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**Williamson County, Texas**  
**Limited Tax Refunding Bonds (Taxable), Series 2012 ("Bonds")**

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**Preliminary Refunding Analysis**

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**Amount being Refunded:**

Unlimited Tax Road & Refunding Bonds, Series 2004	\$27,415,000
Limited Tax Refunding, Series 2004A	\$3,165,000

Interest Rates on Refunded Bonds: 4.500- 5.000%

Call Date:	
Series 2004	<b>2/15/2014</b>
Series 2004A	<b>2/15/2014</b>

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<b>Projected Refunding Issue:</b>	<b>\$33,165,000</b>
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Estimated Interest Rate on Refunding Bonds (same term):	3.192%
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Total Estimated Savings:	\$2,205,237
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Estimated Present Value Savings (%)	6.341%
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Estimated Present Value Savings (\$)	\$1,939,202
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Negative Arbitrage:	\$1,104,984
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Refunded Bonds				
Issue	Maturities	Interest	Amount	Callable
		Rates		
Series 2004	2015-2029	4.50%-5.00%	\$ 27,415,000	2/15/2014
Series 2004A	2020	5.00%	\$ 3,165,000	2/15/2014

Preliminary Summary of Results	
Par Amount of Refunding Bonds	\$ 33,165,000
Est. True Interest Cost (TIC)	3.192%
<b>Total Debt Service Savings</b>	<b>\$ 2,205,237</b>
<b>Net Present Value Savings (\$)</b>	<b>\$ 1,939,202</b>
<b>Net Present Value Savings (%)</b>	<b>6.341%</b>
Negative Arbitrage in Escrow	\$ (1,104,984)
Captured Benefit = NPV Savings / (NPV Savings + Negative Arbitrage)	63.702%

Projected Annual Savings			
FYE	Existing	Post-Ref	Savings
9/30	D/S	Net D/S	
2013	\$ 12,413,719	\$ 12,410,533	\$ 3,186
2014	12,371,838	11,967,436	404,401
2015	12,407,575	12,007,126	400,449
2016	8,826,575	8,425,845	400,730
2017	9,865,700	9,464,970	400,730
2018	9,919,075	9,518,345	400,730
2019	9,838,075	9,674,885	163,190
2020	7,507,019	7,505,570	1,449
2021	2,687,838	2,687,559	279
2022	2,685,319	2,682,762	2,557
2023	2,686,050	2,681,753	4,298
2024	2,689,425	2,684,510	4,915
2025	2,687,550	2,686,101	1,449
2026	2,686,163	2,681,760	4,403
2027	2,685,525	2,681,690	3,835
2028	2,689,938	2,685,939	3,999
2029	2,689,175	2,684,538	4,637
	<b>\$ 107,336,556</b>	<b>\$ 105,131,320</b>	<b>\$ 2,205,237</b>

Note: All assumptions are as of October 2, 2012 for purposes of illustration only. Preliminary, subject to change.

### Key Points:

- This refunding would be an advance refunding which means the bonds are not currently callable
  - This refunding has \$1,104,984 of negative arbitrage (lost savings) due to the escrow required to be funded until the 2014 call date
  - Considerations:
    - Wait for the 2014 calls to get closer and see if the escrow becomes more efficient.