

**DEBT CAPACITY ANALYSIS**

FY11-16 Capital Improvements Program  
**COUNTY EXECUTIVE RECOMMENDED**  
 MARCH 15, 2011

GO BOND 6 YR TOTAL = 1,950.0 MILLION  
 GO BOND FY11 TOTAL = 320.0 MILLION  
 GO BOND FY12 TOTAL = 320.0 MILLION

	FY10	FY11	FY12	FY13	FY14	FY15	FY16
1 GO Bond Guidelines (\$000) (3)	310,000	320,000	320,000	320,000	320,000	320,000	320,000
2 GO Debt/Assessed Value	1.26%	1.38%	1.52%	1.60%	1.64%	1.68%	1.66%
3 Debt Service + LTL + Short-Term Leases/Revenues (GF)	8.75%	9.29%	10.01%	10.87%	11.21%	11.38%	11.54%
4 \$ Debt/Capita	2,272	2,451	2,599	2,731	2,852	2,959	3,048
5 \$ Real Debt/Capita (FY10=100%)	2,272	2,403	2,488	2,546	2,581	2,595	2,585
6 Capita Debt/Capita Income	3.16%	3.36%	3.50%	3.49%	3.46%	3.44%	3.41%
7 Payout Ratio	69.56%	68.65%	68.22%	68.04%	68.09%	68.31%	68.62%
8 Total Debt Outstanding (\$000s)	2,194,839	2,380,600	2,543,335	2,693,300	2,833,220	2,961,805	3,079,585
9 Real Debt Outstanding (FY10=100%)	2,194,839	2,333,922	2,435,025	2,510,812	2,564,322	2,597,580	2,612,066
10 Note: OP/PSP Growth Assumption (2)			2.7%	0.3%	3.5%	3.8%	4.1%

Notes:

- (1) This analysis is used to determine the capacity of Montgomery County to pay debt service on long-term GO Bond debt, long-term leases, and substantial short-term financing.
- (2) OP/PSP Growth Assumption equals change in revenues from FY11 approved budget to FY12 budget for FY12 and budget to budget for FY13-16.
- (3) Reflects Council SAG GO Bond guidelines approved February 2011