
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 *
2006	\$ 3,773,863	\$ 98,491,335	3.83%	\$ 6,462
2007	4,140,133	124,875,273	3.32%	7,060
2008	4,592,518	142,958,188	3.21%	7,917
2009	3,766,628	153,039,555	2.46%	6,281
2010	2,781,053	150,117,289	1.85%	4,595
2011	2,829,598	139,287,502	2.03%	4,561
2012	2,295,225	146,501,957	1.57%	3,614
2013	2,245,185	151,744,722	1.48%	3,459
2014	2,790,935	160,300,070	1.74%	4,236
2015	3,530,770	176,911,153	2.00%	5,252

* 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	Tax Increment Financing Debts					Income Tax Secured Revenue Bonds				
	Sales Tax Increment	Real Property Tax Increment	Debt Service			Individual Income Tax	Business		Debt Service	
			Principal	Interest	Coverage		Franchise	Principal	Interest	Coverage
2006	\$ 8,299	\$ 974	\$ 4,809	\$ 4,899	95.52%	\$ -	\$ -	\$ -	\$ -	0.00%
2007	8,948	3,516	4,666	5,042	128.39%	-	-	-	-	0.00%
2008	9,090	1,563	4,565	5,147	109.69%	-	-	-	-	0.00%
2009	10,032	4,918	4,467	5,245	153.93%	1,135,938	342,130	-	7,974	18536.09%
2010	7,529	4,431	4,390	5,320	123.17%	1,110,444	323,687	-	59,710	2401.83%
2011	10,904	3,750	4,323	5,385	150.95%	1,296,598	359,684	23,160	136,175	1039.50%
2012	9,747	9,711	8,034	6,452	134.32%	1,490,694	465,896	90,755	134,090	870.20%
2013	11,238	7,119	4,203	6,496	171.58%	1,640,899	453,280	117,740	193,898	671.99%
2014	7,178	10,324	3,973	6,719	163.69%	1,679,173	415,581	148,120	205,724	592.00%
2015	9,133	12,328	3,914	6,785	200.59%	1,868,037	447,805	138,580	204,933	674.16%

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.

Beginning FY 2012, the City Market at O Street TIF was added to the presentation.

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

Exhibit S-3C

Fiscal Year	Governmental Activities												Total			
	General Obligation Bonds	Income Tax Secured Bonds	TIF Bonds	Qualified Zone Academy Bonds	Certificates of Participation	Capital Leases	Ballpark Bonds	HPTF Bonds(3)	PILOT Revenue Bond(4)	GARVEE Bonds(5)	Tobacco Bonds(1)	Total Debt				
2006	\$ 3,773,863	\$ -	\$ 109,895	\$ 5,221	\$ 278,100	\$ 67,942	\$ 534,800	\$ -	\$ -	\$ -	\$ 742,284	\$ 5,512,105	\$ 34,066,250	16.2%	\$ 9,439	\$ 8,168
2007	4,140,133	-	105,229	4,787	270,780	59,868	528,490	34,105	-	-	737,069	5,880,461	36,817,750	16.0%	10,028	8,771
2008	4,592,518	-	100,664	6,713	261,375	52,403	526,415	33,570	155,630	-	724,484	6,453,772	40,359,750	16.0%	11,126	9,877
2009	3,766,628	1,071,785	96,196	6,044	251,515	44,492	521,750	33,010	142,138	-	711,239	6,644,797	40,403,096	16.4%	11,081	9,895
2010	2,781,053	2,570,650	91,807	9,518	241,185	36,108	517,390	85,615	156,621	-	699,779	7,189,726	41,499,722	17.3%	11,880	10,723
2011	2,829,598	3,029,100	87,484	8,573	230,335	27,433	512,850	84,335	142,375	82,610	690,289	7,724,982	45,272,125	17.1%	12,451	11,205
2012	2,295,225	3,799,645	112,985	7,628	218,935	18,972	507,935	82,805	127,924	78,775	677,219	7,928,048	46,873,665	16.9%	12,484	11,294
2013	2,245,185	4,457,675	108,782	6,682	206,965	11,024	502,255	120,450	82,207	117,570	647,459	8,506,254	48,118,236	17.7%	13,104	11,926
2014	2,790,935	4,465,820	104,809	5,736	-	8,162	474,420	118,055	70,030	111,110	631,294	8,780,371	46,015,860	19.1%	13,307	12,182
2015	3,530,770	4,327,855	100,895	4,791	-	5,105	467,360	115,565	215,647	104,395	616,404	9,488,787	48,453,108	19.6%	14,115	13,043

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 not included in this table.

(1) Tobacco and GARVEE 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 and further enhance the presentation of the data.

(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 2015:

General fund revenue \$ 7,661,325

Debt service cost limitation (17% of general fund revenue) \$ 1,302,425

Debt expenditure applicable to limit:

Principal \$ 259,142

Interest 337,326

Subtotal for current year 596,468

Highest debt service cost \$ 596,468

Total debt service cost subject to the limitation

Debt service cost margin \$ 596,468
\$ 705,957

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt service cost limitation	\$ 875,852	\$ 1,000,684	\$ 1,039,711	\$ 1,002,774	\$ 977,459	\$ 1,019,192	\$ 1,119,360	\$ 1,165,281	\$ 1,206,218	\$ 1,302,425
Highest future year debt service cost	\$ 383,659	\$ 406,161	\$ 456,152	\$ 408,506	\$ 408,555	\$ 456,152	\$ 464,994	\$ 513,639	\$ 576,273	\$ 596,468
Debt service cost margin	\$ 492,193	\$ 594,523	\$ 583,559	\$ 594,268	\$ 568,904	\$ 563,040	\$ 654,366	\$ 651,642	\$ 629,945	\$ 705,957
Total debt service cost subject to the limit										
as a percentage of debt service cost limit	43.8 %	40.6 %	43.9 %	40.7 %	41.8 %	44.8 %	41.5 %	44.1 %	47.8 %	45.8 %

Debt limit ratio	7.4 %	6.9 %	7.5 %	6.9 %	7.1 %	7.6 %	7.1 %	7.5 %	8.1 %	7.8 %
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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. The District issued more income tax revenue bonds to refund general obligation debt because the income tax revenue bonds have a higher rating, which resulted in a lower interest cost.

Limitation On Borrowing
(dollars in thousands)

Exhibit S-3E

General Fund Expenditures ¹ :	\$ 7,312,851
General Fund Transfers out ¹ :	176,455
Adjustment for Transfer to Component Agency (UDC) ¹ :	37,486
Adjustment for TIFs and PILOT's Bonds and Notes Debt Service Transfers ¹ :	31,586
Adjustment for Ballpark Revenue Bond Debt Service Transfers ¹ :	32,281
Adjustment for Convention Center Hotel Debt Service Transfers ¹ :	14,824
Total:	\$ 7,605,483

Limitation on borrowing (12%): \$ 912,658
 FY 2015 debt service cost: 774,417
Margin on Limitation: **\$ 138,241**

FY 2015 Debt service percentage: 10.18%

	2015			2016			2017			2018		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
Long Term Debt												
General Obligation Bonds ²	\$113,530	\$139,103	\$252,633	\$133,280	\$167,822	\$301,102	\$130,055	\$163,061	\$293,116	\$121,340	\$156,777	\$278,117
Income Tax Secured Revenue Bonds ²	138,580	204,933	343,513	88,155	207,562	295,717	119,275	203,389	322,664	202,600	197,433	400,033
TIF Bonds ³	3,914	6,785	10,699	4,073	6,840	10,913	4,136	6,853	10,989	4,180	6,855	11,035
TIF Notes ^{4,5}	2,987	4,134	7,121	1,903	936	2,839	2,210	3,918	6,128	2,442	3,875	6,317
QZAB	945	-	945	946	-	946	690	-	690	690	-	690
Capital Leases	3,057	450	3,507	3,268	239	3,507	1,837	37	1,874	-	-	-
Ballpark Revenue Bonds	7,060	25,221	32,281	7,925	24,816	32,741	8,850	24,370	33,220	9,835	23,880	33,715
Equipment Financing Program	41,364	2,152	43,516	34,763	1,521	36,284	24,170	878	25,048	16,417	440	16,857
HPTF Revenue Bonds	2,490	5,339	7,829	2,600	5,222	7,822	2,725	5,100	7,825	2,850	4,972	7,822
PILOT Bonds ⁶	9,280	3,424	12,704	7,845	7,790	15,635	8,200	9,132	17,332	8,570	8,762	17,332
PILOT Notes ⁷	451	611	1,062	422	587	1,009	446	563	1,009	472	538	1,010
225 Virginia Avenue Lease	2,913	6,361	9,274	3,116	6,158	9,274	3,333	5,941	9,274	3,565	5,709	9,274
Washington Convention and Sports Authority	16,315	33,018	49,333	18,900	32,165	51,065	19,760	31,248	51,008	20,655	30,283	50,938
Total	\$342,886	\$431,531	\$774,417	\$307,196	\$461,658	\$768,854	\$325,687	\$454,490	\$780,177	\$393,616	\$439,524	\$833,140

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

Notes:

- Adjustments are made to General Fund Expenditures and Transfers to reflect Component Agencies and Debt Service Expenditures not already included.
- Interest on Floating Rate General Obligation and Income Tax Secured Revenue Bonds assumed at 1.5% through FY 2015, and 3.0% thereafter.
- TIF Bonds include the Gallery Place, Mandarin Oriental Hotel and the City Market at O Street.
- TIF Notes include the Clyde's, Forever 21, Georgia Avenue CVS, Fort Lincoln, Howard Theatre, Madame Tussaud's, the National Crime & Punishment Museum, Verizon Center, and City Market at O Street Note.
- Adjustments are made to TIF Notes to reflect principal prepayment and change in presentation of Convention Center Hotel debt.
- PILOT Bonds include Anacostia Waterfront Corp., the Yards and the Wharf projects.
- PILOT Notes include Rhode Island Place and Foundry Lofts projects.

Source: Office of Finance and Treasury