



**ADRIAN M. FENTY**  
MAYOR

January 30, 2007

Dear Citizens of the District of Columbia:

I am pleased to present the District of Columbia's Fiscal Year 2006 Comprehensive Annual Financial Report (CAFR). The audit opinion is unqualified for the tenth consecutive year. We completed Fiscal Year 2006 with a General Fund balance of \$1.4 billion.

The District continues to be an attractive place to live and to work with growing investment in residential and commercial projects throughout the city. The District's own investments are supported by strong ratings from the bond market, "A+" by Standard and Poor's, "A" by Fitch Ratings with a Positive Outlook, and "A2" by Moody's Investors Service with a Positive Outlook. Through hard work and fiscal discipline, the District of Columbia has earned another budget surplus, and enjoys the respect of Wall Street and the rest of the nation. The District's fiscal strength enables us to invest more resources in residents' policy priorities.

To build on the progress that the District has made, we know it is essential to improve the quality of the public education system. It is time for the District to adopt new thinking, streamline accountability, and implement the best practices of successful reform efforts in other urban school systems. If we are successful, we can honor the promise of opportunity made to every young person and we can make the District a better place to live. Nothing less than the future of our city is at stake.

I am very proud to be your Mayor, and I look forward to working together with you to make the District of Columbia a world-class city.

Sincerely,



Adrian M. Fenty  
Mayor