Contractual Obligations

The following table summarizes our contractual obligations and the expected effect on our liquidity and cash flows as of January 31, 2015. We expect to fund these commitments primarily with operating cash flows generated in the normal course of business and credit available to us under existing and potential future facilities.

	Total	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
Long-term debt	**$5,044**	$166	$1,300	$268	$3,310
Capital lease obligations	**6**	2	3	1	—
Operating leases	**2,318**	210	460	446	1,202
Purchase obligations	**2,092**	1,809	162	120	1
Other long-term liabilities	**333**	—	59	37	237
Total	**$9,793**	$2,187	$1,984	$872	$4,750

Included in the required debt repayments disclosed above are estimated total interest payments of $1,881 as of January 31, 2015, payable over the remaining life of the debt.

The capital and operating lease obligations in the table above do not include payments for operating expenses that are required by most of our lease agreements. Such expenses, which include common area charges, real estate taxes and other executory costs, totaled $88 in 2014, $81 in 2013 and $74 in 2012. In addition, some of our leases require additional rental payments based on a percentage of our sales, referred to as "percentage rent." Percentage rent, which is also excluded from the obligations in the table above, was $14 in 2014, 2013 and 2012.

Purchase obligations primarily consist of purchase orders for unreceived goods or services and capital expenditure commitments, including our Manhattan store.

Other long-term liabilities consist of workers' compensation and general liability insurance reserves and postretirement benefits. The payment amounts presented above were estimated based on historical payment trends. Other long-term liabilities not requiring cash payments, such as deferred property incentives and deferred revenue, were excluded from the table above. Also excluded from the table above are unrecognized tax benefits of $9, as we are unable to reasonably estimate the timing of future cash payments, if any, for these liabilities.

Off-Balance Sheet Arrangements

We enter into commitments to extend credit to customers through our Nordstrom credit cards. The unused credit card capacity available to our customers represents an off-balance sheet commitment. As of January 31, 2015, this unfunded commitment was $17,322.

Other than operating leases entered into in the normal course of business and the development of our Manhattan full-line store, we had no material off-balance sheet arrangements during 2014.

CRITICAL ACCOUNTING ESTIMATES

The preparation of our financial statements requires that we make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities. We base our estimates on historical experience and other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates. The following discussion highlights the estimates we believe are critical and should be read in conjunction with the Notes to Consolidated Financial Statements in Item 8: Financial Statements and Supplementary Data. Our management has discussed the development and selection of these critical accounting estimates with the Audit Committee of our Board of Directors and the Audit Committee has reviewed our disclosures that follow.

Allowance for Credit Losses

The allowance for credit losses reflects our best estimate of the losses inherent in our credit card receivables as of the balance sheet date, including uncollectible finance charges and fees. We estimate such credit losses based on several factors, including historical aging and delinquency trends, write-off experience, portfolio concentration and risk metrics and general economic conditions.

We believe the allowance for credit losses is adequate to cover anticipated losses in our credit card receivables under current conditions; however, significant deterioration in any of the factors mentioned above could materially change these expectations. During 2014, our net write-off results continued to improve. As a result, we reduced our allowance for credit losses by $5 during 2014, from $80 to $75, and by $5 in 2013, from $85 to $80. A 10% change in our allowance for credit losses would have affected net earnings by approximately $5 for the fiscal year ended January 31, 2015.