

CAFR



2012

YEAR ENDED SEPTEMBER 30, 2012

COMPREHENSIVE ANNUAL FINANCIAL REPORT

VINCENT C. GRAY • MAYOR

NATWAR M. GANDHI • CHIEF FINANCIAL OFFICER



GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER



VINCENT C. GRAY
MAYOR

January 28, 2013

Dear Residents of the District of Columbia,

I am pleased to present the District of Columbia's (District) Fiscal Year 2012 Comprehensive Annual Financial Report (CAFR). We completed Fiscal Year 2012 with a budgetary surplus of \$417 million, resulting in a General Fund balance of \$1.5 billion as of September 30, 2012, and the audit opinion is unqualified for the sixteenth consecutive year. These results are compelling evidence that the District's finances are among the strongest of any jurisdiction in the nation.

As in previous years, the District was able to continue to invest in neighborhoods and commercial projects, and continues to be an attractive destination for visitors and investors from all over the world. Last December the Census Bureau reported that the District added more than 30,000 residents over the last 27 months, a rate of 1,100 residents per month, among the fastest growing in the nation. We enjoy a "AAA" rating from Standard & Poor's on our Income Tax secured revenue bonds, with ratings of "AA+" and "Aa1" from Fitch Ratings and Moody's Investors Service, respectively. All three rating agencies have "stable" outlooks on the District's income tax bonds. These strong bond ratings allow the District to secure lower interest rates to finance important investments in public capital projects such as schools, recreation facilities, streets and bridges.

The District's increasingly strong financial outlook, coupled with impressive job growth and a falling unemployment rate, is affirmation that our economic development strategies are working. Despite the challenges that anticipated future federal cuts may bring to the District, the city's economy is vibrant and growing. Our growing prosperity will allow us to ensure financial stability in the years to come while also making important investments in the safety, health, education, and quality of life of all of our residents.

With your continued support, we will keep working to lift up communities in every Ward to build a more prosperous, equitable, and sustainable District of Columbia.

Sincerely,

A handwritten signature in black ink that reads "Vincent C. Gray". The signature is fluid and cursive, with a large, sweeping tail on the letter "y".
Vincent C. Gray