,000	-	30,082	61,014	26,016
Accrued liabilities	32,289	11,111	-	-	4,676	48,076	48,131
Deferred revenue	25,354	2,807	-	25,923	15,496	69,580	85,446
Current maturities	17,793	12,700	-	32,673	-	63,166	83,416
Other current liabilities	29,200	719	1,399	32,397	5,077	68,792	51,493
Total current liabilities	<u>217,373</u>	<u>35,592</u>	<u>49,761</u>	<u>92,166</u>	<u>77,643</u>	<u>472,535</u>	<u>436,402</u>
<b>Noncurrent Liabilities:</b>							
Long term debt:							
Bonds payable	1,234,726	453,298	-	923,092	-	2,611,116	2,565,508
Other long-term liabilities	20,568	7,932	3,009	454	-	31,963	29,903
Refundable advances	-	884	-	-	1,388	2,272	1,350
Deferred revenue	914,853	-	-	-	-	914,853	865,779
Total long term liabilities	<u>2,170,147</u>	<u>462,114</u>	<u>3,009</u>	<u>923,546</u>	<u>1,388</u>	<u>3,560,204</u>	<u>3,462,540</u>
<b>Total Liabilities</b>	<u><b>2,387,520</b></u>	<u><b>497,706</b></u>	<u><b>52,770</b></u>	<u><b>1,015,712</b></u>	<u><b>79,031</b></u>	<u><b>4,032,739</b></u>	<u><b>3,898,942</b></u>
<b>NET ASSETS</b>							
Invested in capital assets, net of related debt	880,934	196,913	-	1,204	84,627	1,163,678	1,076,962
Restricted - expendable	44,333	83,282	-	72,829	335	200,779	187,111
Restricted - nonexpendable	-	-	-	-	7,242	7,242	7,242
Unrestricted	102,208	93,134	49,521	37,688	(1,165)	281,386	321,661
<b>Total Net Assets</b>	<u><b>\$ 1,027,475</b></u>	<u><b>\$ 373,329</b></u>	<u><b>\$ 49,521</b></u>	<u><b>\$ 111,721</b></u>	<u><b>\$ 91,039</b></u>	<u><b>\$ 1,653,085</b></u>	<u><b>\$ 1,592,976</b></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, 2010**  
**(With Comparative Totals for the Year Ended September 30, 2009)**  
**(\$000s)**

	Water and	Washington Convention	Sports	Not-for-Profit	Housing Finance	University	Totals	
	Sewer Authority	and Sports Authority	Commission	Hospital Corporation	Agency		2010	2009
<b>Expenses</b>	\$ 387,495	\$ 111,990	-	\$ 20,560	\$ 58,048	\$ 141,266	\$ 719,359	\$ 682,912
<b>Program Revenues:</b>								
Charges for services, fees, fines & forfeits	357,093	21,365	-	21,336	7,151	27,907	434,852	378,820
Operating grants and contributions	-	-	-	-	-	29,079	29,079	29,109
Capital grants and contributions	30,403	-	-	-	-	1,473	31,876	33,140
<b>Net (Expense) Revenue</b>	<u>1</u>	<u>(90,625)</u>	<u>-</u>	<u>776</u>	<u>(50,897)</u>	<u>(82,807)</u>	<u>(223,552)</u>	<u>(241,843)</u>
<b>General Revenues:</b>								
Investment earnings	1,561	959	-	94	47,225	2,303	52,142	67,720
Miscellaneous	6,655	1,998	-	523	10,747	7,290	27,213	40,173
Subsidy from primary government	-	94,108	-	-	-	62,070	156,178	153,538
<b>Total general revenues</b>	<u>8,216</u>	<u>97,065</u>	<u>-</u>	<u>617</u>	<u>57,972</u>	<u>71,663</u>	<u>235,533</u>	<u>261,431</u>
<b>Capital Contributions</b>	<u>-</u>	<u>19,843</u>	<u>(19,843)</u>	<u>48,128</u>	<u>-</u>	<u>-</u>	<u>48,128</u>	<u>-</u>
<b>Change in net assets</b>	8,217	26,283	(19,843)	49,521	7,075	(11,144)	60,109	19,588
<b>Net assets at October 1</b>	<u>1,019,258</u>	<u>347,046</u>	<u>19,843</u>	<u>-</u>	<u>104,646</u>	<u>102,183</u>	<u>1,592,976</u>	<u>1,573,388</u>
<b>Net assets at September 30</b>	<u>\$ 1,027,475</u>	<u>\$ 373,329</u>	<u>\$ -</u>	<u>\$ 49,521</u>	<u>\$ 111,721</u>	<u>\$ 91,039</u>	<u>\$ 1,653,085</u>	<u>\$ 1,592,976</u>

The accompanying notes are an integral part of this statement.