

# Information Related to Proposed Refunding of the following Bonds:

General Obligation Refunding Bonds, Series 2006

General Obligation Bonds, Series 2001

Tax & Waterworks & Sewer System Certificates of Obligation, Series 2001

Boyd London

Managing Director

214.953.4013

Boyd.london@firstsw.com

Marti Shew

Vice President

214.953.8853

Marti.shew@firstsw.com

# PARAMETER BOND SALE

---

# Parameter Bond Sale

---

- ❑ **Council delegates final pricing authority to Pricing Officer(s)**
- ❑ **Council establishes bond sale parameters:**
  - ▶ Minimum Savings Threshold for Refunding
  - ▶ Aggregate Principal Amount of Issue
  - ▶ Final Maturity Date
  - ▶ Expiration of Delegated Authority
    - 6 Months
- ❑ **Pricing Officer(s) can only approve sale if Board parameters are met**

**Section 1207 of the Government Code allows refunding bonds via a Parameter Sale**

# Parameter Bond Sale

---

Reason for Parameter Bond Sale = FLEXIBILITY

**Market Timing** – Bond issue is in ‘Day-to-Day’ mode, meaning bonds can be priced at any time and in an interest rate environment that is advantageous rather than being locked into pricing on the date of a Council meeting.

# REFUNDING SUMMARY

---

# Bond Issues to be Refunded

---

## Series 2006 General Obligation Refunding Bonds

- Original Issue Size: **\$5,080,000**
- Aggregate Callable Principal Amount: **\$5,005,000**
- Principal Maturity Dates: **2012 through 2021**
- Interest Rates: **3.930%**
- Call Date: **Currently Callable @ Par**
- Final Maturity Date: **February 15, 2021**

## Series 2001 General Obligation Bonds

- Original Issue Size: **\$6,000,000**
- Aggregate Callable Principal Amount: **\$1,585,000**
- Principal Maturity Dates: **2011 through 2015**
- Interest Rates: **4.500%-4.875%**
- Call Date: **Currently Callable @ Par**
- Final Maturity Date: **August 1, 2015**

## Series 2001 Tax & Waterworks & Sewer System Surplus Certificates of Obligation

- Original Issue Size: **\$5,455,000**
- Aggregate Callable Principal Amount: **\$1,445,000**
- Principal Maturity Dates: **2011 through 2015**
- Interest Rates: **4.500%-4.875%**
- Call Date: **Currently Callable @ Par**
- Final Maturity Date: **August 1, 2015**

# Actual Refunding Savings<sup>(1)</sup>

Approximately \$39,897 Average Annual Savings in FY 2012-2021

## Debt Service Comparison

Date	Prior Debt Service	New Refunding Debt Service	Savings
09/30/2011	684,966.00	684,966.00	-
09/30/2012	903,234.76	835,216.50	68,018.26
09/30/2013	911,086.26	908,068.00	3,018.26
09/30/2014	907,319.00	866,650.00	40,669.00
09/30/2015	916,608.00	878,350.00	38,258.00
09/30/2016	909,208.00	867,650.00	41,558.00
09/30/2017	919,733.00	876,650.00	43,083.00
09/30/2018	923,784.25	881,100.00	42,684.25
09/30/2019	916,656.50	874,500.00	42,156.50
09/30/2020	928,153.25	887,200.00	40,953.25
09/30/2021	932,979.75	894,400.00	38,579.75
<b>Total</b>	<b>\$9,853,728.77</b>	<b>\$9,454,750.50</b>	<b>\$398,978.27</b>
<b>Net PV Benefit /Refunded Principal</b>			<b>5.880%</b>

<sup>1</sup> Final Interest rates as a result of pricing 1/25/11

## City of Euless, TX

### General Obligation Refunding Bonds, Series 2011

\$6,575,000

## Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
09/30/2011	124,279.17	583,767.25	684,966.00	684,966.00	0.00
09/30/2012	213,050.00	622,166.50	835,216.50	903,234.76	68,018.26
09/30/2013	783,050.00	125,018.00	908,068.00	911,086.26	3,018.26
09/30/2014	866,650.00	-	866,650.00	907,319.00	40,669.00
09/30/2015	878,350.00	-	878,350.00	916,608.00	38,258.00
09/30/2016	867,650.00	-	867,650.00	909,208.00	41,558.00
09/30/2017	876,650.00	-	876,650.00	919,733.00	43,083.00
09/30/2018	881,100.00	-	881,100.00	923,784.25	42,684.25
09/30/2019	874,500.00	-	874,500.00	916,656.50	42,156.50
09/30/2020	887,200.00	-	887,200.00	928,153.25	40,953.25
09/30/2021	894,400.00	-	894,400.00	932,979.75	38,579.75
<b>Total</b>	<b>\$8,146,879.17</b>	<b>\$1,330,951.75</b>	<b>\$9,454,750.50</b>	<b>\$9,853,728.77</b>	<b>\$398,978.27</b>

### PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	413,898.48
Net PV Cashflow Savings @ 2.986%(AIC)	413,898.48
Accrued Interest Credit to Debt Service Fund	23,080.42
Transfers from Prior Issue Debt Service Fund	(39,335.38)
Contingency or Rounding Amount	427.66
Net Present Value Benefit	\$398,071.18
Net PV Benefit / \$6,770,000 Refunded Principal	5.880%

### Refunding Bond Information

Refunding Dated Date	1/15/2011
Refunding Delivery Date	2/24/2011

2/14/2011 | 1:15 PM

## City of Euless, TX

### General Obligation Refunding Bonds, Series 2011

\$6,575,000

## Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/24/2011	-	-	-	-	-
08/15/2011	-	-	124,279.17	124,279.17	-
09/30/2011	-	-	-	-	124,279.17
02/15/2012	-	-	106,525.00	106,525.00	-
08/15/2012	-	-	106,525.00	106,525.00	-
09/30/2012	-	-	-	-	213,050.00
02/15/2013	-	-	106,525.00	106,525.00	-
08/15/2013	570,000.00	2.000%	106,525.00	676,525.00	-
09/30/2013	-	-	-	-	783,050.00
02/15/2014	-	-	100,825.00	100,825.00	-
08/15/2014	665,000.00	2.000%	100,825.00	765,825.00	-
09/30/2014	-	-	-	-	866,650.00
02/15/2015	-	-	94,175.00	94,175.00	-
08/15/2015	690,000.00	3.000%	94,175.00	784,175.00	-
09/30/2015	-	-	-	-	878,350.00
02/15/2016	-	-	83,825.00	83,825.00	-
08/15/2016	700,000.00	3.000%	83,825.00	783,825.00	-
09/30/2016	-	-	-	-	867,650.00
02/15/2017	-	-	73,325.00	73,325.00	-
08/15/2017	730,000.00	3.500%	73,325.00	803,325.00	-
09/30/2017	-	-	-	-	876,650.00
02/15/2018	-	-	60,550.00	60,550.00	-
08/15/2018	760,000.00	3.500%	60,550.00	820,550.00	-
09/30/2018	-	-	-	-	881,100.00
02/15/2019	-	-	47,250.00	47,250.00	-
08/15/2019	780,000.00	3.500%	47,250.00	827,250.00	-
09/30/2019	-	-	-	-	874,500.00
02/15/2020	-	-	33,600.00	33,600.00	-
08/15/2020	820,000.00	4.000%	33,600.00	853,600.00	-
09/30/2020	-	-	-	-	887,200.00
02/15/2021	-	-	17,200.00	17,200.00	-
08/15/2021	860,000.00	4.000%	17,200.00	877,200.00	-
09/30/2021	-	-	-	-	894,400.00
<b>Total</b>	<b>\$6,575,000.00</b>	<b>-</b>	<b>\$1,571,879.17</b>	<b>\$8,146,879.17</b>	<b>-</b>

2/14/2011 | 1:15 PM

## City of Euless, TX

General Obligation Refunding Bonds, Series 2011

\$6,575,000

## Debt Service Schedule

Part 2 of 2

### Yield Statistics

Accrued Interest from 01/15/2011 to 02/24/2011	23,080.42
Bond Year Dollars	\$44,438.13
Average Life	6.759 Years
Average Coupon	3.5372311%
Net Interest Cost (NIC)	2.9299066%
True Interest Cost (TIC)	2.7891239%
Bond Yield for Arbitrage Purposes	3.1072611%
All Inclusive Cost (AIC)	2.9855329%

### IRS Form 8038

Net Interest Cost	2.6445287%
Weighted Average Maturity	6.779 Years

2/14/2011 | 1:15 PM

## City of Euless, TX

### General Obligation Refunding Bonds, Series 2011

\$6,575,000

## Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
09/30/2011	-	-	124,279.17	124,279.17
09/30/2012	-	-	213,050.00	213,050.00
09/30/2013	570,000.00	2.000%	213,050.00	783,050.00
09/30/2014	665,000.00	2.000%	201,650.00	866,650.00
09/30/2015	690,000.00	3.000%	188,350.00	878,350.00
09/30/2016	700,000.00	3.000%	167,650.00	867,650.00
09/30/2017	730,000.00	3.500%	146,650.00	876,650.00
09/30/2018	760,000.00	3.500%	121,100.00	881,100.00
09/30/2019	780,000.00	3.500%	94,500.00	874,500.00
09/30/2020	820,000.00	4.000%	67,200.00	887,200.00
09/30/2021	860,000.00	4.000%	34,400.00	894,400.00
<b>Total</b>	<b>\$6,575,000.00</b>	<b>-</b>	<b>\$1,571,879.17</b>	<b>\$8,146,879.17</b>

### Yield Statistics

Accrued Interest from 01/15/2011 to 02/24/2011	23,080.42
Bond Year Dollars	\$44,438.13
Average Life	6.759 Years
Average Coupon	3.5372311%
Net Interest Cost (NIC)	2.9299066%
True Interest Cost (TIC)	2.7891239%
Bond Yield for Arbitrage Purposes	3.1072611%
All Inclusive Cost (AIC)	2.9855329%

### IRS Form 8038

Net Interest Cost	2.6445287%
Weighted Average Maturity	6.779 Years

## City of Euless, TX

### General Obligation Refunding Bonds, Series 2011

\$6,575,000

## Pricing Summary

<b>Maturity</b>	<b>Type of Bond</b>	<b>Coupon</b>	<b>Yield</b>	<b>Maturity Value</b>	<b>Price</b>	<b>Dollar Price</b>
08/15/2013	Serial Coupon	2.000%	1.050%	570,000.00	102.314%	583,189.80
08/15/2014	Serial Coupon	2.000%	1.400%	665,000.00	102.028%	678,486.20
08/15/2015	Serial Coupon	3.000%	1.750%	690,000.00	105.357%	726,963.30
08/15/2016	Serial Coupon	3.000%	2.050%	700,000.00	104.895%	734,265.00
08/15/2017	Serial Coupon	3.500%	2.330%	730,000.00	106.993%	781,048.90
08/15/2018	Serial Coupon	3.500%	2.730%	760,000.00	105.174%	799,322.40
08/15/2019	Serial Coupon	3.500%	3.000%	780,000.00	103.716%	808,984.80
08/15/2020	Serial Coupon	4.000%	3.250%	820,000.00	106.073%	869,798.60
08/15/2021	Serial Coupon	4.000%	3.380%	860,000.00	105.430%	906,698.00
<b>Total</b>	-	-	-	<b>\$6,575,000.00</b>	-	<b>\$6,888,757.00</b>

### Bid Information

Par Amount of Bonds	\$6,575,000.00
Reoffering Premium or (Discount)	313,757.00
Gross Production	\$6,888,757.00
Total Underwriter's Discount (0.667%)	\$(43,873.40)
Bid (104.105%)	6,844,883.60
Accrued Interest from 01/15/2011 to 02/24/2011	23,080.42
Total Purchase Price	\$6,867,964.02
Bond Year Dollars	\$44,438.13
Average Life	6.759 Years
Average Coupon	3.5372311%
Net Interest Cost (NIC)	2.9299066%
True Interest Cost (TIC)	2.7891239%

2/14/2011 | 1:15 PM