



VINCENT C. GRAY
MAYOR

January 30, 2014

Dear Residents of the District of Columbia:

I am pleased to present the District of Columbia's (District's) Fiscal Year 2013 Comprehensive Annual Financial Report (CAFR). We completed Fiscal Year 2013 with a budgetary surplus of \$321 million, resulting in a General Fund balance of \$1.75 billion as of September 30, 2013, and the audit opinion is unqualified for the seventeenth consecutive year. Our fund balance is now at an all-time high and "cash on hand" is also at a record level. These results are compelling evidence that the District's finances are among the strongest of any jurisdiction in the nation and the strongest they have been in our history.

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. The District's population continues to grow at a record pace, adding more than thirteen thousand residents over the past year, making the District one of the fastest growing cities and states 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 and playgrounds, 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 and diversification strategies are working. Despite the challenges that federal budget 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 continue working to lift up communities in every ward to build a more prosperous, equitable, and sustainable District of Columbia.

Sincerely,


Vincent C. Gray