YEAR ENDED SEPTEMBER 30, 2001

2001

Comprehensive Annual Financial Report

Government of the District of Columbia

Office of the Chief Financial Officer

ANTHONY A. WILLIAMS
MAYOR

January 28, 2002

Dear Citizens of the District of Columbia:

I am pleased to present the District of Columbia's Fiscal Year 2001 Comprehensive Annual Financial Report (CAFR). Once again the audit opinion is unqualified. We completed Fiscal Year 2001 with a surplus of $77.6 million, resulting in a fund balance of $562.2 million.

These outcomes mark the fifth consecutive year that the District realized surpluses and earned an unqualified or clean opinion on its financial statements. These accomplishments have significantly improved the District's access to more favorable financing rates in both the short- and long-term credit markets. More importantly, these operational successes satisfied the criteria for the conclusion of the control period and restoration of home rule. In fact, the Congressionally-appointed Financial Responsibility and Management Assistance Authority ceased operations as of September 30, 2001.

I would like to thank the Executive Branch, the Congress, the Financial Authority and the Council of the District of Columbia for their guidance, support and assistance during the recovery period. We have achieved financial stability much sooner than expected and, in doing so, have demonstrated the capacity to govern ourselves.

The District government continues to encourage and support both residential and commercial development outside of the downtown core through the use of tax incentives and our Revenue Bond Program. Construction of the new convention center is well under way and slated to open in April 2003. As expected, this project is driving the revitalization of the Shaw neighborhood and providing increased business and employment opportunities for residents. In addition, the government is supporting the development of the New York Avenue Gateway and Technology Access Corridor. As a result, many of the vacant warehouses in the Northeast sector are being renovated and prepared for new business ventures. Also, a major new retail development is under construction in Ward 5 and is scheduled to open in June 2002. These and other projects are energizing the entire District. Property values are still on the rise, whole neighborhoods are being upgraded and new residents are reclaiming long-neglected structures.

The control period is over. We must now concentrate on the District's long-term viability. With your continued support, we hope to spread the District's financial success to all of our neighborhoods and to the entire region.

Sincerely,

Anthony A. Williams

Anthony A. Williams
Mayor

Government of the District of Columbia
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer

January 28, 2002

The Honorable Anthony A. Williams
Mayor of the District of Columbia
1350 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Dear Mayor Williams:

I am pleased to present the District of Columbia's Fiscal Year 2001 Comprehensive Annual Financial Report. The year ended with General Fund revenues exceeding expenses by $349.7 million, and the accumulated General Fund balance at the close of FY 2001 amounted to $562.2 million. Compared to a negative accumulated fund balance of $518 million at the end of FY 1996, this represents a turnaround of more than one billion dollars over the past five years. I can also report that the District again earned an unqualified or clean audit opinion from its independent auditors.

The District of Columbia has now completed the fifth consecutive year of financial recovery. Each year ended with both a budget surplus and an unqualified or clean audit opinion. This achievement helped satisfy the requirements for ending the financial control period. Consequently, the Congressionally-appointed Financial Responsibility and Management Assistance Authority went into dormancy effective Oct. 1, 2001. I join you in expressing gratitude to all the members of that body, as well as the Executive Branch and Council of the District of Columbia, for the lasting improvements that they helped to create during this period. Among these achievements are reorganizing major aspects of the District's financial operations, upgrading financial management computers and systems, and improving our relationship with Congress.

We are well positioned to continue making progress, thereby strengthening the delivery of services to our citizens. Regular interim financial closings and reconciliation of cash were initiated last year, providing more timely updates of the District's financial status. The current data allows for quicker management decisions and more effective responses to changing budget, economic and operational conditions. We have also accumulated an emergency cash reserve of approximately $100 million, and our financial condition serves to maintain our positive bond rating. In turn, we enjoy lower borrowing costs on the District's outstanding debt.

The District's financial and operational improvements are being tested as the District hurries to develop and implement coordinated responses to the terrorist attacks of Sept. 11. The aftermath of that tragic event strains just about every District agency's budget, revenue stream and general operation; and the negative economic impact on tourism, the convention and hospitality industry, transportation, and retail sales is already evident. In addition, the District must allocate more resources for the safety and security of federal government officials, foreign service dignitaries and public and foreign owned properties. The indications dictate a prudent approach in the months ahead, and the District should brace itself for some unpleasant alternatives.

While the District's economy is straining with the recession and the events of Sept. 11, it should be able to recover in the second half of 2002, when the recession is forecast to end. As the nation lost nearly one percent of total jobs in December 2001 (as compared to December 2000), D.C. had a small gain in total employment. The demand for housing in D.C. is quite strong and housing prices continue to rise. Affordable housing is in extremely high demand as people demonstrate their desire to live in the city. New office space continues to increase by more than two million square feet a year. While these conditions cannot sustain the District's revenue flow in FY 2002, they do mean that D.C. will respond favorably to economic recovery. Tax revenue is at risk because the number of employed residents is down more than one percent, the stock market's spurt of growth is gone, vacant office space in Virginia now can compete more strongly with D.C. locations, and the hospitality industry remains sluggish. These factors will dampen collections of income, sales, and other tax sources in FY 2002 and into FY 2003.

I would like to commend the many financial and program staff, especially those in the Office of Financial Operations and Systems, who have worked diligently to guarantee a successful closure of the District's books and ensure that our records exceed the high standards required for an unqualified audit opinion. Although we continue to refine and improve our financial systems and processes, it is my firm belief that this recurring annual audit has already become a routine event in the overall financial management of the District of Columbia.

Sincerely,

Natwar M. Gandhi
Chief Financial Officer

Government of the District of Columbia
Comprehensive Annual Financial Report
Year Ended September 30, 2001

Prepared by:

Office of the Chief Financial Officer
Office of Financial Operations and Systems

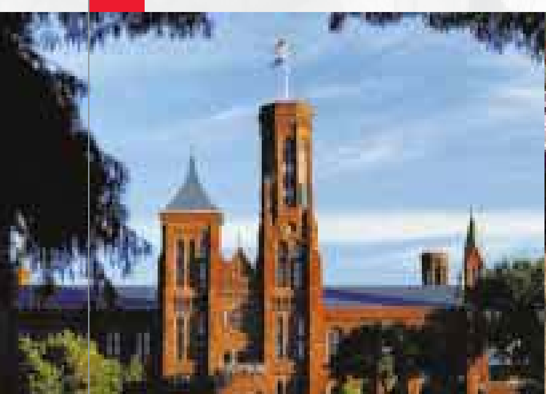
Anthony F. Pompa
Deputy Chief Financial Officer
810 First Street, NE, Suite 200
Washington, D.C. 20002

YEAR ENDED SEPTEMBER 30, 2001

- Table of Contents
- Letter of Transmittal
- Organizational Chart
- List of Principal Officials

2001

Introductory Section



Government of the District of Columbia

Office of the Chief Financial Officer

COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended September 30, 2001

DISTRICT OF COLUMBIA
OFFICE OF FINANCIAL OPERATIONS AND SYSTEMS
810 FIRST STREET, NORTHEAST
WASHINGTON, D.C. 20002
202-442-8200
(FAX) 202-442-8201

January 24, 2002

Dr. Natwar M. Gandhi
Chief Financial Officer

The comprehensive annual financial report of the Government of the District of Columbia (the District) for the fiscal year ended September 30, 2001, is herewith submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of my knowledge and belief, the enclosed financial statements and schedules are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds, account groups, and component units of the District. This report includes all disclosures necessary to enable the reader to gain a useful understanding of the District's financial activities.

Report Sections

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the District's organizational chart, a list of principal officials and the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting. The financial section includes the general purpose financial statements, the notes to the financial statements, the combining and individual fund statements and schedules, and the independent auditors' report on the general purpose financial statements. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

Financial Reporting Entity

The financial reporting entity consists of the primary government and its component units. The primary government is the District, which consists of all the organizations that make up its legal entity. The Tobacco Settlement Financing Corporation (TSFC) is presented as a blended component unit, as required by generally accepted accounting principles (GAAP) applicable to governmental entities.

The Water and Sewer Authority, The Washington Convention Center Authority, The Sports Commission, The Housing Finance Agency and The University of the District of Columbia are legally separate organizations for which the elected officials of the District are financially accountable. The financial data for these component units are presented separately from the financial data of the primary government. The Public Benefit Corporation (PBC) discontinued operations on April 30, 2001. The functions of the PBC were transferred to the Health Care Safety Net Administration in the Department of Health and are accounted for in the general fund.

The District of Columbia Housing Authority is an independent authority of the District government. It is a corporate body, intended, created and empowered to effectuate the purposes of the 1999 Act and has a separate legal existence from the District government. The powers of this Authority are vested in a Board of Commissioners consisting of 9 members. Transactions between the Housing Authority and the District are presented in the notes to the financial statements.

The Washington Metropolitan Area Transit Authority is a legally separate organization that is owned, operated and governed by the District and the states of Maryland and Virginia as a joint venture in which the participants retain an ongoing financial responsibility. Transactions between the Transit Authority and the District are presented in the notes to the financial statements.

Economic Condition and Outlook

As the nation's capital, the District of Columbia is the seat of the three branches of the federal government and headquarters for most federal departments and agencies. The federal work force in the District averaged 182,100 employees in FY 2001 while approximately 153,100 additional federal employees worked elsewhere in the Washington metropolitan area. The present District based count represents a 7% decrease in the federal work force of 195,540 in 1996. Although both the District and the federal government employ fewer people, the revitalization of the District's economy is continuing.

In addition to its role as the nation's capital, the District hosts more than 170 foreign embassies and recognized diplomatic missions. Also, a number of international organizations have their headquarters in the District, including the International Monetary Fund, the World Bank, the Inter-American Development Bank, and the Organization of American States.

More than 400 museums and historical landmarks attract millions of visitors to Washington, D.C. each year. Citizens of all the states and international visitors enjoy the popular attractions along the National Mall as well as the monuments to presidents and the memorials of war. Tourists also discover reminders of their American heritage at the National Arboretum and the Kenilworth Aquatic Gardens in Northeast Washington, at Fort Stevens, at the National Museum of Health and Medicine at the Walter Reed Army Medical Center located in the Georgia Avenue Corridor, at the Congressional Cemetery and at Fort Dupont Park in Southeast. With its variety of activities and rich history, Washington, D. C. was voted a top destination for family travelers in the spring of 2000.

In calendar year 2000, approximately 19.2 million people visited the Washington area and spent about $8.5 billion on lodging, meals, retail purchases and other services. This direct visitor spending generated additional business activity in related industries and boosted local as well as regional economic growth.

The District has evolved into a diverse economic community over the last several years. The service industries now surpass the federal government as the largest employer. Expansion in legal services, high-speed Internet technology and communications provide new employment opportunities. The District is home to several prominent universities and major institutions of higher learning. Other universities from across the nation have established programs or campuses in and around the city. The District has 17 acute and long-term care facilities, including medical centers and hospitals for children and members of the military, and a regional shock and trauma center. The headquarters of more than 2,500 national trade associations, voluntary societies and labor organizations are also located in the District. The vacancy rate for commercial office space is the lowest in 10 years.

Total employment in the metropolitan area was approximately 2,808,000 in FY 2001 compared to 2,723,000 in FY 2000. However, these numbers exclude self-employed, domestic workers, military, and foreign government personnel, which represent a significant portion of the actual work force of the region. District resident employment stayed at approximately 23% of the area total during both years. The September 2001 unemployment rate in the District was 6.6% compared to 5.4% in September 2000. Total employment within the District increased to 654,800 in September 2001 from 622,500 in September 2000. The government portion of all District jobs decreased while total employment increased, suggesting that new jobs occurred in the private sector.

Current development projects in retail, entertainment, tourism, and housing support the expectation of additional growth in private sector employment over the next several years. A number of national retail and food service chains have already moved into renovated commercial spaces across the central business district, and similar projects are appearing in surrounding areas. XM Satellite Radio recently moved ino its new headquarters in the New York Avenue Technology Corridor, and MCI WorldCom and Qwest communications have agreed to establish data warehouses nearby. The District, in partnership with businesses in the New York Avenue Technology Corridor, has agreed to fund the construction of a new Metro rail station on the Red Line, which is the busiest line on the existing 103-mile system. This station is scheduled to be completed in 2004.

The District recently selected a developer for the site of the former Wax Museum, east of Fifth Street, N.W., between K and L Streets. This project, when completed, will provide more than 500 apartments, a grocery store, a theater, art galleries, and several restaurants. A developer has also been selected for the old Tivoli Theater Complex in the Columbia Heights section of 14th Street, N.W. This development is near a recently opened Metro rail station and will include a Giant Food Supermarket and town houses. A recent ribbon-cutting ceremony marked the completion of 17 moderately priced condominium units on Georgia Avenue and Rittenhouse Street, N.W. built through a partnership between the People's Involvement Corp. and the D.C. Department of Housing and Community Development. The condominium units are the first new housing on Georgia Avenue in two decades. New residential construction is occurring in all sections of the District, and range from single-family dwellings, to town houses, to apartment buildings and condominiums. These ongoing efforts are creating a vibrant downtown neighborhood, in addition to expanding residential development throughout the District.

Preliminary estimates indicate that between now and 2005, District employers will have a high demand for workers below the managerial, professional, and technical levels. Hundreds of employment opportunities are expected to open in the service sector, particularly in food service, janitorial, and housekeeping companies. Administrative support staff, including first line supervisors, will also be in high demand. Of even greater impact would be the increased percentage of District residents who occupy these jobs.

The anticipated increase in non-governmental and total employment will mark an important milestone. The shift to a diversified employment base will improve the District's economy, and make it more stable and less dependent on the federal government. It appears that the trend for federal operations to move into suburban areas is slowing, and the District's economic base is continuing its shift from government towards private sector services employment.

The U.S. Census Bureau estimated that in July 2001 there were 571,822 permanent residents in the District. This report indicates that estimates of flight from the District had been overstated in Census estimates during the last several years. The actual population loss was 5.7% over the last ten years, which is almost 60% less than the estimated loss predicted by the previous Census results. Those same census estimates predicted that the District population would not reach its current level for approximately five more years. The District's population decreased 16% between 1970 and 1980, but only an additional 5% loss between 1980 and 1990 and 5.7% from 1990 to 2000.

The District has a significant number of lower income residents, with about 18% of the population at the poverty level, according to 2000 Census figures. This represents a slight improvement from the 18.6% average for 1998-1999. An average of 129,638 District residents per month received subsidized medical assistance, including Medicaid benefits in 2001, which are 4,000 more than the monthly average in 2000. Food stamp program participation averaged 72,776 individuals per month in 2001, down from a monthly average of 79,536 individuals in 2000.

Major Initiatives

In September 2001, the Mayor and the District Council began reoccupying the John A. Wilson Building, which was renamed from The District Building in 1994 to honor the late Council Chairman. The Wilson Building, in need of repairs, was vacated by the Mayor and the Executive branch in 1993. The District Council and its staff followed later to Judiciary Square, 441 – 4th Street, N.W., the temporary location of the Mayor's offices. The Wilson Building has now been completely renovated and remodeled and, along with the Mayor and District Council, is home to additional District government offices.

In February 2001, The Eugene B. Casey Foundation purchased the property located at 1801 Foxhall Road, N.W., and plans to develop a building for use as the official residence of the Mayor. It is to be named the Casey Mansion. The Foundation will also establish a separate non-profit Casey Mansion Foundation, which will develop the Mansion and landscape the grounds. Sufficient private resources will fund, in perpetuity, all operating costs for the building and grounds, including furnishings, housekeeping, insurance, landscaping, maintenance, security and utilities. This unexpected but generous offer will provide the District with a permanent mayoral residence, similar to that provided the Governor of each of the 50 U.S. States, Mayors of many major U.S. cities and the Mayors of many major foreign capital cities. The Casey Foundation has also created a $50 million Casey Trees Endowment Fund, under the direction of the Garden Club of America, to assist in replacing dead and missing trees throughout the District. These welcomed gifts appropriately raise the stature of the Office of Mayor and of the District of Columbia.

The new Washington Convention Center, currently in its fifth year of planning and construction, is scheduled to open in the Spring of 2003. The new facility will provide the District with 825,000 square feet of additional meeting and exhibition space. In 1995, the District established the Washington Convention Center Authority and provided it with dedicated tax revenues to operate the existing convention center and to construct a new convention center. Along with the existing facility, the total exhibitor and meeting space will exceed 1,000,000 square feet. The new facility will enable the District to maintain its position among major cities as a leader in conventions, conferences and the hospitality industry in general. Like the MCI Center, a privately financed sports arena that opened in 1997, the Convention Center project will provide not only opportunities for direct employment, but is expected to cause the creation of new jobs in the hospitality industry. Already, the District is scheduled to select a developer in January 2002 for the proposed 1,000-plus room hotel to support the new Washington Convention Center.

The District's Division of Transportation (DDOT) is managing multiple active projects that maintain, upgrade or reconstruct many of the local sidewalks, streets and bridges. This comprehensive infrastructure revitalization effort enhances the general appearance of neighborhoods but also eases the access and quickens the flow of traffic through the business activity centers. The renewal projects add to the ability of the District to compete for new residents and businesses. Each success adds to the tax base and translates into improved services for all. One of the DDOT's major construction projects is the upgrade of the New York Avenue Gateway to Washington, D.C. and to the Warehouses Sector. The objective is to attract technology and other businesses to the corridor and to provide a magnificent entryway for all visitors to the nation's capital.

A new shopping center is currently being constructed in the Ward 5 sector near the Rhode Island Avenue Metro rail station. It is scheduled to open in June 2002 and will house the major retail chains Home Depot, Giant Food and Kmart. During 2001, plans were announced for the development of a 400,000-square-foot shopping center in the Fort Lincoln neighborhood in Northeast Washington, overlooking the New York Avenue Gateway. The rapid reconstruction and renovation of vacant warehouses, buildings and residential structures, in addition to entirely new construction in all areas of the District, is the incentive and marketing tool for attracting new residents and workers to the nation's capital. The District is solidifying its position as the World's capital for finance, technology, government and history. The District has become a vibrant and living community that includes world class arts, sports, entertainment and dining facilities; not just another place to stop, but a place to stay for awhile, to live in, to play and to create.

The Freedom Forum, currently based in Rosslyn, Virginia, has purchased the former site of the District's Department of Employment Services (DOES). In addition to its main offices, the Freedom Forum will relocate its Newseum, an interactive news museum, expand their exhibit space to 300,000 feet, and develop both an additional 30,000 square feet of retail space and approximately 100 condominium units. The cash price of about $100 million includes approximately $35 million designated for the development of affordable housing and neighborhood commercial revitalization and $15 million for relocation and temporary office space for DOES. In keeping with the District's neighborhood revitalization strategy, DOES operations have been relocated to another area of the city targeted for development. While the new DOES headquarters is being developed and constructed, DOES staff is housed in a newly renovated warehouse near the intersection of New York and Florida avenues. The District's Department of Motor Vehicles is also to be relocated away from the downtown business district to both move the services closer to the users, and as a spur to additional and collateral development to the new site.

The District is encouraging and supporting development efforts in all the wards of the city. The Federal Government has shown renewed interest in the District as the place for consolidating agencies, functions and staff. The U.S. Treasury's Bureau of Alcohol, Tobacco and Firearms is in the process of planning the development and construction of its new headquarters building at the intersection of New York and Florida Avenues, N.E. This decision helped the District obtain matching Federal and private commitments to pay for a new Metro rail station near that location.

While building on the already popular tourism industry, projects such as these only partially address the District's need to build a broader economic base. Both the U.S. Congress and the D.C. Council have enacted legislation and are taking action that aims at expansion of the District's permanent tax base by making all areas of the city economically attractive to both residents and new business interests.

The Taxpayer Relief Act of 1997 (PL 105-34) established the District of Columbia Enterprise Zone through December 31, 2002. The new zone consists of the previously existing enterprise community plus all other census tracts for which the poverty rate is at least 20%. The law also increased the limitation on tax-exempt economic development bonds to $15 million; and eliminated the federal capital gains tax through December 31, 2007 on business stock, partnership interest, and business property held for more than five years in all census tracts for which the poverty rate is at least 10%. The federal Homebuyer Tax Credit, which provides a maximum $5,000 federal income tax credit for first-time buyers of principal residences, was also included in the original Taxpayer Relief Act of 1997; it has since been extended for purchases closed through December 31, 2003, as were the business tax benefits.

The Tax Parity Act of 1999 lowered taxes on both income and real property. The new tax rates are expected to make the District more competitive with the suburban jurisdictions. The Tax Clarity Act of 1999 streamlined the tax code, eliminating duplications and discrepancies. During the same period, real property tax assessments have continued to reverse their decline and collections of both current and delinquent taxes have increased.

Additional business incentive legislation is awaiting final approval by the District and the U.S. Congress. The E-Conomy Transformation Act of 2000 encourages new high technology firms to locate their operations in the District while encouraging the hiring of District residents. Brownfields redevelopment program legislation, which has proven successful in other jurisdictions, limits liability for certain environmental contamination and establishes funding mechanisms for those willing to develop brownfields sites. Brownfields sites are abandoned buildings and properties that are contaminated (or perceived to be contaminated), complicating their reuse. The cleanup of such sites, and/or, the removal of liabilities that could arise from their reuse, allows brownfields sites to become productive again, being used for economic development activities, the creation of new and affordable housing, or for urban gardens, parks and recreation areas.

The Office of the Chief Financial Officer negotiated and certified two new projects for participation in the Tax Increment Financing (TIF) Program this year. The final terms of a TIF program are determined project-by-project. This enables the District to influence certain conditions of each operation, including the percentage of District residents to be employed both during and after construction. Seventeen industrial revenue bonds provided another $740.3 million for local development projects. Buoyed by the successes on the New York Avenue technology corridor, the District is actively proceeding with plans to restructure the economic base of other underserved neighborhoods. Local redevelopment options for both residential and retail investments are under discussion for a variety of sites outside of the central business area.

The District is supporting the efforts of a D.C.-based group that is attempting to bring a major league baseball team to the District that would utilize the Robert F. Kennedy Stadium. The Mayor has also announced that the District is willing to contribute up to $200 million in public land, financing and other incentives to build a new ballpark in Washington. It is possible that a major league team could be relocated to Washington, D.C. within the next two years. The National Football League is also considering staging the Super Bowl in either New York or Washington D.C. in 2007, or in each city over consecutive years. This is in support of the two cities that were targeted on 9/11/01. The Washington, D.C.-Baltimore, Maryland effort to host the Summer Olympics in 2012 remains viable. The addition of a new Convention Center, allied hotels, and the prospect of a new stadium improve the region’s prospects to host the 2012 event.

The District of Columbia College Access Act (PL 106-98), and its amendments, authorized the District to underwrite a portion of the differences between in-state and out-of-state tuition rates for eligible District residents who attend certain institutions outside of the District. Additional federal incentives under separate legislation, including tax credits and health care coverage, provide a variety of support to those who adopt children from the District’s foster care system.

The District must also build and maintain an emergency cash reserve equaling 4% of the total budget allocated for operating expenditures by FY2004. An additional contingency cash reserve must be established, which must equal 3% of the total budget allocated for operating expenditures. Beginning in FY2007, the District will be required to maintain a combined balance of 7% for both reserves.

The control of the majority of daily operations reverted to the Mayor of the District of Columbia from the Financial Responsibility Authority, when the District’s control period went into dormancy on September 30, 2001 because the District achieved the following four financial and economic actions: 1) The discharge of any obligations made by the Financial Responsibility Authority on behalf of the District; 2) The repayment of any borrowings from the U.S. Treasury by or on behalf of the District; 3) Adequate access to both the short and long-term credit markets, and; 4) Four consecutive general fund surpluses, as determined through generally accepted accounting principles (GAAP).

September 11, 2001 And Other Spending Pressures

The tragic events of September 11, 2001 (9/11/01) have transformed America, and especially New York City and Washington, D.C. in ways that could not have been foreseen or anticipated. The effects have not been fully revealed, even after five-months following the events of that day. The continuing fear of further incidents, such as the anthrax threat, requires careful re-distribution of funding and the monitoring of levels of services. The consequences of the 9/11/01 event and the aftermath strain just about every District agency’s budget, revenue stream and general operation. The negative economic impact on tourism, the convention and hospitality industry, transportation, and retail sales is already evident. Revenues from sales and use, income and franchise, gross receipts and other taxes will shrink. The effects are expected to extend to employment in many sectors of the economy.

There is evidence of a sizable reduction in charitable contributions for non-9/11/01 causes. As this and other related reductions work through the system, there will be a corresponding pressure on governmental operations that serve the needs of the homeless and other less fortunate members of the population. In addition, the District must allocate more resources for the safety and security of federal government officials, Foreign Service dignitaries and public and foreign owned properties. The District was recently awarded only $156 million of its $250 million request for Emergency Preparedness Funds following the 9/11/01 terrorist attacks. The District also received $12.7 million for the development and implementation of an Emergency Plan. Spending requirements could quickly consume the current surplus and may force cuts in both services and the budget itself. The District's financial and program managers must maintain financial vigilance, improve their oversight of all program budget and closely monitor operating expenditures. Unanticipated changes in revenue streams and costs must receive prompt attention. It is possible that local source revenues may be reduced by as much as $90 to $100 million in FY2002, compared to the FY2002 budget estimate. The current revenue estimate for FY2003 may also need to be reduced. Indications dictate a prudent spending approach in the months ahead.

At the end of FY2001, an assessment was made of where the budget seemed to be out of balance with current spending plans and expectations. In general, unrelated to the potential revenue problem, the District needs to resolve approximately $145 million in other spending pressures. A total of $48 million is attributable to the on-going problem with correctly estimating Medicaid revenue. Another $12 million is attributable to labor pay agreements in excess of amounts budgeted, a figure that could rise. A projected $81 million is related to DCPS programs, including special education, and $4 million to miscellaneous matters. Also, based on FY2001 experience, it is likely that there will be additional shortfalls in the D.C. Public Schools, the Department of Health and the Department of Mental Health in FY2002.

Accounting System

The District's accounting system is organized and operated on a fund basis. A fund is a group of functions combined into a separate accounting entity (corresponding to a corporation in the private sector) having its own assets, liabilities, equity, revenues, and expenditures/expenses. The types of funds used are determined by generally accepted accounting principles. The number of funds established within each type is determined by principles of sound financial administration. Specialized accounting and reporting principles and practices apply to governmental and expendable trust funds. Proprietary, component units, and pension trust funds are accounted for in the same manner as similar business enterprises or non-business organizations.

Internal Control

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are processed and summarized to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The District maintains budgetary controls designed to monitor compliance with expenditure limitations contained in the annual appropriated budget approved by the United States Congress. A project-length financial plan is adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function within the General Fund. The District also maintains an encumbrance recording system as one technique of accomplishing budgetary control. Generally, encumbered amounts lapse at year-end in the General Fund but not in the Capital Projects Funds.

The annual appropriated budget is enacted on a basis that is not consistent with generally accepted accounting principles (GAAP) because of differences that result from budgeting inventory, Medicaid, certain pensions, other employee benefits, and other expenditures on a cash basis, and from budgeting dedicated tax revenues to the benefiting fund rather than to the fund with the authority to levy and collect the tax. The budgetary general fund differs from GAAP by including the Financial Responsibility Authority special revenue fund and the University discretely presented component unit and by excluding the Correctional Industries and Retirement Board.

General Fund

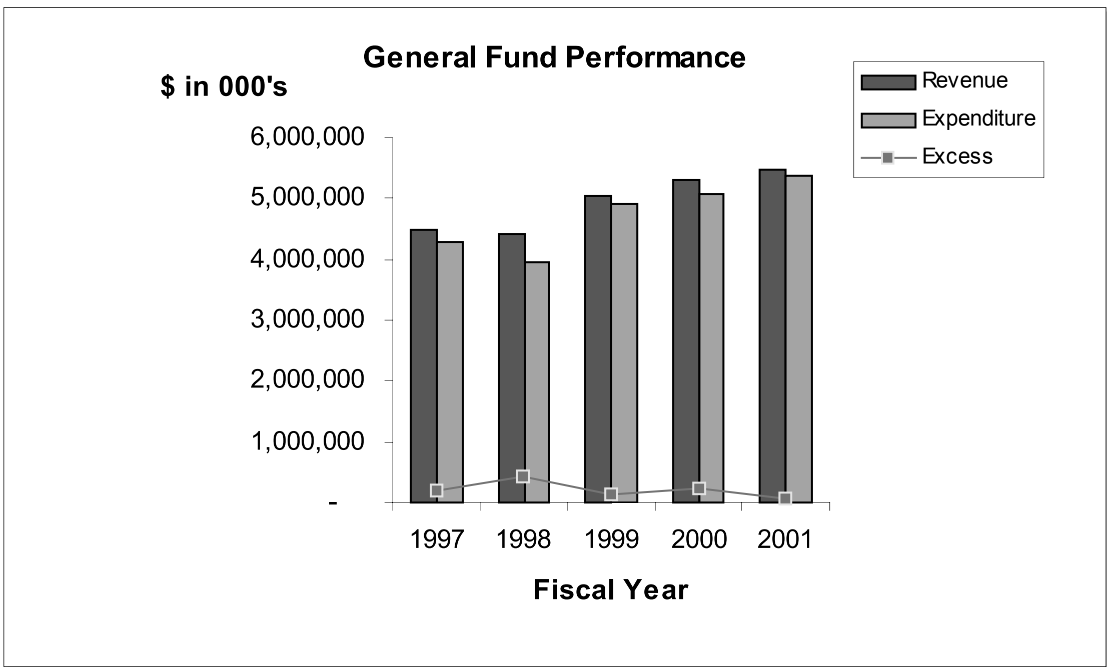
The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Operations are reported to show an excess or deficiency on a flow of current financial resources measurement focus.

The General Fund had a positive total fund balance of $562,245 on September 30, 2001, represented by assets of $1,900,596 less liabilities of $1,338,351 . The fund balance is reserved in the amount of $470,911 for those funds that are not available for appropriation. The General Fund operations are summarized in **Table 1**.

Table 1 – General Fund Operations Summary ($ in 000's)

Fiscal Year		Revenue	Expenditures and net uses	Excess	Change from Prior Year
1997	$	4,476,289	4,290,397	185,892	652%
1998		4,409,095	3,964,246	444,849	139%
1999		5,058,009	4,923,515	134,494	-70%
2000		5,304,942	5,064,215	240,727	79%
2001		5,465,315	5,387,695	77,620	-68%

Figure 1



The General Fund changes in cash and investments are summarized in **Table 2**.

Table 2 – Changes in Cash and Investments ($ in 000's)

	Cash receipts	Cash payments	Net Cash Receipts	Change from Prior Year
1997	4,721,945	4,636,973	84,972	363%
1998	5,006,021	4,858,776	147,245	73%
1999	5,377,845	5,352,282	25,563	-83%
2000	5,465,082	5,201,740	263,342	930%
2001	6,091,068	5,892,571	198,497	-25%

Figure 2 – Positive Cash Flow Analysis

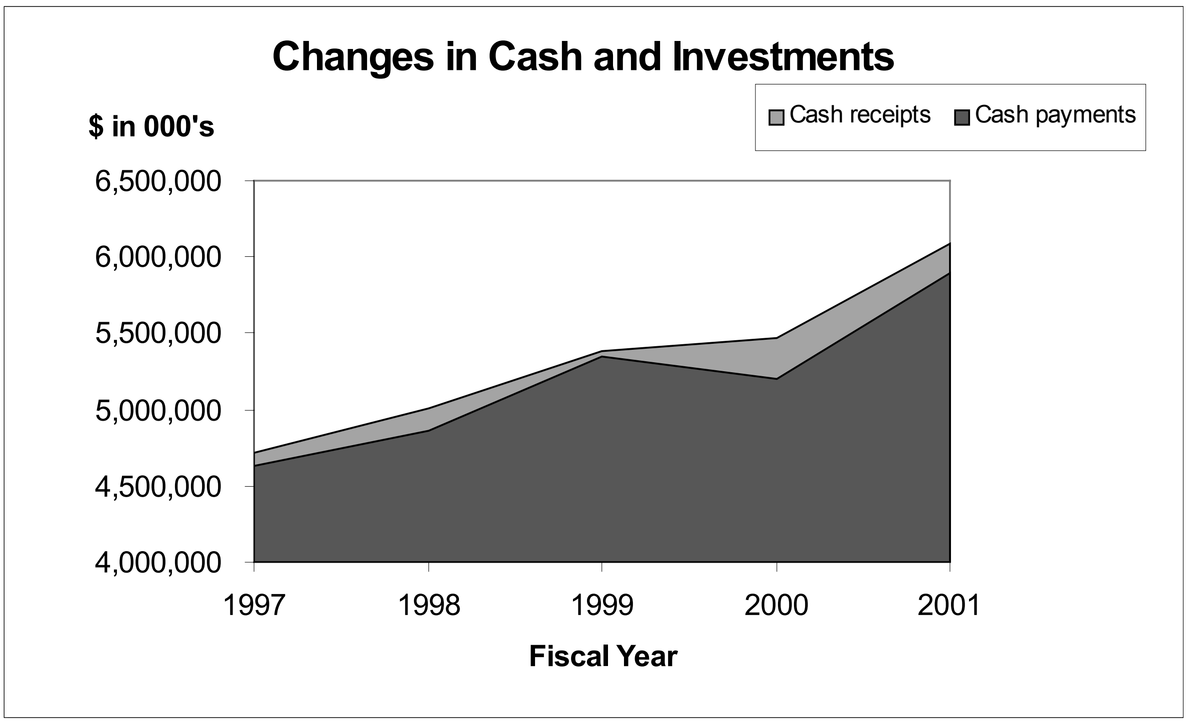


Table 3 presents revenues by source class for the current year and the amount and percentage of increases and decreases in relation to prior year revenues.

Table 3 – General Fund Revenues by Source Class ($ in 000's)

	2001		Increase (Decrease) from 2000	
Source Class	Amount	Percent	Amount	Percent
Property taxes	$ 814,166	14.9 %	$ 121,385	17.5 %
Sales and use taxes	677,139	12.4	(21,722)	(3.1)
Income and franchise taxes	1,400,237	25.6	61,673	4.6
Gross receipts taxes	234,102	4.3	(21,931)	(8.6)
Other taxes	190,734	3.5	49,124	34.7
Total taxes	3,316,379	60.7	188,530	6.0
Licenses and permits	42,829	0.8	(1,617)	(3.6)
Fines and forfeits	58,223	1.1	3,358	6.1
Charges for services	182,473	3.3	8,035	4.6
Miscellaneous	253,706	4.6	39,188	18.3
Total District sources	3,853,610	70.5	237,494	6.6
Federal Contribution	370,061	6.8	(65,320)	(15.0)
Operating grants	1,241,644	22.7	(11,801)	(0.9)
Total Federal sources	1,611,705	29.5	(77,121)	(4.6)
Total revenues	$ 5,465,315	100.0 %	$ 160,373	3.0 %

Figure 3 - Revenue by Source Class

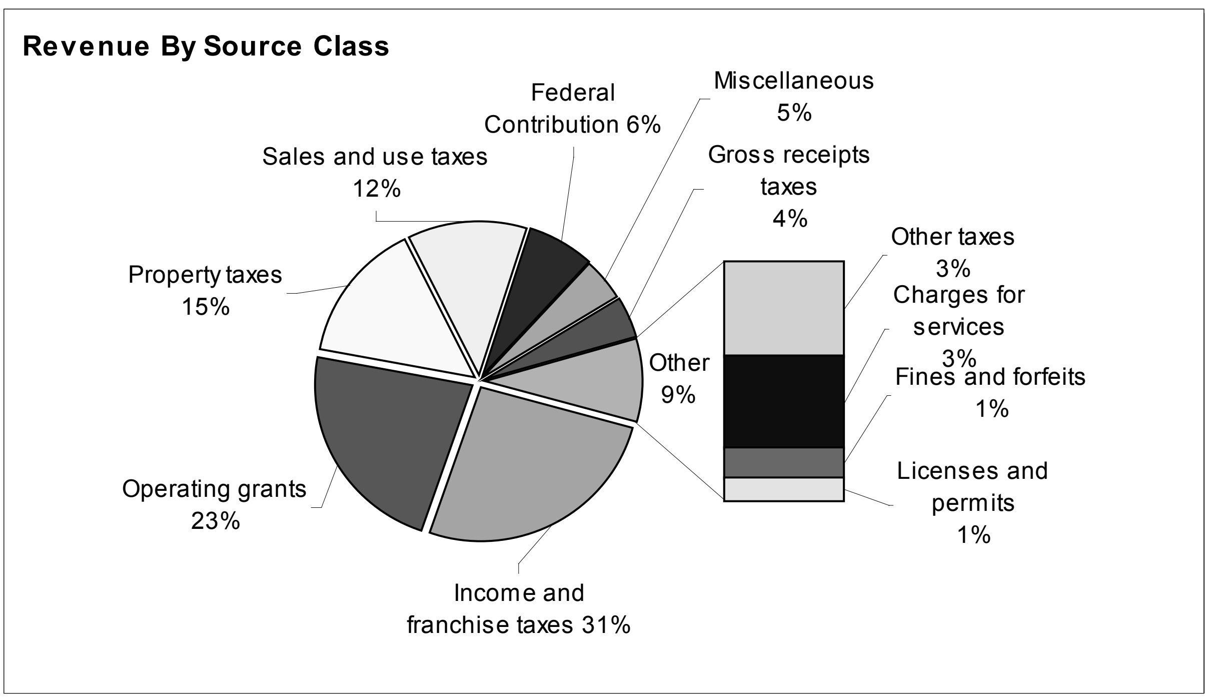


Table 4 presents expenditures and uses by function for the current year and the amount and percentage of increases and decreases in relation to prior year expenditures and uses.

Table 4 – General Fund Expenditures and Net Uses by Function ($ in 000's)

Function	2001 Amount	2001 Percent	Increase (Decrease) From 2000 Amount	Increase (Decrease) From 2000 Percent
Current expenditures:				
Governmental direction	$ 275,739	5.1 %	$ 28,075	11.3 %
Economic development	187,565	3.5	7,122	3.9
Public safety and justice	938,186	17.4	13,343	1.4
Public education system	1,074,437	19.9	174,674	19.4
Human support services	1,618,030	30.0	65,535	4.2
Public works	136,041	2.5	974	0.7
Receiverships	510,562	9.5	143,601	39.1
Future employee benefits	(20,936)	(0.4)	(34,904)	(249.9)
Total	4,719,624	87.6	398,420	9.2
Joint Venture Subsidy	138,073	2.6	2,542	1.9
Debt service:				
Principal	108,725	2.0	(111,329)	(50.6)
Interest and fiscal charges	149,177	2.8	(25,881)	(14.8)
Other financing uses:				
Net refunding uses	(746)	-	1,943	(72.3)
Uncollectible Advances - Prior Years	-	-	(41,415)	(100.0)
Transfers	272,842	5.1	99,200	57.1
Total expenditures and uses	$ 5,387,695	100.0 %	$ 323,480	6.4 %

Figure 4-Current Expenditures by Functions ($ in 000's)

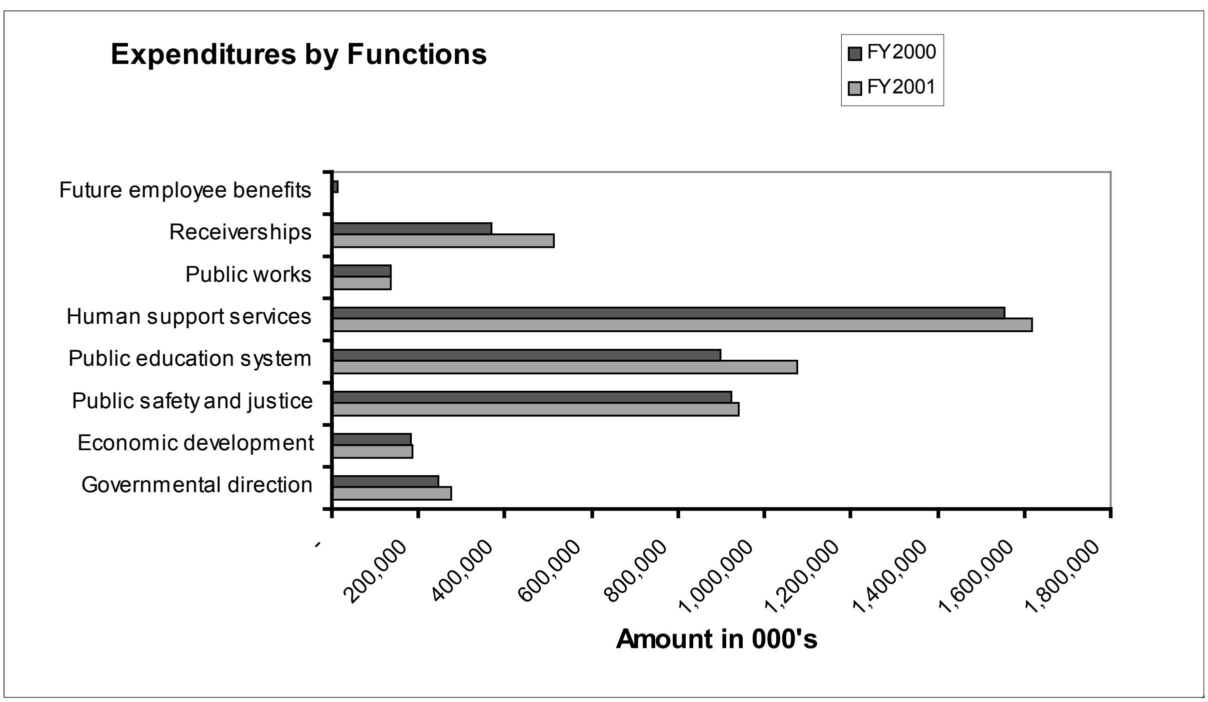
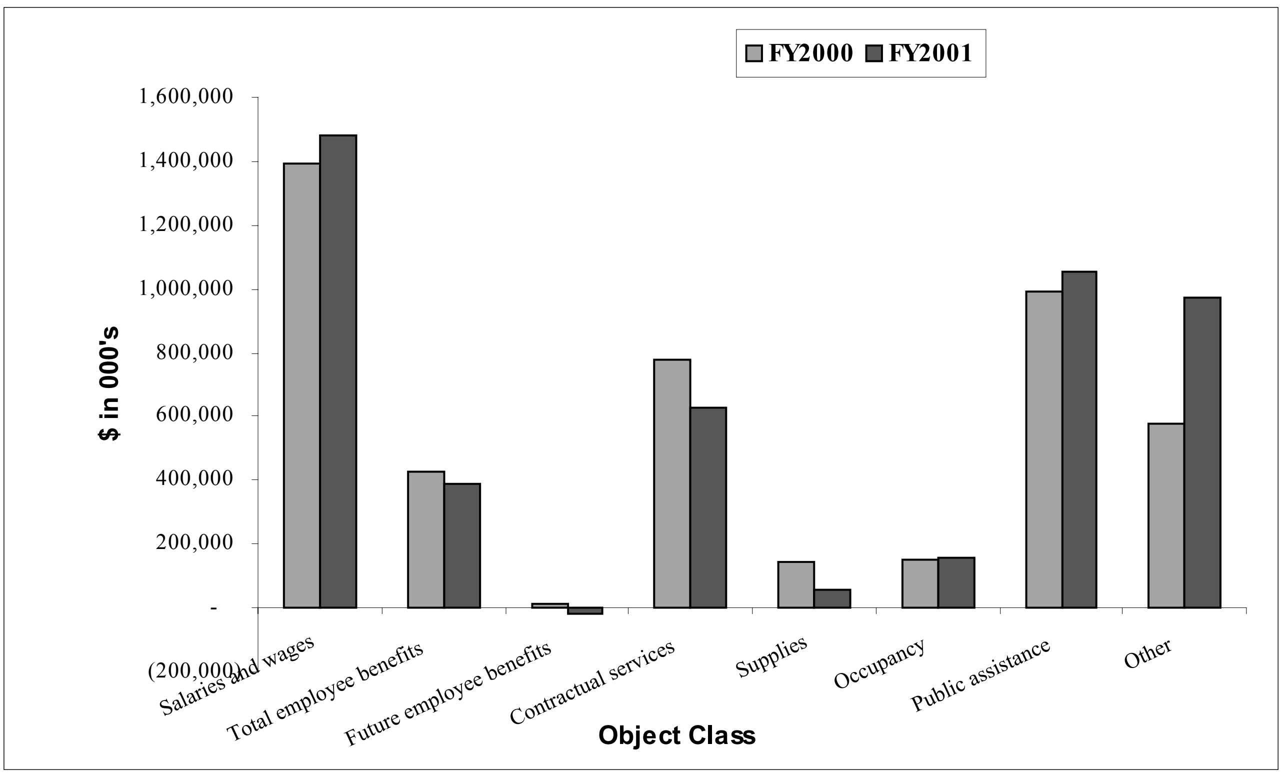


Table 5 presents current expenditures by object class for the current year and the amount and percentage of increases and decreases in relation to prior year current expenditures.

Table 5 - Expenditures by Object Class ($ in 000's)

	2001		Increase (Decrease) From 2000	
Object Class	Amount	Percent	Amount	Percent
Salaries and wages	$ 1,480,848	31.4 %	$ 86,205	6.2 %
Total employee benefits	386,725	8.2	(40,134)	(9.4)
Future employee benefits	(20,936)	(0.4)	(34,904)	(249.9)
Contractual services	625,473	13.3	(152,257)	(19.6)
Supplies	59,928	1.3	(85,097)	(58.7)
Occupancy	159,966	3.4	6,563	4.3
Public assistance	1,055,310	22.3	63,703	6.4
Other	972,310	20.5	394,826	68.4
Total current expenditures	$ 4,719,624	100.0 %	$ 238,905	32.6 %

Figure 5 - Expenditures by Object class ($ in 000's)



Special Revenue Funds

Special Revenue Funds include the Financial Responsibility Authority, the Tobacco Settlement Financing Corporation (TSFC) and the Tax Increment Financing (TIF) Program. The TSFC and TIF funds are new for 2001. Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The Financial Responsibility Authority fund is used to account for the final year of operations prior to the suspension of oversight activities by the Authority. The TSFC fund is used to account for the tobacco litigation settlement activities of the District of Columbia. The TIF program is used to account for activities relating to various TIF development initiatives. Operations are reported to show an excess or deficiency on a flow of current financial resources measurement focus. The combined Special Revenue Funds operations are summarized in **Table 6**.

Table 6 – Special Revenue Fund ($ in 000's)

		2001
Revenues	$	34,842
Financing sources		50,498
Less Expenditures		20,675
Excess	$	64,665

Capital Projects Funds

The Capital Projects Funds include the General Capital Improvements Fund and the Highway Trust Fund. Capital Projects Funds are used to account for the purchase or construction of fixed assets that are wholly or partly financed by transfers of taxes dedicated to highway projects, capital grants, or general long-term debt. Operations are reported to show an excess or deficiency on a flow of current financial resources measurement focus.

During 2001, grants, interest, and other local revenues of the capital projects funds totaled $259,788 and capital outlays were $868,159 , which resulted in a shortage of revenues under expenditures of $608,371 . The capital outlays consisted primarily of $779,791 for general fixed assets, $13,563 for component units fixed assets and $22,180 for the Washington Metropolitan Area Transit Authority (WMATA) Joint Venture Subsidiary. The Capital Projects Funds had a total fund balance at the end of the year of $(3,499), of which $54,444 is reserved for certain highway projects, $57,199 is reserved for the District's commitment to fund its share of joint venture capital projects of WMATA, and $2,462 is reserved for capital expenditures.

Enterprise Funds

Enterprise Funds are used to account for organizations engaged primarily or solely in selling goods or services to the general public on a continuing basis. The Lottery and Games Enterprise Fund operates a lottery and licenses charitable bingo, raffles and Monte Carlo parties. The Lottery and Games Enterprise Fund is summarized in **Table 7**.

Table 7 – Enterprise Fund Summary (Lottery) ($ in 000's)

		2001	2000	Increase (Decrease)	%
Operating Revenues	$	224,884	216,134	8,750	4%
Expenses		142,264	148,171	(5,907)	-4%
Other Revenue		1,479	1,534	(55)	-4%
Income Before Transfers		84,099	69,497	14,602	21%
Interfund Transfers In (Out)		(84,000)	(69,450)	(14,550)	21%
Net Income		99	47	52	111%
Retained Earnings	$	3,374	3,275	99	3%

Discretely Presented Component Units

Component units are legally separate organizations for which the elected officials of the District are financially accountable. All component units are accounted for similar to enterprise funds; therefore, operations are reported on a flow of economic resources measurement focus. The five active component units at year-end are listed and summarized in **Table 8**.

Table 8 – Discretely Presented Component Units ($ in 000's)

			Additions		Deductions		
		Retained Earnings at Oct. 1, 2000	Operating Revenues	Nonoperating Revenues	Operating Expenses	Others and Transfers	Retained Earnings at Sept.30, 2001
Water & Sewer Authority	$	300,816	237,480	6,376	222,820	4,570	326,422
Convention Center		233,229	9,811	240	26,382	55,851	272,749
Sports Commission		7,959	8,421	-	9,567	-	6,813
Housing Finance Agency		33,897	50,179	5,613	30,283	-	59,406
University		11,745	74,625	11,845	84,977	-	13,238
Total	$	587,646	380,516	24,074	374,029	60,421	678,628

The Water and Sewer Authority (WASA) operates regional sewerage system and supplies potable water from the Potomac River to the District. The unit finances the Washington Aqueduct, which is operated by the U.S. Army Corps of Engineers. District waste treatment facilities process sewage for the District and local jurisdictions in suburban Maryland and northern Virginia. Bonds issued by the Water and Sewer Authority after 1996 are not general obligations of the District and are payable solely from defined revenues and assets of the unit. However, WASA participates in new general obligation bonds that are issued by the District to refinance prior issuances in which WASA participated.

The Washington Convention Center, located midway between the Capitol and the White House, has 378,000 square feet of exhibit and meeting space on two levels. A new convention center is under construction and is scheduled to open in March 2003. The new facility will be the sixth largest convention center in the United States. Bonds issued by the Convention Center are not general obligations of the District and are payable solely from defined revenues and assets of the Convention Center.

The Sports Commission promotes the District as a sporting event site; coordinates development and construction of sporting facilities and related infrastructure; manages District owned facilities, including the Robert F. Kennedy Memorial Stadium and the National Guard Armory; and may own and operate a professional sports franchise. Bonds issued by the Commission are not general obligations of the District and are payable solely from defined revenues and assets of the Commission.

The Housing Finance Agency issues bonds and uses the proceeds to finance residential mortgage, construction, and rehabilitation loans. Bonds issued by the agency are not general obligations of the District and are payable solely from defined revenues and assets of the agency.

The University includes all activities of the University of the District of Columbia, a land-grant institution that provides low-cost post-secondary education courses leading to certificate, bachelor and advanced degrees in arts, sciences, teacher education, special career education and law.

Trust Funds

Trust Funds are used to account for property to which the District has legal title in order to administer it for the benefit of others. The principal portion of expendable trust funds may be expended and financial activity is reported on a flow of current financial resources measurement focus. Pension trust funds, however, are reported on a flow of economic resources measurement focus because capital maintenance is critical in meeting their intended financial objectives. The two types of trust funds are summarized in **Table 9**.

Table 9 – Trust Fund Summary ($ in 000's)

	Expendable Trust Unemployment Compensation		Pension Trust		Total Trust Funds
	2001	2000	2001	2000	2001
Revenues	$ 131,296	131,895	(161,483)	332,201	(30,187)
Expenditures	99,353	80,896	7,418	3,800	106,771
Net Increase	$ 31,943	50,999	(168,901)	328,401	(136,958)

The Unemployment Compensation Fund pays benefits to unemployed former employees of the District, the federal government, and private employers that do business in the District. At September 30, 2001, the fund had a total fund balance of $303,604 .

The Pension Trust Fund pays retirement benefits to police officers, fire fighters and public school teachers under the District retirement programs. These programs are contributory single employer defined benefit pension plans administered by the District. On October 1, 1997, all responsibility transferred to the federal government for these employee groups for service provided prior to July 1, 1997. For service provided after June 30, 1997, benefits due to police officers, fire fighters and public school teachers are funded by the District under the terms of the existing plan, with certain modifications as mandated by the Replacement Plan Act of 1998. The District made its actuarially required contribution of $49,000 to the Police and Fire Fighters Plan and $200 to the Teacher's Plan during the year ended September 30, 2001. Other employees are covered by the Civil Service or Social Security Retirement Systems, which are administered by the federal government, or by the Section 401(a) defined contribution plan administered by the District.

Debt Administration

Under the District of Columbia Home Rule Act as amended, no long-term general obligation debt (other than refunding debt) may be issued during any fiscal year in an amount which would cause the amount of the principal and interest paid in any fiscal year on all long-term general obligation debt to exceed 17% of the revenues of the fiscal year in which the debt is issued. The debt service percent is calculated using the highest fiscal year debt service divided by the total revenues. The debt service percent limitation was increased from 14 to 17 percent in fiscal year 1998 as a result of the National Capital Revitalization and Self-Government Improvement Act of 1997 in order to compensate for the decrease in revenues from the repeal of the annual federal payment in lieu of taxes and the loss of court revenues.

At September 30, 2001, the District's general obligation debt of $2,582 million, excluding the Water and Sewer Authority debt, was $2,818 million below the legal debt limitation of approximately $5,400 million.

The District has issued private activity bonds whose principal and interest are not general obligations of the District and are payable solely from defined revenues of private entities. These bonds provide economic incentive to construct, modernize, or enhance private entity facilities in the District, thereby supporting the economic base of the District. The bonds are not recorded as a liability of the District. The District issued a Tax Increment Financing (TIF) Note which is a special limited obligations of the District. The sole source of repayment of the TIF Note shall be the Increment Revenues from the Project and the District shall have no obligation to make any payments on the TIF Notes, other than through the remittance of the incremental revenues to the Paying Agent.

In addition, the District of Columbia Tobacco Settlement Financing Corporation issued bonds, which are secured by and payable solely from the Tobacco Settlement litigation revenue payable to the corporation in the future. The Tobacco

Settlement bonds do not constitute an indebtedness of the District and are not secured by a pledge of the full faith and credit of the District of Columbia Government

Table 10 presents the outstanding long-term general obligations of the District at September 30, 2001 and 2000. No revenue, special assessment, or overlapping debt exists. The percentage of debt to assessed value (which equals estimated actual value) and the amount of debt per capita (in dollars) are useful indicators of the District's debt position. This data for the District at September 30, 2001 and 2000 are shown in **Table 11**.

Table 10 – Outstanding Long Term General Obligations ($ in 000's)

Fund Type or Account Group		2000	New Issues	Retirement	Other	2001
General obligations bonds	$	3,109,728	169,303	694,469	2,545	2,582,017
Tax increment financing notes		-	6,900	-	-	6,900
Tobacco settlement bonds		-	521,105	-	-	521,105
Total	$	3,109,728	697,308	694,469	2,545	3,110,022

Table 11 - Debt Indicators

Indicator		2001		2000	
Debt to assessed value		6.1	%	7.4	%
Debt per capita	$	4,682		5,611	

During September, the District issued $179 million in variable rate demand obligation bonds, which are described in **Table 12**.

Table 12 – Bonds issued during current Fiscal Year ($ in 000's)

Issue Amount	Interest Rate	Payment Date
Series 2001A	6.02	06/01/2008
Series 2001B	5.0 – 5.25	06/01/2031

Cash Management

Cash from all funds of the primary government is combined unless prohibited by law. Any cash that is not needed for immediate disbursement is invested in securities which are guaranteed fully by the federal government, such as mutual funds of federal government obligations or repurchase agreements collateralized by federal agency obligations.

The Financial Institutions Deposit and Investment Amendment Act of 1997 (D.C. Code 47-351.3) authorized the District to invest in certain obligations that may not be guaranteed by the federal government. Deposits and investments, except for investments of the Housing Finance Agency component unit, are collateralized with securities that are held by the District or by its agent in the District's name.

Risk Management

The District retains the risk of loss arising out of the ownership of property or from some other cause, except health care and life insurance benefits for employees. A liability is established in the general fund to reflect certain contingencies; however, this balance is not intended to include all assets that may be required to finance losses. Rather, losses are recognized in the affected fund when they occur.

Budgetary Compliance

Table 13 presents comparisons between actual amounts incurred and appropriated budget amounts (as amended) of the General Fund for the year ended September 30, 2001.

Table 13 – Budgetary Compliance Summary ($ in 000's)

		Actual	Less	Appropriated (Budget Basis)		
		GAAP Basis	Nonappropriated	Actual	Budget	Variance
Revenues and sources	$	6,170,150	202,101	5,968,049	5,573,064	394,985
Expenditures and uses		6,092,530	380,097	5,712,433	5,458,782	(253,651)
Excess (Deficiency)	$	77,620	(177,996)	255,616	114,282	141,334

Independent Audit

District law (D.C. Code 47-119) requires an annual financial audit of the District by independent certified public accountants. The audit must be conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards. The financial statements must be prepared in conformity with GAAP. The District has complied with these requirements and the independent auditors' report is included in the financial section of this report.

Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the year ended September 30, 2000. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for the preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. The report must also satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The District has received a Certificate of Achievement for eighteen of the last twenty years. The District believes that the current comprehensive annual financial report continues to conform to the Certificate of Achievement program requirements and it will be submitted to the GFOA for review.

Acknowledgments

I want to thank the hundreds of accounting and financial personnel throughout the City who have cooperated with the Office of Financial Operations and Systems all year, especially in the past four months. I appreciate their efforts, which have continued to be an important factor in our preparation of this CAFR publication. Most of all, I want to thank my staff, *Grace Crocker, Bill Slack*, *Leticia Stevenson, Larry Daniels, Chris LaCour,* and their respective team members. I am grateful for their dedicated efforts. I also thank the Office of the Inspector General and the City's independent auditors, *KPMG LLP* who were assisted by *Bert Smith and Company, Thompson Cobb, Bazilio and Associates, and Gardiner, Kamya and Associates* for their efforts throughout the audit engagement.

Respectfully submitted,

Anthony F. Pompa
Deputy Chief Financial Officer
Financial Operations and Systems

[This page intentionally left blank]

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Organizational Chart

LEGISLATIVE BRANCH [3]

- COUNCIL OF THE DISTRICT OF COLUMBIA [1]
  - *4 Chairman At-Large Members*
  - *8 Ward Members*
- COMMITTEES
- D.C. AUDITOR
- ADVISORY NEIGHBORHOOD COMMISSION [1]

EXECUTIVE BRANCH

MAYOR [1]

EXECUTIVE OFFICE OF THE MAYOR
Office of the Chief of Staff
Secretary of the District of Columbia
Communications
Intergovernmental Relations
Policy and Evaluation

CORPORATION COUNSEL

INSPECTOR GENERAL [4]

CHIEF FINANCIAL OFFICER [2]
- Budget & Planning
- Tax & Revenue
- Financial Operations & Systems
- Finance & Treasury
- Research & Analysis

Deputy Mayor/ City Administrator

Agencies & Offices
Departments of Motor Vehicles and Public Works; Offices of Contracting and Procurement, Chief Technology Officer, Personnel and Property Management

Deputy Mayor Economic Development

Agencies & Offices
Departments of Employment Services; Consumer & Regulatory Affairs; Housing & Community Development; Insurance & Securities Regulation; and Banking & Financial Institutions; Offices of Local Business Development and Planning

Deputy Mayor Children and Families

Agencies & Offices
Departments of Health, Human Services, Mental Health and Parks and Recreation;
D.C. Public Library;
Office on Aging;
Child & Family Services Agency

Deputy Mayor Public Safety & Justice

Agencies & Offices
Department of Corrections; Fire & Emergency Medical Services; Metropolitan Police Department; Emergency Management Agency; Office of the Chief Medical Examiner; Justice Grants Administration

Independent Agencies [4]
Water & Sewer Authority; Retirement Board; Office of Employee Appeals; Public Employee Relations Board; Convention Center; Board of Directors, Housing Finance Agency; Board of Trustees, Public Defenders Services; Board of Directors, Pretrial Services Agency; Lottery & Charitable Games Control Board; Board of Library Trustees; University of the District of Columbia Board of Trustees; D.C. Sports & Entertainment Commission; Peoples Counsel

Zoning Commission [5]
Board of Education/Public Schools [5]
Public Service Commission [5]
Armory Board [5]
Board of Elections & Ethics [5]

REGIONAL BODIES
METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS
NATIONAL CAPITAL PLANNING COMMISSION
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION
WASHINGTON METROPOLITAN AIRPORTS AUTHORITY

[1] ELECTED OFFICIAL
[2] ESTABLISHED BY P.L. 104-8
[3] NOT SUBJECTED TO MAYOR'S REORGANIZATION AUTHORITY
[4] INDEPENDENT AGENCY
[5] CHARTER INDEPENDENT AGENCY

DISTRICT OF COLUMBIA
PRINCIPAL OFFICIALS
September 30, 2001

Name	Position	First Elected or Appointed	Term Expires
	Chief Executive Officer		
Anthony A. Williams	Mayor	1999	2003
	Council		
Linda W. Cropp	Chairman	1991	2003
Harold Brazil	At Large	1991	2005
David A. Catania	At Large	1997	2003
Phil Mendelson	At Large	1999	2003
Carol Schwartz	At Large	1997	2005
Jim Graham	Ward 1	1999	2003
Jack Evans	Ward 2	1991	2005
Kathleen Patterson	Ward 3	1995	2003
Adrian Fenty	Ward 4	2001	2005
Vincent Orange	Ward 5	1999	2003
Sharon Ambrose	Ward 6	1997	2003
Kevin P. Chavous	Ward 7	1993	2005
Sandy Allen	Ward 8	1997	2005
	House of Representatives		
Eleanor Holmes Norton	Delegate	1991	2003
	Executive Officers		
Dr. Natwar M. Gandhi	Chief Financial Officer		
Robert R. Rigsby	Corporation Counsel		
Kelvin Robinson	Chief of Staff		
John Koskinen	City Administrator/Deputy Mayor for Operations		
Eric Price	Deputy Mayor for Economic Development		
Carolyn Graham	Deputy Mayor for Children and Families		
Margret Nedelkoff Kellems	Deputy Mayor for Public Safety		
Beverly D. Rivers	Secretary of the District of Columbia		
Charles C. Maddox, Esq.	Inspector General		
Anthony F. Pompa	Deputy CFO, Financial Operations and Systems		
Bert Molina	Deputy CFO, Budget and Planning		
N. Anthony Calhoun	Deputy CFO, Finance and Treasury		
Dr. Julia Friedman	Deputy CFO, Research and Analysis		
Herbert J. Huff	Deputy CFO, Tax and Revenue		

Certificate of Achievement for Excellence in Financial Reporting

Presented to

District of Columbia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2000

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

President

Executive Director