
3. Debt Capacity

These schedules present information showing the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

**Ratios of General Obligation Bonds Outstanding
Last Ten Fiscal Years**
(dollars in thousands, except per capita)

Exhibit S-3A

Fiscal Year	General Obligation Bonds (GO)	Actual Value of Taxable Property	GO Bonds as a Percentage of Actual Value of Taxable Property	GO Debt Per Capita *
2003	\$ 3,251,118	\$ 58,063,667	5.60%	\$ 5,719
2004	3,418,933	66,454,109	5.14%	6,022
2005	3,632,198	86,887,767	4.18%	6,404
2006	3,773,863	98,491,335	3.83%	6,613
2007	4,140,133	124,875,273	3.32%	7,208
2008	4,592,518	142,958,188	3.21%	7,915
2009	3,766,628	153,039,555	2.46%	6,360
2010	2,781,053	150,117,289	1.85%	4,597
2011	2,829,598	139,287,502	2.03%	4,571
2012	2,295,225	146,501,957	1.57%	3,630

* The prior year per capita amounts were updated to reflect the revised census population estimates.

Pledged-Revenue Coverage
Last Ten Fiscal Years
(dollars in thousands)

Exhibit S-3B

Fiscal Year	Sales Tax Increment		Real Property Tax Increment		Tax Increment Financing Debts			Income Tax Secured Revenue Bonds			Coverage	
	\$	%	\$	%	Principal	Debt Service	Interest	Individual Income Tax	Business Franchise	Debt Service		Interest
2003	-	-	-	-	-	-	4,236	-	-	-	-	0.00%
2004	790	-	-	-	-	-	4,236	-	-	-	-	18.65%
2005	4,507	2,397	4,942	71.13%	4,942	4,764	4,764	-	-	-	-	0.00%
2006	8,299	974	4,809	95.52%	4,809	4,899	4,899	-	-	-	-	0.00%
2007	8,948	3,516	4,666	128.39%	4,666	5,042	5,042	-	-	-	-	0.00%
2008	9,090	1,563	4,565	109.69%	4,565	5,147	5,147	-	-	-	-	0.00%
2009	10,032	4,918	4,467	153.93%	4,467	5,245	5,245	1,135,938	342,130	-	7,974	18723.58%
2010	7,529	4,431	4,390	123.17%	4,390	5,320	5,320	1,110,444	323,687	-	59,710	2421.86%
2011	10,904	3,750	4,323	150.95%	4,323	5,385	5,385	1,296,598	359,684	23,160	136,175	1048.69%
2012	9,747	9,711	8,034	134.32%	8,034	6,452	6,452	1,490,694	465,896	90,755	134,090	878.85%

Note: Details regarding the District's outstanding debt can be found in the Notes to the Basic Financial Statements. Beginning FY 2010, the District revised the presentation of the Exhibit by removing sales tax increment and real property tax increment that were dedicated to tax increment financing other than the Gallery Place TIF Bonds and the Mandarin Hotel TIF Bonds for which the principal and interest components of debt service were indicated.

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities										Total						
	General Obligation Bonds	Income Tax Secured Bonds	TIF Bonds	Qualified Academy Bonds	Zone Bonds	Certificates of Participation	Capital Leases	Ballpark Bonds	HPTF Bonds(3)	PILOT Revenue Bonds(4)	GARVEE Bonds(5)	Tobacco Bonds(1)	Total Debt	Personal Income(2)	Total Debt as a Percentage of Personal Income	Total Debt Per Capita	"Tax Supported Debt" Per Capita
2003	\$ 3,251,118	\$ -	\$ 125,524	\$ 3,327	\$ 3,327	\$ 129,530	\$ 90,458	\$ -	\$ -	\$ -	\$ -	\$ 506,550	\$ 4,106,507	\$ 27,208,250	15.1%	\$ 7,223	\$ 6,332
2004	3,418,933	-	124,009	3,071	3,071	128,345	84,456	-	-	-	-	502,740	4,261,554	29,082,500	14.7%	7,506	6,620
2005	3,632,198	-	117,525	2,815	2,815	120,760	76,390	-	-	-	-	498,740	4,448,428	31,484,750	14.1%	7,844	6,964
2006	3,773,863	-	109,895	5,221	5,221	278,100	67,942	534,800	-	-	-	742,284	5,512,105	34,066,250	16.2%	9,659	8,358
2007	4,140,133	-	105,229	4,787	4,787	270,780	59,868	528,490	-	-	-	737,069	5,880,461	36,817,750	16.0%	10,238	8,954
2008	4,592,518	-	100,664	6,713	6,713	261,375	52,403	526,415	33,570	155,630	-	724,484	6,453,772	40,359,750	16.0%	11,123	9,874
2009	3,766,628	1,071,785	96,196	6,044	6,044	251,515	44,492	521,750	33,010	142,138	-	711,239	6,644,797	40,515,750	16.4%	11,220	10,019
2010	2,781,053	2,570,650	91,807	9,518	9,518	241,185	36,108	517,390	85,615	156,621	-	699,779	7,189,726	42,179,750	17.0%	11,884	10,727
2011	2,829,598	3,029,100	87,484	8,573	8,573	230,335	27,433	512,850	84,335	142,375	82,610	690,289	7,724,982	45,029,250	17.2%	12,479	11,364
2012	2,295,225	3,799,645	112,985	7,628	7,628	218,935	18,972	507,935	82,805	127,924	78,775	677,219	7,928,048	46,686,500	17.0%	12,538	11,467

Note: There are no business type activities with outstanding debt.
 Prior year per capita amounts were updated to reflect U.S. Census Bureau population estimates.
 Convention Center bonds are neither reported nor included in this table.
 (1) Tobacco bonds are not supported by general tax revenues and are not included in the Total "Tax Supported Debt" Per Capita calculation.
 (2) The prior year personal income amounts were updated to reflect current methodology.
 (3) HPTF - Housing Production Trust Fund
 (4) PILOT - Payments in Lieu of Taxes
 (5) GARVEE - Federal Highway Grant Anticipation Revenue Bonds

Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

Exhibit S-3D

Debt Service Cost Margin Calculation for Fiscal Year 2012:

General fund revenue	\$ 6,584,468
Debt service cost limitation (17% of general fund revenue)	\$ 1,119,360
Debt expenditure applicable to limit:	
Principal	\$ 177,175
Interest	287,819
Subtotal for current year	464,994
Highest debt service cost	\$ 464,994
Total debt service cost subject to the limitation	464,994
Debt service cost margin	\$ 654,366

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt service cost limitation	\$ 627,516	\$ 735,472	\$ 823,538	\$ 875,852	\$ 1,000,684	\$ 1,039,711	\$ 1,002,774	\$ 977,459	\$ 1,019,192	\$ 1,119,360
Highest future year debt service cost	\$ 319,160	\$ 339,003	\$ 359,735	\$ 383,659	\$ 406,161	\$ 456,152	\$ 408,506	\$ 408,555	\$ 456,152	\$ 464,994
Debt service cost margin	\$ 308,356	\$ 396,469	\$ 463,823	\$ 492,193	\$ 594,523	\$ 583,559	\$ 594,268	\$ 568,904	\$ 563,040	\$ 654,366

Total debt service cost subject to the limit as a percentage of debt service cost limit	50.9 %	46.1 %	43.7 %	43.8 %	40.6 %	43.9 %	40.7 %	41.8 %	44.8 %	41.5 %
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Debt limit ratio	8.6 %	7.8 %	7.4 %	7.4 %	6.9 %	7.5 %	6.9 %	7.1 %	7.6 %	7.1 %
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Note: Under the District of Columbia Self-Government and Governmental Reorganization Act, 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 debt to exceed 17 percent 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.

Limitation On Borrowing
(dollars in thousands)

General Fund Expenditures:	\$	6,153,532
General Fund Transfers out:		124,755
Total:	\$	6,278,287
Limitation on borrowing (12%):	\$	753,394
FY 2012 debt service cost:		627,283
Margin on Limitation:	\$	126,111

FY 2012 Debt service percentage: **9.99%**

	Debt Service Expenditures by Fiscal Year								
	2012		2013		2014		2015		
Long Term Debt	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
General Obligation Bonds ¹	\$ 63,583	127,733	191,316	50,040	118,841	168,881	89,880	93,767	183,647
Income Tax Secured Revenue Bonds ¹	90,755	134,090	224,845	117,740	177,864	295,604	103,620	167,791	271,411
TIF Bonds ²	8,034	6,452	14,486	4,202	6,496	10,698	3,914	6,785	10,699
TIF Notes ³	2,939	4,466	7,405	2,291	4,497	6,788	1,974	4,204	6,178
QZAB	945	-	945	945	-	945	946	-	946
Capital Leases	9,464	1,543	11,007	9,317	1,029	10,346	2,217	645	2,862
Ballpark Revenue Bonds ¹	4,915	26,349	31,264	5,680	26,204	31,884	6,835	25,899	32,734
Equipment Financing Program	45,786	3,769	49,555	43,166	2,783	45,949	32,717	1,562	34,279
HPTF Revenue Bonds	1,530	4,044	5,574	1,585	3,988	5,573	1,650	3,924	5,574
PILOT Bonds ^{4&5}	6,575	5,134	11,709	35,875	4,258	40,133	7,180	3,368	10,548
PILOT Notes ⁶	53	292	345	523	309	832	499	333	832
NCRC Revenue Bonds ⁷	7,876	323	8,199	2,982	304	3,286	1,267	257	1,524
COPs	11,400	11,216	22,616	11,970	10,649	22,619	13,220	9,400	22,620
Washington Convention and Sports Authority	13,265	34,752	48,017	13,865	34,073	47,938	18,200	32,652	50,852
Total	\$ 267,120	\$ 360,163	\$ 627,283	\$ 300,181	\$ 391,295	\$ 691,476	\$ 278,873	\$ 375,891	\$ 654,704

The purpose of this exhibit is to comply with debt limitation requirement.

Notes:

- Interest on Floating Rate General Obligation, Income Tax Secured Revenue and Ballpark Revenue Bonds assumed at 1.5% through FY 2015.
- TIF Bonds include the Gallery Place and Mandarin Oriental Hotel projects and the city market at O. Street projects.
- TIF Notes include the Capitol Hill Towers, Clyde's, Forever 21, Georgia Avenue CVS, Howard Theatre, Madame Tussaud's, the National Crime & Punishment Museum, Verizon Center, Waterfront Arts, and the Zara projects.
- PILOT Bonds include Anaostia Waterfront Corp. and Capper/Carrollburg projects.
- The Capper/Carrollburg (PILOT) Bonds, scheduled to mature on December 1, 2012, will be refunded by the District's Income Tax Secured Revenue Refunding Bonds, Series 2012D.
- PILOT Notes include Rhode Island Place and Foundry Lofts projects. Rhode Island note has not yet been released from escrow, but release is anticipated in FY13.
- Interest on Floating Rate NCRC Revenue Bonds is assumed at 2.55%.

Source: Office of Finance and Treasury