

BASIC FINANCIAL STATEMENTS

The basic financial statements include two kinds of financial statements that present different views of the District: *Government-Wide Financial Statements* and *Fund Financial Statements*.

These financial statements also include the Notes to the Basic Financial Statements that 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, 2003
(\$000s)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents (unrestricted)	\$ 689,795	\$ 23,720	\$ 713,515	\$ 170,024
Investments (unrestricted)	46,141	8,631	54,772	21,807
Due from federal government	416,306	6,828	423,134	43,614
Taxes receivable, net	226,189	-	226,189	-
Accounts receivable, net	112,839	23,134	135,973	51,270
Other receivables	31,083	-	31,083	34,506
Due from primary government	-	-	-	24,962
Due from component units	957	-	957	-
Due from fiduciary funds	742	-	742	-
Internal balances	24,529	(24,529)	-	-
Inventories	14,258	647	14,905	6,913
Other current assets	4,529	14,745	19,274	407
Cash and cash equivalents (restricted)	591,326	297,563	888,889	62,028
Investments (restricted)	-	64,906	64,906	767,305
Notes and loans receivable, net	-	-	-	431,497
Deferred charges	-	-	-	57,883
Depreciable capital assets, net	3,021,484	4,032	3,025,516	2,152,731
Non-depreciable capital assets	1,357,877	-	1,357,877	384,233
Other noncurrent assets	-	-	-	11,426
Total assets	6,538,055	419,677	6,957,732	4,220,606
LIABILITIES				
Accounts payable	559,734	33,148	592,882	143,150
Compensation payable	155,798	1,861	157,659	9,546
Due to primary government	-	-	-	957
Due to component units	24,961	-	24,961	-
Deferred revenue	172,123	271	172,394	39,660
Accrued liabilities	174,518	8,749	183,267	102,207
Accrued interest payable	46,753	-	46,753	-
Other current liabilities	31,846	9,798	41,644	17,019
Long-term liabilities:				
Due within one year	240,678	-	240,678	37,827
Due in more than one year	4,365,833	64,906	4,430,739	2,572,617
Total liabilities	5,772,244	118,733	5,890,977	2,922,983
NET ASSETS				
Invested in capital assets, net of related debt	518,223	1,354	519,577	949,133
Restricted - expendable	841,374	262,148	1,103,522	166,721
Restricted - non-expendable	-	-	-	7,242
Unrestricted	(593,786)	37,442	(556,344)	174,527
Total net assets	\$ 765,811	\$ 300,944	\$ 1,066,755	\$ 1,297,623

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, 2003
(\$000s)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		Component Units
	Expenses	Charges for Services, Fees, Fines & Forfeitures	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	
Primary government:							
Governmental activities:							
Governmental direction and support	\$ 504,513	\$ 36,189	\$ 62,767	\$ 10,084	\$ (395,473)	\$	\$ (395,473)
Economic development and regulation	252,716	75,540	99,267	-	(71,909)		(71,909)
Public safety and justice	936,797	39,756	228,665	2,073	(666,303)		(666,303)
Public education system	1,168,545	45	225,851	1,728	(940,921)		(940,921)
Human support services	2,572,881	42,380	1,212,654	6,589	(1,311,258)		(1,311,258)
Public works	312,704	129,251	3,856	155,975	(23,622)		(23,622)
Public transportation	272,726	-	-	-	(272,726)		(272,726)
Interest on long-term debt	178,301	-	-	-	(178,301)		(178,301)
Fiscal charges	20,559	-	-	-	(20,559)		(20,559)
Total governmental activities	6,219,742	323,161	1,833,060	176,449	(3,887,072)		(3,887,072)
Business-type activities:							
Lottery and games	166,185	237,890	-	-	71,705		71,705
Unemployment compensation	165,045	-	55,356	-	(109,689)		(109,689)
Nursing home services	34,687	34,124	-	-	(563)		(563)
Total business-type activities	365,917	272,014	55,356	-	(38,547)		(38,547)
Total primary government	\$ 6,585,659	\$ 595,175	\$ 1,888,416	\$ 176,449	(3,887,072)		(3,925,619)
Component units:							
Water and sewer	\$ 249,304	\$ 255,795	\$ -	\$ 39,626			46,117
Convention center	65,217	8,889	-	-			(56,328)
Sports commission	12,340	6,985	-	5,467			112
Housing finance	70,276	52,646	-	-			(17,630)
University	92,901	16,183	20,538	4,432			(51,748)
Total component units	\$ 490,038	\$ 340,498	\$ 20,538	\$ 49,525			(79,477)
General revenues:							
Taxes:							
Property taxes					899,665		-
Sales and use taxes					779,920		-
Income and franchise taxes					1,167,452		-
Gross receipts taxes					261,643		-
Other taxes					273,191		-
Grants and contributions not restricted to specific programs					25,070		-
Investment earnings					13,341		15,250
Miscellaneous					330,028		15,232
Subsidy from primary government					-		109,449
Transfer from lottery and games					72,050		-
Transfer to nonmajor proprietary funds					(34,476)		-
Total general revenues					3,787,884		139,931
Change in net assets					(99,188)		60,454
Net assets at October 1					864,999		1,237,169
Net assets at September 30					765,811		1,297,623

The accompanying notes are an integral part of this statement.

Exhibit 2-a

**District of Columbia
Balance Sheet
Governmental Funds
September 30, 2003
(\$000s)**

	General	Federal & Private Resources	General Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents (unrestricted)	\$ 524,008	\$ 144,171	\$ -	\$ 21,616	\$ 689,795
Investments (unrestricted)	46,141		-	-	46,141
Accrued interest receivable, net	-	-	-	14	14
Due from federal government	-	354,289	62,017	-	416,306
Taxes receivable, net	226,189	-	-	-	226,189
Accounts receivable, net	86,856	9,098	1,938	3,113	101,005
Other receivables	-	42,903	-	-	42,903
Due from component units	957	-	-	-	957
Due from other funds	255,863	25,086	8,207	-	289,156
Inventories	13,179	1,079	-	-	14,258
Other current assets	4,529	-	-	-	4,529
Cash and cash equivalents (restricted)	467,017	1,470	43,744	79,095	591,326
Total assets	\$ 1,624,739	\$ 578,096	\$ 115,906	\$ 103,838	\$ 2,422,579
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	336,032	96,938	126,674	90	559,734
Compensation payable	139,108	14,868	1,822	-	155,798
Due to other funds	721	164,516	90,441	8,207	263,885
Due to component units	24,961	-	-	-	24,961
Deferred revenue	103,986	75,869	30,781	-	210,636
Accrued liabilities	98,767	75,638	-	113	174,518
Other liabilities	23,807	47	7,992	-	31,846
Total liabilities	727,382	427,876	257,710	8,410	1,421,378
Fund balances:					
Reserved for:					
General fund expenditures	568,243	-	-	-	568,243
Special revenue funds expenditures	-	150,220	-	70,304	220,524
Capital project expenditures	-	-	27,483	25,124	52,607
Unreserved, reported in:					
General fund	329,114	-	-	-	329,114
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	(169,287)	-	(169,287)
Total fund balances	897,357	150,220	(141,804)	95,428	1,001,201
Total liabilities and fund balances	\$ 1,624,739	\$ 578,096	\$ 115,906	\$ 103,838	

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.	4,379,361
Adjustments for accrued interest payable	(46,753)
Adjustments for deferred revenues	38,512
Long-term Liabilities:	
General obligation bonds	3,251,118
Tobacco settlement bonds	506,550
TIF bonds & Notes	125,524
QZAB	3,327
Capital leases	90,458
Other liabilities	629,533
	<u>(4,606,510)</u>
Net assets of governmental activities	<u>\$ 765,811</u>

The accompanying notes are an integral part of this statement.

Exhibit 2-b

District of Columbia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2003
(\$000s)

	General	Federal & Private Resources	General Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property taxes	\$ 901,887	\$ -	\$ -	\$ -	\$ 901,887
Sales and use taxes	779,920	-	-	-	779,920
Income and franchise taxes	1,167,452	-	-	-	1,167,452
Gross receipts taxes	261,643	-	-	-	261,643
Other taxes	273,191	-	-	-	273,191
Fines and forfeits	90,238	-	-	-	90,238
Licenses and permits	62,189	-	-	-	62,189
Charges for services	128,631	42,105	-	-	170,736
Investment earnings	3,948	-	6,320	3,073	13,341
Miscellaneous	202,492	5,531	76,223	45,782	330,028
Federal contributions	-	363,061	176,449	-	539,510
Operating grants	722	1,494,347	-	-	1,495,069
Write-off mental health receivable	-	(99,075)	-	-	(99,075)
Total revenues	3,872,313	1,805,969	258,992	48,855	5,986,129
EXPENDITURES					
Current:					
Governmental direction and support	307,245	108,149	-	197	415,591
Economic development and regulation	135,753	89,058	-	-	224,811
Public safety and justice	656,934	250,736	-	-	907,670
Public education system	921,499	233,798	-	-	1,155,297
Human support services	1,150,016	1,295,320	-	-	2,445,336
Public works	151,191	13,562	-	-	164,753
Public transportation	154,531	-	118,195	-	272,726
Debt service:					
Principal	141,041	-	-	8,751	149,792
Interest and other charges	150,931	-	-	42,708	193,639
Capital outlay	-	-	705,203	56,942	762,145
Total expenditures	3,769,141	1,990,623	823,398	108,598	6,691,760
Excess (deficiency) of revenues over expenditures	103,172	(184,654)	(564,406)	(59,743)	(705,631)
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of bonds	251,345	-	768,528	-	1,019,873
Payment to refunded bond escrow agent	(234,179)	-	-	-	(234,179)
Equipment financing program	-	-	17,094	-	17,094
Transfer in from lottery	72,050	-	-	-	72,050
Transfers out to nonmajor proprietary fund	(34,476)	-	-	-	(34,476)
Transfer in (out)	(99,075)	99,075	-	-	-
Internal transfer in (out)	(26,808)	-	26,510	298	-
Total other financing sources (uses)	(71,143)	99,075	812,132	298	840,362
Net change in fund balances	32,029	(85,579)	247,726	(59,445)	134,731
Fund balances at October 1	865,328	235,799	(389,530)	154,873	866,470
Fund balances at September 30	\$ 897,357	\$ 150,220	\$ (141,804)	\$ 95,428	\$ 1,001,201

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, 2003
(\$000s)

Net change in fund balances—total governmental funds	\$	134,731
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 as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		416,932
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(2,223)
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 bond repayments.		(571,539)
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.		(77,089)
Change in net assets of governmental activities	<u>\$</u>	<u>(99,188)</u>

The accompanying notes are an integral part of this statement.

**District of Columbia
Budgetary Comparison Statement
Year Ended September 30, 2003
(\$000s)**

	General Fund				Federal and Private Resources				Total			
	Budget		Actual	Variance - Positive (Negative)	Budget		Actual	Variance - Positive (Negative)	Budget		Actual	Variance - Positive (Negative)
	Original	Revised			Original	Revised			Original	Revised		
Revenues and Other Sources:												
Taxes:												
Property taxes	\$ 856,811	\$ 897,072	\$ 901,388	\$ 4,816	-	-	-	-	856,811	897,072	901,888	4,816
Sales and use taxes	703,194	708,647	694,494	(14,153)	-	-	-	-	703,194	708,647	694,494	(14,153)
Income and franchise taxes	1,158,393	1,125,163	1,167,452	42,289	-	-	-	-	1,158,393	1,125,163	1,167,452	42,289
Other taxes	509,429	455,627	529,540	73,913	-	-	-	-	509,429	455,627	529,540	73,913
Total taxes	3,227,827	3,186,509	3,293,374	106,865	-	-	-	-	3,227,827	3,186,509	3,293,374	106,865
Licenses and permits	61,724	61,872	59,761	(2,111)	-	-	-	-	61,724	61,872	59,761	(2,111)
Fines and forfeits	102,300	104,162	88,455	(15,707)	-	-	-	-	102,300	104,162	88,455	(15,707)
Charges for services	49,309	49,281	65,736	16,455	-	-	-	-	49,309	49,281	65,736	16,455
Miscellaneous	80,797	69,975	89,905	19,930	-	-	-	-	80,797	69,975	89,905	19,930
Other sources	156,378	227,610	164,125	(63,485)	-	-	-	-	156,378	227,610	164,125	(63,485)
Federal contributions	-	-	520	520	-	-	-	-	-	-	94,043	(20,388)
Operating grants	-	-	11,403	11,403	47,293	114,431	94,043	20,388	47,293	114,431	94,563	(19,868)
General obligation bonds	-	-	11,403	11,403	1,727,316	1,703,554	1,447,001	(256,533)	1,727,316	1,703,554	1,447,001	(256,533)
Fund balance released from restrictions	18,485	72,825	21,527	(51,298)	-	100,335	100,335	-	-	173,160	121,862	(51,298)
Interfund transfer	70,900	68,600	72,050	3,450	-	-	-	-	70,900	68,600	72,050	3,450
Total revenues and other sources	3,767,720	3,840,834	3,866,836	26,022	1,774,609	1,918,320	1,641,379	(276,941)	3,542,329	5,759,154	5,508,235	(250,919)
Expenditures and Other Uses:												
Governmental direction and support	226,319	221,429	209,864	11,565	36,554	131,677	97,164	34,513	262,873	353,106	307,028	46,078
Economic development and regulation	146,328	197,482	135,234	62,248	100,812	131,861	89,059	42,802	247,140	329,343	224,293	105,050
Public safety and justice	611,202	676,700	659,479	17,221	12,124	48,489	38,112	10,377	623,326	725,189	697,591	27,598
Public education system	929,339	888,296	881,760	6,536	208,931	233,129	177,266	55,863	1,138,270	1,121,425	1,059,026	62,398
FY04 public education expenditure	-	-	34,965	34,965	-	-	-	-	-	-	34,965	34,965
Human support services	1,083,196	1,181,598	1,163,636	17,962	1,395,622	1,332,344	1,199,338	133,006	2,478,818	2,513,942	2,362,974	150,968
Write-off mental health receivable	-	-	99,075	(99,075)	-	-	-	-	-	-	99,075	(99,075)
Public works	313,688	319,213	306,668	12,545	5,663	29,836	13,562	16,274	48,186	349,049	320,230	28,819
Workforce investments	48,186	2,699	-	2,699	-	-	-	-	-	2,699	-	2,699
Emergency planning and security costs	-	-	-	-	14,903	10,624	10,624	-	14,903	10,624	10,624	-
Wilson building	4,194	3,894	3,875	19	-	-	-	-	4,194	3,894	3,875	19
Reserve	70,000	-	-	70,000	-	-	-	-	70,000	-	-	70,000
Repay bonds and interest	257,951	252,523	250,649	1,874	-	-	-	-	257,951	252,523	250,649	1,874
Repay deficit bonds and interest	39,300	39,300	39,043	257	-	-	-	-	39,300	39,300	39,043	257
Interest on short term borrowing	1,000	3,292	3,288	4	-	-	-	-	1,000	3,292	3,288	4
Certificates of participation	7,950	5,658	2,280	3,378	-	-	-	-	7,950	5,658	2,280	3,378
Settlements and judgments fund	22,822	23,536	23,536	-	-	360	360	-	22,822	23,716	23,716	-
Non-departmental agency	5,799	-	-	5,799	-	-	-	-	5,799	-	-	5,799
Total expenditures and other uses	3,767,274	3,850,405	3,813,172	37,233	1,774,609	1,918,320	1,625,485	292,835	3,541,883	5,768,725	5,438,657	330,068
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES-- BUDGETARY BASIS	\$ 446	\$ (9,571)	\$ 53,684	\$ 63,255	-	-	\$ 15,894	\$ 15,894	446	\$ (9,571)	\$ 69,578	\$ 79,149
Reconcile Budgetary to GAAP Basis:												
Changes in:												
Inventory	-	-	3,517	3,517	-	-	-	-	-	-	-	-
Net proceeds from refinancing	-	-	5,763	5,763	(1,185)	-	(1,185)	-	-	-	-	-
Medicaid accrual	-	-	14,807	14,807	-	-	-	-	-	-	-	-
Long term receivable reserve	-	-	(5,486)	(5,486)	-	-	-	-	-	-	-	-
Tobacco settlement	-	-	(9,750)	(9,750)	-	-	-	-	-	-	-	-
All other, net	-	-	(94)	(94)	-	-	47	-	-	-	-	-
Operating cost from enterprise funds	-	-	(8,885)	(8,885)	-	-	-	-	-	-	-	-
Fund balance released from restrictions	-	-	(21,527)	(21,527)	-	-	(100,335)	-	-	-	-	-
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES -- GAAP BASIS	\$ -	\$ -	\$ 32,029	\$ 32,029	\$ -	\$ -	\$ (85,579)	\$ (85,579)	\$ 446	\$ (9,571)	\$ 69,578	\$ 79,149

The accompanying notes are an integral part of this statement.

Exhibit 3-a

District of Columbia
Statement of Net Assets
Proprietary Funds
September 30, 2003
(\$000s)

	Lottery and Games	Unemployment Compensation	Nonmajor Proprietary Funds	Total
ASSETS				
Current assets:				
Cash and cash equivalents (unrestricted)	\$ 10,617	\$ -	\$ 13,103	\$ 23,720
Investments (unrestricted)	8,631	-	-	8,631
Accounts receivable, net	3,221	12,289	7,624	23,134
Due from federal government	-	6,828	-	6,828
Inventories	647	-	-	647
Restricted cash and cash equivalents	-	297,563	-	297,563
Other current assets	12	-	14,733	14,745
Total current assets	23,128	316,680	35,460	375,268
Noncurrent assets:				
Restricted investments	64,906	-	-	64,906
Capital assets, net	1,354	-	2,678	4,032
Total noncurrent assets	66,260	-	2,678	68,938
Total assets	89,388	316,680	38,138	444,206
LIABILITIES				
Current liabilities:				
Accounts payable	2,752	28,836	1,560	33,148
Accrued compensated absences	517	-	1,344	1,861
Due to other funds	-	24,529	-	24,529
Accrued liabilities	8,749	-	-	8,749
Deferred revenue	271	-	-	271
Other current liabilities	8,631	1,167	-	9,798
Total current liabilities	20,920	54,532	2,904	78,356
Noncurrent liabilities:				
Prize annuities payable	64,906	-	-	64,906
Total noncurrent liabilities	64,906	-	-	64,906
Total liabilities	85,826	54,532	2,904	143,262
NET ASSETS				
Invested in capital assets, net of related debt	1,354	-	-	1,354
Restricted - nonexpendable	-	262,148	-	262,148
Unrestricted	2,208	-	35,234	37,442
Total net assets	\$ 3,562	\$ 262,148	\$ 35,234	\$ 300,944

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, 2003
(\$000s)

	<u>Lottery and Games</u>	<u>Unemployment Compensation</u>	<u>Nonmajor Proprietary Funds</u>	<u>Total</u>
Operating revenues:				
Employer taxes	\$ -	\$ 82,626	\$ -	\$ 82,626
Charges for services	237,890	-	34,124	272,014
Benefit contributions:				
Benefit contributions	-	24,885	-	24,885
Miscellaneous	-	-	261	261
Total operating revenues	<u>237,890</u>	<u>107,511</u>	<u>34,385</u>	<u>379,786</u>
Operating expenses:				
Benefits	-	165,045	-	165,045
Prizes	138,256	-	-	138,256
Personnel services	10,003	-	5,584	15,587
Contractual services	12,676	-	-	12,676
Depreciation	372	-	476	848
Miscellaneous	4,878	-	28,627	33,505
Total operating expenses	<u>166,185</u>	<u>165,045</u>	<u>34,687</u>	<u>365,917</u>
Operating income (loss)	<u>71,705</u>	<u>(57,534)</u>	<u>(302)</u>	<u>13,869</u>
Nonoperating revenues (expenses)				
Interest and investment revenue	422	17,850	1,060	19,332
Intergovernmental	-	30,471	-	30,471
Total nonoperating revenue (expenses)	<u>422</u>	<u>48,321</u>	<u>1,060</u>	<u>49,803</u>
Income (loss) before transfers	<u>72,127</u>	<u>(9,213)</u>	<u>758</u>	<u>63,672</u>
Transfers in (out)	(72,050)	-	34,476	(37,574)
Change in net assets	<u>77</u>	<u>(9,213)</u>	<u>35,234</u>	<u>26,098</u>
Total net assets at October 1	3,485	271,361	-	274,846
Total net assets at September 30	<u>\$ 3,562</u>	<u>\$ 262,148</u>	<u>\$ 35,234</u>	<u>\$ 300,944</u>

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, 2003
(\$000s)

	Lottery and Games	Unemployment Compensation	Nonmajor Proprietary Funds	Total
Operating Activities:				
Cash receipts from customers/employers	\$ 238,731	109,238	\$ 35,095	\$ 383,064
Other cash receipts	655	-	-	655
Cash payments to vendors	(21,355)	-	(41,405)	(62,760)
Cash payments to employees/claimants	(6,553)	(158,850)	(6,014)	(171,417)
Other cash payments, including prizes	(137,311)	-	-	(137,311)
Net cash provided by (used in) operating activities	<u>74,167</u>	<u>(49,612)</u>	<u>(12,324)</u>	<u>12,231</u>
Capital and Related Financing Activities:				
Acquisitions of capital assets	(231)	-	(864)	(1,095)
Net cash used by capital and related financing activities	<u>(231)</u>	<u>-</u>	<u>(864)</u>	<u>(1,095)</u>
Noncapital Financing Activities:				
Inergovernmental grants	-	30,471	-	30,471
Interfund transfers out	(72,050)	-	-	(72,050)
Net cash provided by (used for) noncapital financing activities	<u>(72,050)</u>	<u>30,471</u>	<u>-</u>	<u>(41,579)</u>
Investing Activities:				
Receipts of interest and dividends	422	17,850	2,453	20,725
Net cash provided by investing activities	<u>422</u>	<u>17,850</u>	<u>2,453</u>	<u>20,725</u>
INCREASE (DECREASE) IN CASH	2,308	(1,291)	(10,735)	(9,718)
Cash and cash equivalents at October 1	<u>8,309</u>	<u>298,854</u>	<u>23,838</u>	<u>331,001</u>
Cash and cash equivalents at September 30	<u>\$ 10,617</u>	<u>\$ 297,563</u>	<u>\$ 13,103</u>	<u>\$ 321,283</u>
Reconciliation of Operating Income to				
Net Cash Provided by (used for) Operating Activities:				
Operating income (loss)	\$ 71,705	\$ (57,534)	\$ (302)	\$ 13,869
Depreciation	372	-	1,117	1,489
Miscellaneous nonoperating revenues	-	-	63	63
Purchases of capital assets	-	-	-	-
Decrease (increase) in assets:				
Accounts receivable	1,356	1,727	(414)	2,669
Inventories	36	-	-	36
Other current assets	(7)	-	(189)	(196)
Increase (decrease) in liabilities:				
Accounts payable	(183)	5,506	(12,599)	(7,276)
Accrued liabilities	736	-	-	736
Deferred revenue	140	-	-	140
Other current liabilities	12	689	-	701
Net Cash Provided by (used for) Operating Activities:	<u>\$ 74,167</u>	<u>\$ (49,612)</u>	<u>\$ (12,324)</u>	<u>\$ 12,231</u>

The accompanying notes are an integral part of this statement.

Exhibit 4-a

District of Columbia
Statement of Fiduciary Fund Net Assets
September 30, 2003
(\$000s)

	Pension Trust Funds	Private Purpose Trust Fund	Agency Funds
ASSETS			
Cash and cash equivalents - restricted	\$ 386,853	\$ -	\$ 106,937
Investments - restricted	2,012,544	13,798	-
Receivables			
Interest and dividends	-	1	-
Other receivables	2,860	21	-
Due from other fund	46	-	-
Other current assets	-	-	901
Total assets	2,402,303	13,820	107,838
LIABILITIES			
Accounts payable	12,325	48	11,758
Due to other funds	741	-	46
Securities lending	169,034	-	-
Other current liabilities	-	-	96,034
Total liabilities	182,100	48	\$ 107,838
NET ASSETS			
Restricted for pension benefits and other purposes (A schedule of funding progress for each plan is presented on page 91)	\$ 2,220,203	\$ 13,772	

The accompanying notes are an integral part of this statement.

Exhibit 4-b

District of Columbia
Statement of Changes in Fiduciary Fund Net Assets
For The Year Ended September 30, 2003
(\$000s)

	Pension Trust Funds	Private Purpose Trust Fund
ADDITIONS		
Contributions:		
Employer	\$ 68,900	\$ -
Plan members	45,914	13,161
Total contributions	<u>114,814</u>	<u>13,161</u>
Investment earnings:		
Net increase in fair value of investments	253,498	876
Interest and dividends	55,321	128
Total investment earnings	<u>308,819</u>	<u>1,004</u>
Less investment expense	6,703	86
Net investment earnings	<u>302,116</u>	<u>918</u>
Total additions	<u>416,930</u>	<u>14,079</u>
DEDUCTIONS		
Benefits payments	11,191	-
Distributions to participants	-	299
Administrative expenses	2,479	8
Total deductions	<u>13,670</u>	<u>307</u>
Change in net assets	403,260	13,772
Net assets at October 1	1,816,943	-
Net assets at September 30	<u>\$ 2,220,203</u>	<u>\$ 13,772</u>

The accompanying notes are an integral part of this statement.

Exhibit 4-c

DISTRICT OF COLUMBIA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For The Year Ended September 30, 2003
(\$000s)

	Balance			Balance
	October 1,	Additions	Deductions	September 30,
	2002			2003
ASSETS				
Cash and cash equivalents	\$ 105,022	1,410,486	1,408,571	106,937
Other current assets	9,231	1,020,727	1,029,057	901
Total assets	\$ 114,253	2,431,213	2,437,628	107,838
LIABILITIES				
Accounts payable	\$ 44,010	88,943	121,195	11,758
Other current liabilities	70,156	396,511	370,633	96,034
Due to other fund	87	125	166	46
Total liabilities	\$ 114,253	485,579	491,994	107,838

The accompanying notes are an integral part of this statement.

Exhibit 5-a

**District of Columbia
Discretely Presented Component Units**

Combining Statement of Net Assets

**September 30, 2003
(\$000s)**

	Water and Sewer	Convention Center	Sports Commission	Housing Finance	University	Totals
ASSETS						
Current Assets:						
Cash and cash equivalents (unrestricted) \$	131,078	\$ 4,715	\$ 3,191	\$ 14,677	\$ 16,363	\$ 170,024
Investments (unrestricted)	14,978	4,503	2,326	-	-	21,807
Receivables, net:						
Accounts	41,406	932	1,234	-	7,698	51,270
Other	33,706	187	-	562	51	34,506
Due from federal government	41,454	-	-	-	2,160	43,614
Due from primary government	17,740	5,506	-	-	1,716	24,962
Inventories	6,913	-	-	-	-	6,913
Other current assets	150	-	179	-	78	407
Restricted cash	46,825	1,822	-	10,245	3,136	62,028
Restricted investments	37,084	76,727	5,230	625,664	22,600	767,305
Total current assets	<u>371,334</u>	<u>94,392</u>	<u>12,160</u>	<u>651,148</u>	<u>53,802</u>	<u>1,182,836</u>
Noncurrent Assets:						
Loans receivable	-	-	-	431,062	435	431,497
Other	-	-	-	11,426	-	11,426
Deferred charges	32,886	8,901	-	16,096	-	57,883
Total long term assets	<u>32,886</u>	<u>8,901</u>	<u>-</u>	<u>458,584</u>	<u>435</u>	<u>500,806</u>
Capital assets, net:						
Property and equipment	1,650,941	811,098	13,601	2,989	58,335	2,536,964
Total assets	<u>2,055,161</u>	<u>914,391</u>	<u>25,761</u>	<u>1,112,721</u>	<u>112,572</u>	<u>4,220,606</u>
LIABILITIES						
Current Liabilities:						
Payables:						
Accounts	78,069	36,647	966	1,882	25,586	143,150
Compensation	7,941	1,060	333	212	-	9,546
Due to primary government	154	-	803	-	-	957
Accrued liabilities	20,061	12,976	2,384	64,392	2,394	102,207
Deferred revenue	20,015	11,939	527	2,627	4,552	39,660
Current maturities	15,892	10,225	-	11,710	-	37,827
Other current liabilities	-	6,341	-	10,678	-	17,019
Total current liabilities	<u>142,132</u>	<u>79,188</u>	<u>5,013</u>	<u>91,501</u>	<u>32,532</u>	<u>350,366</u>
Noncurrent Liabilities:						
Long term debt:						
Bonds payable	510,010	508,404	-	908,663	-	1,927,077
Other long term liabilities	15,671	13,469	-	32,344	-	61,484
Refundable advances	-	-	-	-	681	681
Deferred revenue	583,375	-	-	-	-	583,375
Total long term liabilities	<u>1,109,056</u>	<u>521,873</u>	<u>-</u>	<u>941,007</u>	<u>681</u>	<u>2,572,617</u>
Total liabilities	<u>1,251,188</u>	<u>601,061</u>	<u>5,013</u>	<u>1,032,508</u>	<u>33,213</u>	<u>2,922,983</u>
NET ASSETS						
Invested in capital assets, net of related debt	588,294	287,902	13,601	1,000	58,336	949,133
Restricted - expendable	27,394	78,549	5,230	55,336	212	166,721
Restricted-non-expendable	-	-	-	-	7,242	7,242
Unrestricted	188,285	(53,121)	1,917	23,877	13,569	174,527
Total net assets	<u>\$ 803,973</u>	<u>\$ 313,330</u>	<u>\$ 20,748</u>	<u>\$ 80,213</u>	<u>\$ 79,359</u>	<u>\$ 1,297,623</u>

The accompanying notes are an integral part of this statement.

Exhibit 5-b

District of Columbia
Discretely Presented Component Units
Combining Statement of Revenues, Expenses,
and Changes in Net Assets
For The Year Ended September 30, 2003
(\$000s)

	Water and Sewer	Convention Center	Sports Commission	Housing Finance	University	Totals
Operating Revenues:						
Charges for services:						
Public	\$ 212,839	\$ 8,889	\$ 6,985	\$ 52,646	\$ 16,183	\$ 297,542
Intergovernmental	42,956	-	-	-	-	42,956
Federal & local grants & contributions	-	-	-	-	20,538	20,538
Miscellaneous	-	476	-	13,161	880	14,517
Total operating revenues	<u>255,795</u>	<u>9,365</u>	<u>6,985</u>	<u>65,807</u>	<u>37,601</u>	<u>375,553</u>
Operating Expenses:						
Personal services	64,091	14,138	3,978	3,353	58,680	144,240
Contractual services	63,065	10,399	5,068	4,150	14,083	96,765
Supplies	14,768	569	398	-	4,952	20,687
Occupancy	20,804	5,887	923	4,613	2,887	35,114
Scholarships	-	-	-	-	7,045	7,045
Depreciation	39,524	14,123	1,926	256	4,905	60,734
Miscellaneous	13,723	154	47	20,446	349	34,719
Total operating expenses	<u>215,975</u>	<u>45,270</u>	<u>12,340</u>	<u>32,818</u>	<u>92,901</u>	<u>399,304</u>
OPERATING INCOME (LOSS)	39,820	(35,905)	(5,355)	32,989	(55,300)	(23,751)
Nonoperating Revenues:						
Intergovernmental	-	58,905	-	-	50,544	109,449
Interest revenue	3,090	1,002	118	9,023	2,017	15,250
Other	-	-	-	-	715	715
Total nonoperating revenues	<u>3,090</u>	<u>59,907</u>	<u>118</u>	<u>9,023</u>	<u>53,276</u>	<u>125,414</u>
Nonoperating Expenses:						
Interest expense	17,816	13,154	-	36,999	-	67,969
Program and housing assistance payments	-	-	-	-	-	-
Other expenses	15,513	6,793	-	459	-	22,765
Total nonoperating expenses	<u>33,329</u>	<u>19,947</u>	<u>-</u>	<u>37,458</u>	<u>-</u>	<u>90,734</u>
Total nonoperating revenues (expenses)	(30,239)	39,960	118	(28,435)	53,276	34,680
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	9,581	4,055	(5,237)	4,554	(2,024)	10,929
Capital contributions	39,626	-	5,467	-	4,432	49,525
Change in net assets	49,207	4,055	230	4,554	2,408	60,454
Net assets at October 1	754,766	309,275	20,518	75,659	76,951	1,237,169
Net assets at September 30	\$ 803,973	\$ 313,330	\$ 20,748	\$ 80,213	\$ 79,359	\$ 1,297,623

The accompanying notes are an integral part of this statement.