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Date: June 25, 2015
To: Samuel D. Zurier, Member, Providence City Council
Cc: Adam Krea
RE: Information request on future City of Providence bonding

In response to your request dated June 22, 2015, FirstSouthwest has projected four City of Providence bond issue amounts issued between December 2015 and January 1, 2017. These projections are based on various assumptions and are structured to keep the City's debt per capita at the current fiscal year 2015 level. As there are many factors that go into a rating agency's review of the City, and the assignment of a rating is reflective of their opinion, we are not able to comment on whether this projected debt level will ultimately affect the City's rating. However, one measurement of an issuer's debt burden is the amount of debt per capita. For this reason, to determine the capacity for a bond issue on January 1, 2017, we projected the amount the City could issue without exceeding the current, fiscal year 2015 debt per capita figure.

The various scenarios are below:

<u>Scenario</u>	<u>Planned Issuance in the Next 18 Months</u>	<u>Amount of January 1, 2017 Issue</u>
1.	\$10MM 12/1/15 PPBA School Bonds	\$87,035,000
2.	\$10MM 12/1/15 PPBA School Bonds and \$10MM 7/1/16 PPBA School Bonds	77,395,000
3.	\$10MM 12/1/15 PPBA School Bonds, \$10MM 7/1/16 PPBA School Bonds, and \$55MM 7/1/16 Hypothetical GO Bonds	24,085,000
4.	\$10MM 12/1/15 PPBA School Bonds, \$10MM 7/1/16 PPBA School Bonds, and \$55MM 12/1/16 Hypothetical GO Bonds	23,460,000

The fourth scenario simply moves the hypothetical \$55 million GO bond to December 1, 2016 rather than the original planned date of July 1, 2016. The reason for this scenario is that if the City decides to issue a GO bond, it would go to the voters – most likely in November 2016. Therefore, we added this fourth scenario to show you the slight difference that date change would make.

Attached is a printed copy of the model. The first page shows the City’s current outstanding debt. The second, third, fourth, and fifth pages show each of the scenarios above.

In addition to the City’s outstanding debt, it is important to look at the City’s projected debt service. As you rightly mentioned when we presented to your Committee in April, the amount of debt service paid on school bonds with an 80% school housing aid reimbursement is quite different than paying 100% of debt service on non-school debt. Therefore, it is important to evaluate the impact of future debt service with and without school aid. This is also shown on pages 2-5 in the attached model. The table below summarizes the projected impact to gross and net future debt service using the assumptions listed in the model for fiscal years 2016-2018.

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Current Gross Tax-Supported Debt Service	\$64,517,634	\$62,996,423	\$57,810,270
Current Net (of School Housing Aid) Tax-Supported Debt Service	36,493,541	36,219,507	31,283,111
Current & Proposed Gross Tax-Supported Debt Service	64,985,411	67,295,673	61,060,695
Current & Proposed Net (of School Housing Aid) Tax-Supported Debt Service	36,961,319	40,518,757	37,533,536

The projected amounts in this memo use the assumptions outlined in the model. Bond issuance dates, amounts, and interest rates are projections and any changes will change the projected outcomes. As the variables are all subject to change, this information is for discussion purposes only.

Thank you for the opportunity to provide you with this information.

Disclosure: First Southwest Company, LLC (FirstSouthwest) is providing the information contained in the document for discussion purposes only in anticipation of serving as financial advisor on future City of Providence, Rhode Island transactions. Information in this document portrays projected interest rates based on data current as of the week of June 22, 2015 and is subject to change with market movement. Future interest rates are dependent upon many factors such as, but not limited to, interest rate trends, tax rates, supply, changes in laws, rules and regulations, as well as changes in credit quality and rating agency considerations. The effect of such changes in such assumptions may be material and could affect the projected results. These results should be viewed with these potential changes in mind as well as the understanding that there may be interruptions in the market or no market may exist at all.

This communication is for information only, not an offer, solicitation or recommendation, nor an official confirmation of any financial transaction. It is not to be considered research. The information is considered to be reliable, but First Southwest Company, LLC does not warrant its completeness or accuracy, prices and availability are subject to change without notice. We may trade, have long or short positions, or act as a market maker in any financial instrument discussed herein. Clients should consult their own advisors regarding any accounting, legal or tax aspects. Investors are instructed to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

City of Providence
Existing Outstanding Tax-Supported Debt
All Transactions Through June 30, 2015

As of June 30,

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Obligation Taxable Bonds 2001 SeriesB	\$ 8,435,000	\$ 7,885,000	\$ 7,300,000	\$ 6,680,000	\$ 6,020,000	\$ 5,315,000	\$ 4,565,000	\$ 3,765,000	\$ 2,915,000	\$ 2,005,000
General Obligation Infrastructure Lease, Dated 6/30/10	6,815,000	4,655,000	2,385,000	-	-	-	-	-	-	-
General Obligation Refunding Bonds, Series 2010A	26,810,000	24,845,000	22,820,000	20,705,000	18,505,000	16,205,000	13,805,000	11,300,000	8,680,000	5,925,000
General Obligation Bonds, Series 2013A	36,425,000	35,040,000	33,610,000	32,125,000	30,580,000	28,955,000	27,250,000	25,460,000	23,580,000	21,645,000
General Obligation Refunding Bonds, Series 2014A	14,350,000	11,080,000	8,355,000	5,495,000	2,770,000	-	-	-	-	-
General Obligation Refunding Bonds, Series 2014B	6,240,000	5,110,000	4,020,000	2,915,000	1,505,000	-	-	-	-	-
Total General Obligation Debt	\$ 99,075,000	\$ 88,615,000	\$ 78,490,000	\$ 67,920,000	\$ 59,380,000	\$ 50,475,000	\$ 45,620,000	\$ 40,525,000	\$ 35,175,000	\$ 29,575,000
Providence Public Building Authority	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenue Bonds, 1998 SeriesA	\$ 1,010,000	\$ 775,000	\$ 530,000	\$ 270,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Bonds, 1999 SeriesA	1,185,000	970,000	745,000	510,000	260,000	-	-	-	-	-
Revenue Bonds, 2001 SeriesA	1,085,000	950,000	810,000	665,000	510,000	350,000	180,000	-	-	-
RIHEBC Revenue Bonds, 2006 SeriesA	2,595,000	-	-	-	-	-	-	-	-	-
RIHEBC Revenue Bonds, 2007 SeriesA	4,855,000	3,465,000	-	-	-	-	-	-	-	-
RIHEBC Revenue Bonds, 2007 SeriesB	7,970,000	6,760,000	5,495,000	4,185,000	2,820,000	1,400,000	-	-	-	-
RIHEBC Revenue Bonds, 2007 Series C	4,575,000	3,460,000	-	-	-	-	-	-	-	-
Revenue Bonds, 2009 SeriesA (Build America Bonds)	7,105,000	6,097,000	5,025,000	3,883,000	2,668,000	1,375,000	-	-	-	-
RIHEBC QSCB Bonds, Series 2009A	14,920,000	13,440,000	11,960,000	10,480,000	9,000,000	7,520,000	6,040,000	4,560,000	3,040,000	1,520,000
Revenue Bonds, 2010 Series	9,317,000	6,797,000	4,166,000	1,419,000	-	-	-	-	-	-
RIHEBC QSCB Bonds, Series 2010A	9,550,000	8,867,778	8,185,556	7,503,334	6,821,112	6,138,890	5,456,668	4,774,446	4,092,224	3,410,002
RIHEBC QZAB Bonds, Series 2010B	7,517,000	6,980,056	6,443,111	5,906,167	5,369,222	4,832,278	4,295,334	3,758,389	3,221,445	2,684,500
Revenue Bond, 2011 SeriesA	28,070,000	26,120,000	24,070,000	21,915,000	19,650,000	17,270,000	14,770,000	12,145,000	9,365,000	6,420,000
RIHEBC, Revenue Refunding Bonds, Series 2013A	55,725,000	47,210,000	38,405,000	30,725,000	22,870,000	17,010,000	12,770,000	8,320,000	4,255,000	-
RIHEBC, Revenue Refunding Bonds, Series 2015A	146,325,000	142,695,000	131,625,000	120,210,000	108,455,000	96,235,000	83,530,000	70,310,000	61,570,000	47,205,000
Total PPBA Debt	\$ 301,804,000	\$ 274,586,834	\$ 237,459,667	\$ 207,671,501	\$ 178,423,334	\$ 152,131,168	\$ 127,042,002	\$ 103,867,835	\$ 85,543,669	\$ 61,239,502
Providence Redevelopment Agency	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Taxable Lease Revenue Bonds, 2010 Series 1	\$ 6,366,000	\$ 4,640,000	\$ 2,841,000	\$ 967,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Refunding Bonds, 2015 SeriesA	44,910,000	42,550,000	39,615,000	36,590,000	33,440,000	30,770,000	27,965,000	25,025,000	21,940,000	18,695,000
Total PRA Debt	\$ 51,276,000	\$ 47,190,000	\$ 42,456,000	\$ 37,557,000	\$ 33,440,000	\$ 30,770,000	\$ 27,965,000	\$ 25,025,000	\$ 21,940,000	\$ 18,695,000
Special Obligation Bond	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Special Obligation Tax Increment Refunding Bonds, Series E	\$ 2,725,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Special Obligation TIF Bonds	\$ 2,725,000	-	-	-	-	-	-	-	-	-
TOTAL TAX SUPPORTED DEBT	\$ 454,880,000	\$ 410,391,834	\$ 358,405,667	\$ 313,148,501	\$ 271,243,334	\$ 233,376,168	\$ 200,627,002	\$ 169,417,835	\$ 142,658,669	\$ 109,509,502

City of Providence
Outstanding Tax-Supported Debt
Pro-Forma December 2015 Bonds Included
All Transactions Through June 30, 2015

As of June 30,

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
TOTAL TAX SUPPORTED DEBT	\$ 454,880,000	\$ 410,391,834	\$ 358,405,667	\$ 313,148,501	\$ 271,243,334	\$ 233,376,168	\$ 200,627,002	\$ 169,417,835	\$ 142,658,669	\$ 109,509,502
Proposed City Debt										
PPBA, School Bonds (RIHEBC), Series 2015	-	9,760,000	9,440,000	9,105,000	8,755,000	8,385,000	7,995,000	7,585,000	7,155,000	6,705,000
	<u>\$ -</u>	<u>\$ 9,760,000</u>	<u>\$ 9,440,000</u>	<u>\$ 9,105,000</u>	<u>\$ 8,755,000</u>	<u>\$ 8,385,000</u>	<u>\$ 7,995,000</u>	<u>\$ 7,585,000</u>	<u>\$ 7,155,000</u>	<u>\$ 6,705,000</u>
TOTAL Existing and Proposed City Debt	<u>\$ 454,880,000</u>	<u>\$ 420,151,834</u>	<u>\$ 367,845,667</u>	<u>\$ 322,253,501</u>	<u>\$ 279,998,334</u>	<u>\$ 241,761,168</u>	<u>\$ 208,622,002</u>	<u>\$ 177,002,835</u>	<u>\$ 149,813,669</u>	<u>\$ 116,214,502</u>

Existing Gross Tax-Supported Debt Service	\$ 62,487,801	\$ 64,517,634	\$ 62,996,423	\$ 57,810,270	\$ 51,937,919	\$ 45,198,619	\$ 42,173,908	\$ 41,313,380	\$ 41,191,061	\$ 36,641,244
Existing Tax-Supported Debt Service Net of Housing Aid	38,474,431	36,493,541	36,219,507	31,283,111	27,418,922	22,371,523	20,614,008	20,288,997	20,274,041	19,365,427
Existing and Proposed Gross Tax-Supported Debt Service	62,487,801	64,985,411	63,804,423	58,617,270	52,743,169	46,006,369	42,983,158	42,123,130	42,000,311	37,448,994
Existing and Proposed Tax-Supported Debt Service Net of School Housing Aid	38,474,431	36,961,319	37,027,507	32,090,111	28,224,172	23,179,273	21,423,258	21,098,747	21,083,291	20,173,177

1/1/17 Bond Issue Par Sized to Per Capita Debt at 2015 Level: \$ 87,035,000

1/1/17 Bonds Outstanding at Fiscal Year End \$ - \$ - \$ 85,150,000 \$ 82,360,000 \$ 79,430,000 \$ 76,355,000 \$ 73,125,000 \$ 69,735,000 \$ 66,175,000 \$ 62,440,000

Key Ratios on General Obligation and Proposed City Debt:

Debt Per Capita	\$ 556.47	\$ 497.72	\$ 440.85	\$ 381.48	\$ 333.52	\$ 283.50	\$ 256.23	\$ 227.61	\$ 197.57	\$ 166.11
Debt as a Percentage of Full Value	0.92%	0.82%	0.73%	0.63%	0.55%	0.47%	0.42%	0.38%	0.33%	0.28%

Key Ratios on Existing and Proposed Total Tax-Supported Debt:

Debt Per Capita	\$ 2,554.90	\$ 2,359.85	\$ 2,544.32	\$ 2,272.57	\$ 2,018.78	\$ 1,786.75	\$ 1,582.47	\$ 1,385.84	\$ 1,213.13	\$ 1,003.44
Debt as a Percentage of Full Value	4.23%	3.91%	4.22%	3.77%	3.35%	2.96%	2.62%	2.30%	2.01%	1.66%

Moody's Medians (as of 6/30/2013)

	<u>RI "Baa"</u>	<u>New England "Baa"</u>
Debt Per Capita	\$ 990.00	\$ 3,513.00
Debt as a Percentage of Full Value	1.30%	5.40%

Population (2010 Census) = 178,042

Full Value (as of 6/30/2013 for FY 2015) =

\$ 10,742,964,381

Assessed Value (as of 12/31/2013 for FY 2015)

\$ 10,962,208,553

Assumptions on Proposed Debt and Ratios:

1. Projected Series 2015 School Bonds debt service assumes a 5.00% interest rate, 20 year final maturity, and level debt service. These are preliminary projections as of June 24, 2015 and are subject to change with market movement.
2. Full Value of \$10,742,964,381 held constant for FY 2016 through 2024.
3. Projected 1/1/2017 bond issue assumes an interest rate of 5.50%.
4. School Bonds are at the full par amount, however, the State School Construction Aid supports approximately 80% of total debt service.

City of Providence
Outstanding Tax-Supported Debt
Pro-Forma December 2015 and July 2016 Bonds Included
All Transactions Through June 30, 2015

As of June 30,

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
TOTAL TAX SUPPORTED DEBT	\$ 454,880,000	\$ 410,391,834	\$ 358,405,667	\$ 313,148,501	\$ 271,243,334	\$ 233,376,168	\$ 200,627,002	\$ 169,417,835	\$ 142,658,669	\$ 109,509,502
Proposed City Debt										
PPBA, School Bonds (RIHEBC), Series 2015	-	9,760,000	9,440,000	9,105,000	8,755,000	8,385,000	7,995,000	7,585,000	7,155,000	6,705,000
PPBA, School Bonds (RIHEBC), Series 2016	-	-	9,640,000	9,325,000	8,995,000	8,645,000	8,280,000	7,895,000	7,490,000	7,070,000
	<u>\$ -</u>	<u>\$ 9,760,000</u>	<u>\$ 19,080,000</u>	<u>\$ 18,430,000</u>	<u>\$ 17,750,000</u>	<u>\$ 17,030,000</u>	<u>\$ 16,275,000</u>	<u>\$ 15,480,000</u>	<u>\$ 14,645,000</u>	<u>\$ 13,775,000</u>
TOTAL Existing and Proposed City Debt	<u>\$ 454,880,000</u>	<u>\$ 420,151,834</u>	<u>\$ 377,485,667</u>	<u>\$ 331,578,501</u>	<u>\$ 288,993,334</u>	<u>\$ 250,406,168</u>	<u>\$ 216,902,002</u>	<u>\$ 184,897,835</u>	<u>\$ 157,303,669</u>	<u>\$ 123,284,502</u>

Existing Gross Tax-Supported Debt Service	\$ 62,487,801	\$ 64,517,634	\$ 62,996,423	\$ 57,810,270	\$ 51,937,919	\$ 45,198,619	\$ 42,173,908	\$ 41,313,380	\$ 41,191,061	\$ 36,641,244
Existing Tax-Supported Debt Service Net of Housing Aid	38,474,431	36,493,541	36,219,507	31,283,111	27,418,922	22,371,523	20,614,008	20,288,997	20,274,041	19,365,427
Existing and Proposed Gross Tax-Supported Debt Service	62,487,801	64,985,411	64,600,534	59,414,270	53,539,419	46,806,119	43,780,408	42,922,130	42,800,061	38,243,494
Existing and Proposed Tax-Supported Debt Service Net of School Housing Aid	38,474,431	36,961,319	37,823,618	32,887,111	29,020,422	23,979,023	22,220,508	21,897,747	21,883,041	20,967,677

1/1/17 Bond Issue Par Sized to Per Capita Debt at 2015 Level: \$ 77,395,000

1/1/17 Bonds Outstanding at Fiscal Year End \$ - \$ - \$ 75,735,000 \$ 73,375,000 \$ 70,885,000 \$ 68,260,000 \$ 65,490,000 \$ 62,565,000 \$ 59,480,000 \$ 56,225,000

Key Ratios on General Obligation and Proposed City Debt:

Debt Per Capita	\$ 556.47	\$ 497.72	\$ 440.85	\$ 381.48	\$ 333.52	\$ 283.50	\$ 256.23	\$ 227.61	\$ 197.57	\$ 166.11
Debt as a Percentage of Full Value	0.97%	0.87%	0.77%	0.66%	0.58%	0.49%	0.45%	0.40%	0.34%	0.29%

Key Ratios on Existing and Proposed Total Tax-Supported Debt:

Debt Per Capita	\$ 2,554.90	\$ 2,359.85	\$ 2,545.58	\$ 2,274.48	\$ 2,021.31	\$ 1,789.84	\$ 1,586.10	\$ 1,389.91	\$ 1,217.60	\$ 1,008.24
Debt as a Percentage of Full Value	4.45%	4.11%	4.43%	3.96%	3.52%	3.11%	2.76%	2.42%	2.12%	1.75%

Moody's Medians (as of 6/30/2013)

	<u>RI "Baa"</u>	<u>New England "Baa"</u>
Debt Per Capita	\$ 990.00	\$ 3,513.00
Debt as a Percentage of Full Value	1.30%	5.40%

Population (2010 Census) = 178,042

Full Value (as of 6/30/2012 for FY 2014) =

\$ 10,231,682,760

Assessed Value (as of 12/31/2012 for FY 2014)

\$ 11,828,534,984

Assumptions on Proposed Debt and Ratios:

1. Projected Series 2015 and 2016 School Bonds debt service assumes a 5.00% interest rate, 20 year final maturity, and level debt service. These are preliminary projections as of June 24, 2015 and are subject to change with market movement.
2. Full Value of \$10,742,964,381 held constant for FY 2016 through 2024.
3. Projected 1/1/2017 bond issue assumes an interest rate of 5.50%.
4. School Bonds are at the full par amount, however, the State School Construction Aid supports approximately 80% of total debt service.

City of Providence
Outstanding Tax-Supported Debt
Pro-Forma December 2015, July 2016, and Hypothetical July 2016 Bonds Included
All Transactions Through June 30, 2015

As of June 30,

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
TOTAL TAX SUPPORTED DEBT	\$ 454,880,000	\$ 410,391,834	\$ 358,405,667	\$ 313,148,501	\$ 271,243,334	\$ 233,376,168	\$ 200,627,002	\$ 169,417,835	\$ 142,658,669	\$ 109,509,502
Proposed City Debt										
PPBA, School Bonds (RIHEBC), Series 2015	-	9,760,000	9,440,000	9,105,000	8,755,000	8,385,000	7,995,000	7,585,000	7,155,000	6,705,000
PPBA, School Bonds (RIHEBC), Series 2016	-	-	9,640,000	9,325,000	8,995,000	8,645,000	8,280,000	7,895,000	7,490,000	7,070,000
Hypothetical \$50 mm GO Bonds, Series 2016	-	-	53,310,000	51,650,000	49,900,000	48,050,000	46,100,000	44,045,000	41,875,000	39,585,000
	<u>\$ -</u>	<u>\$ 9,760,000</u>	<u>\$ 72,390,000</u>	<u>\$ 70,080,000</u>	<u>\$ 67,650,000</u>	<u>\$ 65,080,000</u>	<u>\$ 62,375,000</u>	<u>\$ 59,525,000</u>	<u>\$ 56,520,000</u>	<u>\$ 53,360,000</u>
TOTAL Existing and Proposed City Debt	\$ 454,880,000	\$ 420,151,834	\$ 430,795,667	\$ 383,228,501	\$ 338,893,334	\$ 298,456,168	\$ 263,002,002	\$ 228,942,835	\$ 199,178,669	\$ 162,869,502

Existing Gross Tax-Supported Debt Service	\$ 62,487,801	\$ 64,517,634	\$ 62,996,423	\$ 57,810,270	\$ 51,937,919	\$ 45,198,619	\$ 42,173,908	\$ 41,313,380	\$ 41,191,061	\$ 36,641,244
Existing Tax-Supported Debt Service Net of Housing Aid	38,474,431	36,493,541	36,219,507	31,283,111	27,418,922	22,371,523	20,614,008	20,288,997	20,274,041	19,365,427
Existing and Proposed Gross Tax-Supported Debt Service	62,487,801	64,985,411	69,181,090	64,006,320	58,130,169	51,400,619	48,373,158	47,512,630	47,392,536	42,836,619
Existing and Proposed Tax-Supported Debt Service Net of School Housing Aid	38,474,431	36,961,319	42,404,174	37,479,161	33,611,172	28,573,523	26,813,258	26,488,247	26,475,516	25,560,802

1/1/17 Bond Issue Par Sized to Per Capita Debt at 2015 Level:			\$ 24,085,000							
1/1/17 Bonds Outstanding at Fiscal Year End	\$ -	\$ -	\$ 23,675,000	\$ 22,935,000	\$ 22,155,000	\$ 21,335,000	\$ 20,470,000	\$ 19,555,000	\$ 18,590,000	\$ 17,575,000

Key Ratios on General Obligation and Proposed City Debt:										
Debt Per Capita	\$ 556.47	\$ 497.72	\$ 740.27	\$ 671.58	\$ 613.79	\$ 553.38	\$ 515.16	\$ 475.00	\$ 432.76	\$ 388.45
Debt as a Percentage of Full Value	0.97%	0.87%	1.29%	1.17%	1.07%	0.96%	0.90%	0.83%	0.75%	0.68%

Key Ratios on Existing and Proposed Total Tax-Supported Debt:										
Debt Per Capita	\$ 2,554.90	\$ 2,359.85	\$ 2,552.60	\$ 2,281.28	\$ 2,027.88	\$ 1,796.16	\$ 1,592.16	\$ 1,395.73	\$ 1,223.13	\$ 1,013.49
Debt as a Percentage of Full Value	4.45%	4.11%	4.44%	3.97%	3.53%	3.13%	2.77%	2.43%	2.13%	1.76%

Moody's Medians (as of 6/30/2013)	<u>RI "Baa"</u>	<u>New England "Baa"</u>
Debt Per Capita	\$ 990.00	\$ 3,513.00
Debt as a Percentage of Full Value	1.30%	5.40%

Population (2010 Census) = 178,042 **Full Value (as of 6/30/2012 for FY 2014) = \$ 10,231,682,760**
Assessed Value (as of 12/31/2012 for FY 2014) = \$ 11,828,534,984

Assumptions on Proposed Debt and Ratios:

1. Projected Series 2015 and 2016 School Bonds debt service assumes a 5.00% interest rate and hypothetical \$55mm GO Bonds Series 2016, dated 7/1/2016, assumes a 5.50% interest rate. All bonds assume 20 year final maturity, and level debt service. These are preliminary projections as of June 24, 2015 and are subject to change with market movement.
2. Full Value of \$10,742,964,381 held constant for FY 2016 through 2024.
3. Projected 1/1/2017 bond issue assumes an interest rate of 5.50%.
4. School Bonds are at the full par amount, however, the State School Construction Aid supports approximately 80% of total debt service.

City of Providence
Outstanding Tax-Supported Debt
Pro-Forma December 2015, July 2016, and Hypothetical December 2016 Bonds Included
All Transactions Through June 30, 2015

As of June 30,

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
TOTAL TAX SUPPORTED DEBT	\$ 454,880,000	\$ 410,391,834	\$ 358,405,667	\$ 313,148,501	\$ 271,243,334	\$ 233,376,168	\$ 200,627,002	\$ 169,417,835	\$ 142,658,669	\$ 109,509,502
Proposed City Debt										
PPBA, School Bonds (RIHEBC), Series 2015	-	9,760,000	9,440,000	9,105,000	8,755,000	8,385,000	7,995,000	7,585,000	7,155,000	6,705,000
PPBA, School Bonds (RIHEBC), Series 2016	-	-	9,640,000	9,325,000	8,995,000	8,645,000	8,280,000	7,895,000	7,490,000	7,070,000
Hypothetical \$50 mm GO Bonds, Series 2016 (Dated 12/1/2016)	-	-	53,935,000	52,255,000	50,485,000	48,615,000	46,640,000	44,560,000	42,365,000	40,050,000
	<u>\$ -</u>	<u>\$ 9,760,000</u>	<u>\$ 73,015,000</u>	<u>\$ 70,685,000</u>	<u>\$ 68,235,000</u>	<u>\$ 65,645,000</u>	<u>\$ 62,915,000</u>	<u>\$ 60,040,000</u>	<u>\$ 57,010,000</u>	<u>\$ 53,825,000</u>
TOTAL Existing and Proposed City Debt	\$ 454,880,000	\$ 420,151,834	\$ 431,420,667	\$ 383,833,501	\$ 339,478,334	\$ 299,021,168	\$ 263,542,002	\$ 229,457,835	\$ 199,668,669	\$ 163,334,502

Existing Gross Tax-Supported Debt Service	\$ 62,487,801	\$ 64,517,634	\$ 62,996,423	\$ 57,810,270	\$ 51,937,919	\$ 45,198,619	\$ 42,173,908	\$ 41,313,380	\$ 41,191,061	\$ 36,641,244
Existing Tax-Supported Debt Service Net of Housing Aid	38,474,431	36,493,541	36,219,507	31,283,111	27,418,922	22,371,523	20,614,008	20,288,997	20,274,041	19,365,427
Existing and Proposed Gross Tax-Supported Debt Service	62,487,801	64,985,411	67,295,673	64,060,695	58,183,444	51,452,794	48,429,233	47,567,330	47,445,861	42,888,569
Existing and Proposed Tax-Supported Debt Service Net of School Housing Aid	38,474,431	36,961,319	40,518,757	37,533,536	33,664,447	28,625,698	26,869,333	26,542,947	26,528,841	25,612,752

1/1/17 Bond Issue Par Sized to Per Capita Debt at 2015 Level:

\$ 23,460,000

1/1/17 Bonds Outstanding at Fiscal Year End	\$ -	\$ -	\$ 23,060,000	\$ 22,340,000	\$ 21,585,000	\$ 20,785,000	\$ 19,940,000	\$ 19,050,000	\$ 18,110,000	\$ 17,120,000
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Key Ratios on General Obligation and Proposed City Debt:

Debt Per Capita	\$ 556.47	\$ 497.72	\$ 743.79	\$ 674.98	\$ 617.07	\$ 556.55	\$ 518.19	\$ 477.89	\$ 435.52	\$ 391.06
Debt as a Percentage of Full Value	0.97%	0.87%	1.29%	1.17%	1.07%	0.97%	0.90%	0.83%	0.76%	0.68%

Key Ratios on Existing and Proposed Total Tax-Supported Debt:

Debt Per Capita	\$ 2,554.90	\$ 2,359.85	\$ 2,552.66	\$ 2,281.34	\$ 2,027.97	\$ 1,796.24	\$ 1,592.22	\$ 1,395.78	\$ 1,223.19	\$ 1,013.55
Debt as a Percentage of Full Value	4.45%	4.11%	4.44%	3.97%	3.53%	3.13%	2.77%	2.43%	2.13%	1.76%

Moody's Medians (as of 6/30/2013)

	<u>RI "Baa"</u>	<u>New England "Baa"</u>
Debt Per Capita	\$ 990.00	\$ 3,513.00
Debt as a Percentage of Full Value	1.30%	5.40%

Population (2010 Census) = 178,042

Full Value (as of 6/30/2012 for FY 2014) =

\$ 10,231,682,760

Assessed Value (as of 12/31/2012 for FY 2014)

\$ 11,828,534,984

Assumptions on Proposed Debt and Ratios:

1. Projected Series 2015 and 2016 School Bonds debt service assumes a 5.00% interest rate and hypothetical \$55mm GO Bonds Series 2016, dated 12/1/2016, assumes a 5.50% interest rate. All bonds assume 20 year final maturity, and level debt service. These are preliminary projections as of June 24, 2015 and are subject to change with market movement.
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