CITY COUNCIL AGENDA ITEM

Date: March 27, 2012
To: John Szerlag, City Manager
From: Thomas Darling, Acting Director of Financial & Administrative Services
Subject: General Obligation – Limited Tax Refunding Bonds

Background

After reviewing the City's outstanding bonds with our financial advisor, we have determined that it would be in the best interest of the City to refinance the callable maturities of the Municipal Building Authority of Troy Golf Course Bonds, Series 2002. The bonds to be refunded bear interest rates in the 4.40% to 5.00% range. The refunding bonds are estimated to generate savings, as attached.

The process entails purchasing governmental securities that tie to the call dates of the refunded bonds. The securities and interest earnings will then be used to pay the principal and interest on the refunded bonds call date. The City, which has already pledged its full faith and credit, would issue the new bonds, instead of the Municipal Building Authority.

Financial Considerations

It is estimated that the net present value benefit of this transaction to the City will be approximately $542,497 in saved interest costs, after paying the cost of completing this transaction.

Legal Considerations

Bond Counsel Terry Donnelly of Dickinson Wright PLLC. has reviewed and approved the documents concerning the proposed refunding, and has prepared the attached required resolution. He will be present at the meeting to address any questions from City Council.

Policy Considerations

Refunding the Municipal Building Authority of Troy Golf Course Bonds, Series 2002 relates to Goal II "Minimize the cost and increase the efficiency and effectiveness of City government", by upholding fiscal integrity.

Recommendation

It is recommended that City Council approve the attached resolution to authorize the issuance of general obligation limited tax refunding bonds.

City Attorney's Review as to Form and Legality

_____
Lori Grigg Bluhm, City Attorney

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Refunding Summary

Dated 05/15/2012 | Delivered 05/15/2012

Sources Of Funds	
Par Amount of Bonds	$10,505,000.00
Reoffering Premium	885,224.55
Total Sources	**$11,390,224.55**
Uses Of Funds	
Total Underwriter's Discount (0.900%)	94,545.00
Costs of Issuance	75,000.00
Deposit to Net Cash Escrow Fund	11,216,377.72
Rounding Amount	4,301.83
Total Uses	**$11,390,224.55**

Flow of Funds Detail

State and Local Government Series (SLGS) rates for	3/06/2012
Date of OMP Candidates	
Net Cash Escrow Fund Solution Method	Net Funded
Total Cost of Investments	$11,216,377.72
Interest Earnings @ 0.321%	82,572.28
Total Draws	$11,298,950.00

Issues Refunded And Call Dates

Series 2002 (Golf Course)	12/01/2014

PV Analysis Summary (Net to Net)

Net PV Cashflow Savings @ 2.470%(Bond Yield)	538,195.26
Contingency or Rounding Amount	4,301.83
Net Present Value Benefit	$542,497.09
Net PV Benefit / $9,900,000 Refunded Principal	5.480%

Bond Statistics

Average Life	8.848 Years
Average Coupon	3.6709412%
Net Interest Cost (NIC)	2.8202395%
Bond Yield for Arbitrage Purposes	2.4699283%
True Interest Cost (TIC)	2.6877902%
All Inclusive Cost (AIC)	2.7775678%

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

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City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Refunding Summary

Dated 05/15/2012 | Delivered 05/15/2012

Sources Of Funds	
Par Amount of Bonds	$10,505,000.00
Reoffering Premium	885,224.55
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Total Underwriter's Discount (0.900%)	94,545.00
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Date of OMP Candidates	
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City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Pricing Summary

Maturity	Type	Maturity Value	Coupon	Yield	Yield to Call?	Price	Dollar Price	OIP/(OID)	CUSIP
12/01/2012	Serial	625,000.00	2.000%	0.350%	No	100.896%	630,600.00	5,600.00	
12/01/2013	Serial	450,000.00	2.000%	0.500%	No	102.304%	460,368.00	10,368.00	
12/01/2014	Serial	500,000.00	2.000%	0.610%	No	103.504%	517,520.00	17,520.00	
12/01/2015	Serial	540,000.00	4.000%	0.870%	No	110.901%	598,865.40	58,865.40	
12/01/2016	Serial	540,000.00	4.000%	1.030%	No	113.152%	611,020.80	71,020.80	
12/01/2017	Serial	540,000.00	4.000%	1.220%	No	114.859%	620,238.60	80,238.60	
12/01/2018	Serial	635,000.00	4.000%	1.590%	No	114.922%	729,754.70	94,754.70	
12/01/2019	Serial	635,000.00	4.000%	1.930%	No	114.467%	726,865.45	91,865.45	
12/01/2020	Serial	630,000.00	4.000%	2.210%	No	113.866%	717,355.80	87,355.80	
12/01/2021	Serial	630,000.00	4.000%	2.430%	No	113.301%	713,796.30	83,796.30	
12/01/2022	Serial	725,000.00	4.000%	2.580%	Yes	111.944%	811,594.00	86,594.00	
12/01/2023	Serial	715,000.00	4.000%	2.710%	Yes	110.783%	792,098.45	77,098.45	
12/01/2024	Serial	810,000.00	4.000%	2.820%	Yes	109.812%	889,477.20	79,477.20	
12/01/2025	Serial	805,000.00	4.000%	2.920%	Yes	108.938%	876,950.90	71,950.90	
12/01/2026	Serial	845,000.00	3.000%	3.100%	No	98.835%	835,155.75	(9,844.25)	
12/01/2027	Serial	880,000.00	3.000%	3.200%	No	97.564%	858,563.20	(21,436.80)	
Total	-	$10,505,000.00	-	-	-	-	$11,390,224.55	$885,224.55	-

Bid Information

Par Amount of Bonds	$10,505,000.00
Reoffering Premium or (Discount)	885,224.55
Gross Production	$11,390,224.55
Total Underwriter's Discount (0.900%)	$(94,545.00)
Bid (107.527%)	11,295,679.55
Total Purchase Price	$11,295,679.55
Bond Year Dollars	$92,944.39
Average Life	8.848 Years
Average Coupon	3.6709412%
Net Interest Cost (NIC)	2.8202395%
True Interest Cost (TIC)	2.6877902%
All Inclusive Cost (AIC)	2.7775678%

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
05/15/2012	-	-	-	-	-
06/01/2012	-	-	16,508.89	16,508.89	-
12/01/2012	625,000.00	2.000%	185,725.00	810,725.00	827,233.89
06/01/2013	-	-	179,475.00	179,475.00	-
12/01/2013	450,000.00	2.000%	179,475.00	629,475.00	808,950.00
06/01/2014	-	-	174,975.00	174,975.00	-
12/01/2014	500,000.00	2.000%	174,975.00	674,975.00	849,950.00
06/01/2015	-	-	169,975.00	169,975.00	-
12/01/2015	540,000.00	4.000%	169,975.00	709,975.00	879,950.00
06/01/2016	-	-	159,175.00	159,175.00	-
12/01/2016	540,000.00	4.000%	159,175.00	699,175.00	858,350.00
06/01/2017	-	-	148,375.00	148,375.00	-
12/01/2017	540,000.00	4.000%	148,375.00	688,375.00	836,750.00
06/01/2018	-	-	137,575.00	137,575.00	-
12/01/2018	635,000.00	4.000%	137,575.00	772,575.00	910,150.00
06/01/2019	-	-	124,875.00	124,875.00	-
12/01/2019	635,000.00	4.000%	124,875.00	759,875.00	884,750.00
06/01/2020	-	-	112,175.00	112,175.00	-
12/01/2020	630,000.00	4.000%	112,175.00	742,175.00	854,350.00
06/01/2021	-	-	99,575.00	99,575.00	-
12/01/2021	630,000.00	4.000%	99,575.00	729,575.00	829,150.00
06/01/2022	-	-	86,975.00	86,975.00	-
12/01/2022	725,000.00	4.000%	86,975.00	811,975.00	898,950.00
06/01/2023	-	-	72,475.00	72,475.00	-
12/01/2023	715,000.00	4.000%	72,475.00	787,475.00	859,950.00
06/01/2024	-	-	58,175.00	58,175.00	-
12/01/2024	810,000.00	4.000%	58,175.00	868,175.00	926,350.00
06/01/2025	-	-	41,975.00	41,975.00	-
12/01/2025	805,000.00	4.000%	41,975.00	846,975.00	888,950.00
06/01/2026	-	-	25,875.00	25,875.00	-
12/01/2026	845,000.00	3.000%	25,875.00	870,875.00	896,750.00
06/01/2027	-	-	13,200.00	13,200.00	-
12/01/2027	880,000.00	3.000%	13,200.00	893,200.00	906,400.00
Total	$10,505,000.00	-	$3,411,933.89	$13,916,933.89	-

Yield Statistics

Bond Year Dollars	$92,944.39
Average Life	8.848 Years
Average Coupon	3.6709412%
Net Interest Cost (NIC)	2.8202395%
True Interest Cost (TIC)	2.6877902%
Bond Yield for Arbitrage Purposes	2.4699283%
All Inclusive Cost (AIC)	2.7775678%

IRS Form 8038

Net Interest Cost	2.5231274%
Weighted Average Maturity	8.792 Years

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings	Fiscal Total
05/15/2012	-	-	-	-	-
06/01/2012	16,508.89	16,508.89	232,600.00	216,091.11	-
12/01/2012	810,725.00	810,725.00	632,600.00	(178,125.00)	37,966.11
06/01/2013	179,475.00	179,475.00	224,000.00	44,525.00	-
12/01/2013	629,475.00	629,475.00	624,000.00	(5,475.00)	39,050.00
06/01/2014	174,975.00	174,975.00	221,250.00	46,275.00	-
12/01/2014	674,975.00	674,975.00	671,250.00	(3,725.00)	42,550.00
06/01/2015	169,975.00	169,975.00	210,000.00	40,025.00	-
12/01/2015	709,975.00	709,975.00	710,000.00	25.00	40,050.00
06/01/2016	159,175.00	159,175.00	199,000.00	39,825.00	-
12/01/2016	699,175.00	699,175.00	699,000.00	(175.00)	39,650.00
06/01/2017	148,375.00	148,375.00	187,750.00	39,375.00	-
12/01/2017	688,375.00	688,375.00	687,750.00	(625.00)	38,750.00
06/01/2018	137,575.00	137,575.00	176,500.00	38,925.00	-
12/01/2018	772,575.00	772,575.00	776,500.00	3,925.00	42,850.00
06/01/2019	124,875.00	124,875.00	162,625.00	37,750.00	-
12/01/2019	759,875.00	759,875.00	762,625.00	2,750.00	40,500.00
06/01/2020	112,175.00	112,175.00	148,375.00	36,200.00	-
12/01/2020	742,175.00	742,175.00	748,375.00	6,200.00	42,400.00
06/01/2021	99,575.00	99,575.00	133,750.00	34,175.00	-
12/01/2021	729,575.00	729,575.00	733,750.00	4,175.00	38,350.00
06/01/2022	86,975.00	86,975.00	118,750.00	31,775.00	-
12/01/2022	811,975.00	811,975.00	818,750.00	6,775.00	38,550.00
06/01/2023	72,475.00	72,475.00	101,250.00	28,775.00	-
12/01/2023	787,475.00	787,475.00	801,250.00	13,775.00	42,550.00
06/01/2024	58,175.00	58,175.00	83,750.00	25,575.00	-
12/01/2024	868,175.00	868,175.00	883,750.00	15,575.00	41,150.00
06/01/2025	41,975.00	41,975.00	63,750.00	21,775.00	-
12/01/2025	846,975.00	846,975.00	863,750.00	16,775.00	38,550.00
06/01/2026	25,875.00	25,875.00	43,750.00	17,875.00	-
12/01/2026	870,875.00	870,875.00	893,750.00	22,875.00	40,750.00
06/01/2027	13,200.00	13,200.00	22,500.00	9,300.00	-
12/01/2027	893,200.00	893,200.00	922,500.00	29,300.00	38,600.00
Total	$13,916,933.89	$13,916,933.89	$14,559,200.00	$642,266.11	-

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	538,195.26
Net PV Cashflow Savings @ 2.470%(Bond Yield)	538,195.26
Contingency or Rounding Amount	4,301.83
Net Present Value Benefit	$542,497.09
Net PV Benefit / $9,900,000 Refunded Principal	5.480%

Refunding Bond Information

Refunding Dated Date	5/15/2012
Refunding Delivery Date	5/15/2012

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Proof of Premium Bond Selection of Call Dates/Prices

Maturity	Call Date	Call Price	PV at Bond Yield	Lowest?
12/01/2022	-	-	827,433.08	No
12/01/2022	12/01/2021	100.000%	818,817.03	Yes
12/01/2023	-	-	824,311.36	No
12/01/2023	12/01/2021	100.000%	807,523.00	Yes
12/01/2024	-	-	943,000.26	No
12/01/2024	12/01/2021	100.000%	914,816.26	Yes
12/01/2025	-	-	946,066.84	No
12/01/2025	12/01/2021	100.000%	909,169.25	Yes

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Proof of D/S for Arbitrage Purposes

Date	Principal	Interest	Total
05/15/2012	-	-	-
06/01/2012	-	16,508.89	16,508.89
12/01/2012	625,000.00	185,725.00	810,725.00
06/01/2013	-	179,475.00	179,475.00
12/01/2013	450,000.00	179,475.00	629,475.00
06/01/2014	-	174,975.00	174,975.00
12/01/2014	500,000.00	174,975.00	674,975.00
06/01/2015	-	169,975.00	169,975.00
12/01/2015	540,000.00	169,975.00	709,975.00
06/01/2016	-	159,175.00	159,175.00
12/01/2016	540,000.00	159,175.00	699,175.00
06/01/2017	-	148,375.00	148,375.00
12/01/2017	540,000.00	148,375.00	688,375.00
06/01/2018	-	137,575.00	137,575.00
12/01/2018	635,000.00	137,575.00	772,575.00
06/01/2019	-	124,875.00	124,875.00
12/01/2019	635,000.00	124,875.00	759,875.00
06/01/2020	-	112,175.00	112,175.00
12/01/2020	630,000.00	112,175.00	742,175.00
06/01/2021	-	99,575.00	99,575.00
12/01/2021	3,685,000.00	99,575.00	3,784,575.00
06/01/2022	-	25,875.00	25,875.00
12/01/2022	-	25,875.00	25,875.00
06/01/2023	-	25,875.00	25,875.00
12/01/2023	-	25,875.00	25,875.00
06/01/2024	-	25,875.00	25,875.00
12/01/2024	-	25,875.00	25,875.00
06/01/2025	-	25,875.00	25,875.00
12/01/2025	-	25,875.00	25,875.00
06/01/2026	-	25,875.00	25,875.00
12/01/2026	845,000.00	25,875.00	870,875.00
06/01/2027	-	13,200.00	13,200.00
12/01/2027	880,000.00	13,200.00	893,200.00
Total	$10,505,000.00	$3,099,733.89	$13,604,733.89

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Proof Of Bond Yield @ 2.4699283%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
05/15/2012	-	1.0000000x	-	-
06/01/2012	16,508.89	0.9989096x	16,490.89	16,490.89
12/01/2012	810,725.00	0.9867239x	799,961.72	816,452.61
06/01/2013	179,475.00	0.9746869x	174,931.92	991,384.53
12/01/2013	629,475.00	0.9627967x	606,056.43	1,597,440.96
06/01/2014	174,975.00	0.9510515x	166,410.24	1,763,851.20
12/01/2014	674,975.00	0.9394496x	634,105.03	2,397,956.23
06/01/2015	169,975.00	0.9279893x	157,734.98	2,555,691.21
12/01/2015	709,975.00	0.9166688x	650,811.92	3,206,503.13
06/01/2016	159,175.00	0.9054864x	144,130.79	3,350,633.92
12/01/2016	699,175.00	0.8944403x	625,370.32	3,976,004.24
06/01/2017	148,375.00	0.8835291x	131,093.63	4,107,097.86
12/01/2017	688,375.00	0.8727509x	600,779.90	4,707,877.77
06/01/2018	137,575.00	0.8621042x	118,603.99	4,826,481.76
12/01/2018	772,575.00	0.8515874x	657,915.16	5,484,396.91
06/01/2019	124,875.00	0.8411989x	105,044.72	5,589,441.63
12/01/2019	759,875.00	0.8309371x	631,408.36	6,220,849.99
06/01/2020	112,175.00	0.8208006x	92,073.30	6,312,923.30
12/01/2020	742,175.00	0.8107876x	601,746.30	6,914,669.60
06/01/2021	99,575.00	0.8008968x	79,749.30	6,994,418.90
12/01/2021	3,784,575.00	0.7911267x	2,994,078.33	9,988,497.22
06/01/2022	25,875.00	0.7814758x	20,220.69	10,008,717.91
12/01/2022	25,875.00	0.7719425x	19,974.01	10,028,691.92
06/01/2023	25,875.00	0.7625256x	19,730.35	10,048,422.27
12/01/2023	25,875.00	0.7532236x	19,489.66	10,067,911.93
06/01/2024	25,875.00	0.7440350x	19,251.91	10,087,163.84
12/01/2024	25,875.00	0.7349585x	19,017.05	10,106,180.89
06/01/2025	25,875.00	0.7259928x	18,785.06	10,124,965.95
12/01/2025	25,875.00	0.7171364x	18,555.90	10,143,521.86
06/01/2026	25,875.00	0.7083881x	18,329.54	10,161,851.40
12/01/2026	870,875.00	0.6997465x	609,391.69	10,771,243.09
06/01/2027	13,200.00	0.6912103x	9,123.98	10,780,367.07
12/01/2027	893,200.00	0.6827782x	609,857.48	11,390,224.55
Total	$13,604,733.89	-	$11,390,224.55	-

Derivation Of Target Amount

Par Amount of Bonds	$10,505,000.00
Reoffering Premium or (Discount)	885,224.55
Original Issue Proceeds	$11,390,224.55

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Proof of Premium Bond Yield Rule

Maturity Date	12/01/2022
Bond Type	Coupon
PRICE SUMMARY	
Price to Maturity	113.0350000%
Price to Call (12/01/2021)	111.9440000%
Lowest Price	111.9440000%
CRITERIA 1	
First Available Call Date	12/01/2021
Delivery Date	5/15/2012
Years to First Call	9.544 Years
Yield to Maturity	2.6912833%
Yield to Call	2.5800000%
Callable in 5 years and (YTM-YTC) gt/eq 0.125%	No
CRITERIA 2	
Original Issue Premium	11.9440000%
Integer Years to First Call	9.000 Years
25% * Years to Call	2.250 Years
OIP > 25% * Years to Call?	Yes
CRITERIA 3	
Stepped Coupon?	No
Price to Call Less than Price to Maturity?	Yes
Yield to Call Adjustment Necessary?	Yes

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Proof of Premium Bond Yield Rule

Maturity Date	12/01/2023
Bond Type	Coupon
PRICE SUMMARY	
Price to Maturity	112.7130000%
Price to Call (12/01/2021)	110.7830000%
Lowest Price	110.7830000%
CRITERIA 1	
First Available Call Date	12/01/2021
Delivery Date	5/15/2012
Years to First Call	9.544 Years
Yield to Maturity	2.8944297%
Yield to Call	2.7100000%
Callable in 5 years and (YTM-YTC) gt/eq 0.125%	No
CRITERIA 2	
Original Issue Premium	10.7830000%
Integer Years to First Call	9.000 Years
25% * Years to Call	2.250 Years
OIP > 25% * Years to Call?	Yes
CRITERIA 3	
Stepped Coupon?	No
Price to Call Less than Price to Maturity?	Yes
Yield to Call Adjustment Necessary?	Yes

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Proof of Premium Bond Yield Rule

Maturity Date	12/01/2024
Bond Type	Coupon
PRICE SUMMARY	
Price to Maturity	112.3930000%
Price to Call (12/01/2021)	109.8120000%
Lowest Price	109.8120000%
CRITERIA 1	
First Available Call Date	12/01/2021
Delivery Date	5/15/2012
Years to First Call	9.544 Years
Yield to Maturity	3.0525287%
Yield to Call	2.8200000%
Callable in 5 years and (YTM-YTC) gt/eq 0.125%	No
CRITERIA 2	
Original Issue Premium	9.8120000%
Integer Years to First Call	9.000 Years
25% * Years to Call	2.250 Years
OIP > 25% * Years to Call?	Yes
CRITERIA 3	
Stepped Coupon?	No
Price to Call Less than Price to Maturity?	Yes
Yield to Call Adjustment Necessary?	Yes

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Proof of Premium Bond Yield Rule

Maturity Date	12/01/2025
Bond Type	Coupon
PRICE SUMMARY	
Price to Maturity	112.0090000%
Price to Call (12/01/2021)	108.9380000%
Lowest Price	108.9380000%
CRITERIA 1	
First Available Call Date	12/01/2021
Delivery Date	5/15/2012
Years to First Call	9.544 Years
Yield to Maturity	3.1824166%
Yield to Call	2.9200000%
Callable in 5 years and (YTM-YTC) gt/eq 0.125%	No
CRITERIA 2	
Original Issue Premium	8.9380000%
Integer Years to First Call	9.000 Years
25% * Years to Call	2.250 Years
OIP > 25% * Years to Call?	Yes
CRITERIA 3	
Stepped Coupon?	No
Price to Call Less than Price to Maturity?	Yes
Yield to Call Adjustment Necessary?	Yes

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Price	Issuance Price	Exponent	Bond Years
05/15/2012	-	-	-	-	-
12/01/2012	625,000.00	100.896%	630,600.00	0.5444444x	343,326.67
12/01/2013	450,000.00	102.304%	460,368.00	1.5444444x	711,012.80
12/01/2014	500,000.00	103.504%	517,520.00	2.5444444x	1,316,800.89
12/01/2015	540,000.00	110.901%	598,865.40	3.5444444x	2,122,645.14
12/01/2016	540,000.00	113.152%	611,020.80	4.5444444x	2,776,750.08
12/01/2017	540,000.00	114.859%	620,238.60	5.5444444x	3,438,878.46
12/01/2018	635,000.00	114.922%	729,754.70	6.5444444x	4,775,839.09
12/01/2019	635,000.00	114.467%	726,865.45	7.5444444x	5,483,796.01
12/01/2020	630,000.00	113.866%	717,355.80	8.5444444x	6,129,406.78
12/01/2021	630,000.00	113.301%	713,796.30	9.5444444x	6,812,789.13
12/01/2022	725,000.00	111.944%	811,594.00	10.5444444x	8,557,807.84
12/01/2023	715,000.00	110.783%	792,098.45	11.5444444x	9,144,336.55
12/01/2024	810,000.00	109.812%	889,477.20	12.5444444x	11,157,997.32
12/01/2025	805,000.00	108.938%	876,950.90	13.5444444x	11,877,812.75
12/01/2026	845,000.00	98.835%	835,155.75	14.5444444x	12,146,876.41
12/01/2027	880,000.00	97.564%	858,563.20	15.5444444x	13,345,887.96
Total	$10,505,000.00	-	$11,390,224.55	-	$100,141,963.88

IRS Form 8038

Weighted Average Maturity = Bond Years/Issue Price	8.792 Years
Total Interest from Debt Service	3,411,933.89
Reoffering (Premium) or Discount	(885,224.55)
Total Interest	2,526,709.34
NIC = Interest / (Issue Price * Average Maturity)	2.5231274%
Bond Yield for Arbitrage Purposes	2.4699283%

City of Troy

Golf Course Refunding Bonds, Series 2012

(Limited Tax - General Obligation)

[Refund All Bonds]

Summary Of Bonds Refunded

Issue	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 7/01/2002 | Delivered 7/01/2002							
Series 2002 (Golf Course)	12/01/2012	Serial	Coupon	4.300%	400,000	-	-
Series 2002 (Golf Course)	12/01/2013	Serial	Coupon	1.375%	400,000	-	-
Series 2002 (Golf Course)	12/01/2014	Serial	Coupon	5.000%	450,000	-	-
Series 2002 (Golf Course)	12/01/2015	Serial	Coupon	4.400%	500,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2016	Serial	Coupon	4.500%	500,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2017	Serial	Coupon	4.500%	500,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2018	Serial	Coupon	4.625%	600,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2019	Serial	Coupon	4.750%	600,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2020	Serial	Coupon	4.875%	600,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2021	Serial	Coupon	5.000%	600,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2022	Serial	Coupon	5.000%	700,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2023	Serial	Coupon	5.000%	700,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2024	Term 1	Coupon	5.000%	800,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2025	Term 1	Coupon	5.000%	800,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2026	Term 2	Coupon	5.000%	850,000	12/01/2014	100.500%
Series 2002 (Golf Course)	12/01/2027	Term 2	Coupon	5.000%	900,000	12/01/2014	100.500%
Subtotal	-			-	$9,900,000	-	-
Total	-			-	$9,900,000	-	-

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Debt Service To Maturity And To Call

Date	Refunded Bonds	Premium	Interest to Call	D/S To Call	Principal	Interest	Refunded D/S	Fiscal Total
06/01/2012	-	-	232,600.00	232,600.00	-	232,600.00	232,600.00	-
12/01/2012	400,000.00	-	232,600.00	632,600.00	400,000.00	232,600.00	632,600.00	865,200.00
06/01/2013	-	-	224,000.00	224,000.00	-	224,000.00	224,000.00	-
12/01/2013	400,000.00	-	224,000.00	624,000.00	400,000.00	224,000.00	624,000.00	848,000.00
06/01/2014	-	-	221,250.00	221,250.00	-	221,250.00	221,250.00	-
12/01/2014	9,100,000.00	43,250.00	221,250.00	9,364,500.00	450,000.00	221,250.00	671,250.00	892,500.00
06/01/2015	-	-	-	-	-	210,000.00	210,000.00	-
12/01/2015	-	-	-	-	500,000.00	210,000.00	710,000.00	920,000.00
06/01/2016	-	-	-	-	-	199,000.00	199,000.00	-
12/01/2016	-	-	-	-	500,000.00	199,000.00	699,000.00	898,000.00
06/01/2017	-	-	-	-	-	187,750.00	187,750.00	-
12/01/2017	-	-	-	-	500,000.00	187,750.00	687,750.00	875,500.00
06/01/2018	-	-	-	-	-	176,500.00	176,500.00	-
12/01/2018	-	-	-	-	600,000.00	176,500.00	776,500.00	953,000.00
06/01/2019	-	-	-	-	-	162,625.00	162,625.00	-
12/01/2019	-	-	-	-	600,000.00	162,625.00	762,625.00	925,250.00
06/01/2020	-	-	-	-	-	148,375.00	148,375.00	-
12/01/2020	-	-	-	-	600,000.00	148,375.00	748,375.00	896,750.00
06/01/2021	-	-	-	-	-	133,750.00	133,750.00	-
12/01/2021	-	-	-	-	600,000.00	133,750.00	733,750.00	867,500.00
06/01/2022	-	-	-	-	-	118,750.00	118,750.00	-
12/01/2022	-	-	-	-	700,000.00	118,750.00	818,750.00	937,500.00
06/01/2023	-	-	-	-	-	101,250.00	101,250.00	-
12/01/2023	-	-	-	-	700,000.00	101,250.00	801,250.00	902,500.00
06/01/2024	-	-	-	-	-	83,750.00	83,750.00	-
12/01/2024	-	-	-	-	800,000.00	83,750.00	883,750.00	967,500.00
06/01/2025	-	-	-	-	-	63,750.00	63,750.00	-
12/01/2025	-	-	-	-	800,000.00	63,750.00	863,750.00	927,500.00
06/01/2026	-	-	-	-	-	43,750.00	43,750.00	-
12/01/2026	-	-	-	-	850,000.00	43,750.00	893,750.00	937,500.00
06/01/2027	-	-	-	-	-	22,500.00	22,500.00	-
12/01/2027	-	-	-	-	900,000.00	22,500.00	922,500.00	945,000.00
Total	$9,900,000.00	$43,250.00	$1,355,700.00	$11,298,950.00	$9,900,000.00	$4,659,200.00	$14,559,200.00	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	5/15/2012
Average Life	9.171 Years
Average Coupon	5.1318427%
Weighted Average Maturity (Par Basis)	9.171 Years

Refunding Bond Information

Refunding Dated Date	5/15/2012
Refunding Delivery Date	5/15/2012

City of Troy

Golf Course Refunding Bonds, Series 2012
(Limited Tax - General Obligation)
[Refund All Bonds]

Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
05/15/2012	-	-	-	0.72	-	0.72
06/01/2012	232,600.00	-	-	232,600.00	232,600.00	0.72
12/01/2012	614,077.00	0.130%	18,522.85	632,599.85	632,600.00	0.57
06/01/2013	207,452.00	0.170%	16,548.17	224,000.17	224,000.00	0.74
12/01/2013	607,628.00	0.220%	16,371.84	623,999.84	624,000.00	0.58
06/01/2014	205,546.00	0.270%	15,703.45	221,249.45	221,250.00	0.03
12/01/2014	9,349,074.00	0.330%	15,425.97	9,364,499.97	9,364,500.00	-
Total	$11,216,377.00	-	$82,572.28	$11,298,950.00	$11,298,950.00	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	0.72
Cost of Investments Purchased with Bond Proceeds	11,216,377.00
Total Cost of Investments	$11,216,377.72
Target Cost of Investments at bond yield	$10,683,559.24
Actual positive or (negative) arbitrage	(532,818.48)
Yield to Receipt	0.3211678%
Yield for Arbitrage Purposes	2.4699283%
State and Local Government Series (SLGS) rates for	3/06/2012