

# Memorandum



CITY OF DALLAS

DATE September 19, 2008

TO Members of the Finance, Audit & Accountability Committee  
Chair, Mitchell Rasansky; Vice-Chair, Jerry Allen; Mayor Pro Tem Elba Garcia; Vonciel Jones Hill; Angela Hunt; Ron Natinsky; and David Neumann

SUBJECT General Obligation Bond Issuance, November 2008

On Monday, September 22, 2008 you will be briefed on the November 2008 General Obligation Bond Issuance. The materials are attached for your review.

Please contact me if you need additional information.

A handwritten signature in black ink, appearing to read 'D. Cook'.

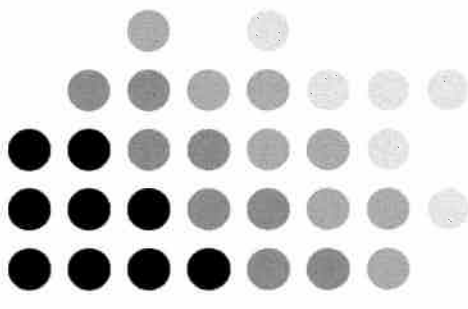
David Cook  
Chief Financial Officer

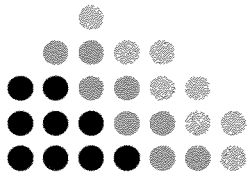
## Attachments

- C: Honorable Mayor & Members of the City Council
  - Mary K. Suhm, City Manager
  - Ryan S. Evans, First Assistant City Manager
  - David Brown, Interim Assistant City Manager
  - A. C. Gonzalez, Assistant City Manager
  - Jill A. Jordan, P.E., Assistant City Manager
  - Ramon F. Miguez, P.E., Assistant City Manager
  - Deborah Watkins, City Secretary
  - Tom Perkins, City Attorney
  - Craig Kinton, City Auditor
  - Jeanne Chipperfield, Director, Budget and Management Services

# **General Obligation Debt Issuance November 2008**

**Finance, Audit & Accountability  
September 22, 2008**

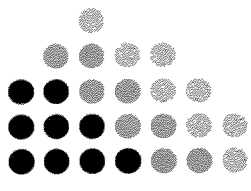




# Purpose

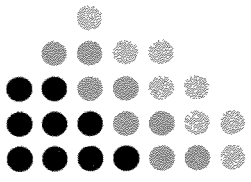
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- The purpose of this briefing is to provide information regarding the sale of \$214.7m in general obligation bonds, \$5.5m in certificates of obligation and \$35.5m in equipment acquisition notes
- Seek approval of the September 24, 2008 resolutions authorizing staff to proceed with the preparations for the bond, certificates of obligation and equipment note sales



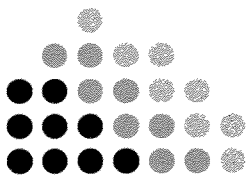
# Background

- All items are consistent with the FY2008-09 Budget
- Bond Issue - \$214.7m (detail in appendix)
  - 2006 Bond Program (3<sup>rd</sup> of 5 sales)
- Equipment Acquisition Notes - \$35.5m
  - \$10.7m Fleet Replacement
  - \$6.5m Fire Apparatus Replacements
  - \$14.6m Technology Enhancements
  - \$3m Code Compliance Equipment
  - \$0.7m Street Services Equipment
- Certificates of Obligation - \$5.5m
  - \$5.5m City Hall Data Center Improvements



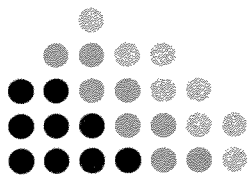
# Bond Sale Overview

- All 3 sales will be negotiated
- Issuance costs of \$700,340 will be paid from interest earnings on proceeds (schedule attached)
- Twenty year bonds will be callable in 10 years on February 15, 2018
  - Seven year call would add \$1,321,639 in interest cost over the life of the bonds
- Five year equipment notes and ten year certificates are not callable
- No bond refunding opportunities exist at this time



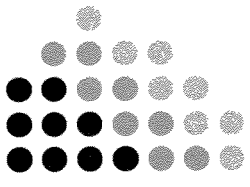
# Syndicate Selection

- In May 1999, City Council approved two underwriting syndicates to handle the City's negotiated sales; in June 2002 City Council approved minor changes to the syndicates to reflect industry consolidation
  - Each syndicate consists of
    - A mix of national, regional and MWBE firms
    - A mix of institutional and retail firms
    - Two co-senior managers of which one will be a national firm and one will be an MWBE firm
  - Council approval of the syndicates provided for designation of one national firm and one MWBE firm as co-senior managers for each sale, with the designation to rotate among team members



# Syndicate Team A

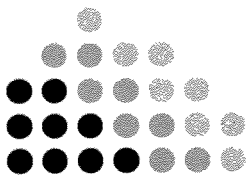
- Since May 1999, each syndicate has underwritten four negotiated sales.
- Team A has underwritten \$1.1b in bonds and consists of the following firms:
  - National
    - Citigroup
    - Banc of America Securities, LLC
  - Regional
    - Morgan Keegan & Co., Inc.
  - MWBE
    - Ramirez & Co., Inc
    - Rice Financial



# Syndicate Team B

- Team B has underwritten \$443m in bonds and consists of the following firms:
  - National
    - Goldman, Sachs & Co.
    - Morgan Stanley
    - JP Morgan Chase
  - Regional
    - RBC Dain Rauscher
    - SWS Securities
  - MWBE
    - Siebert Brandford Shank & Co., LLC
    - Walton Johnson & Co.





# Underwriting Syndicate

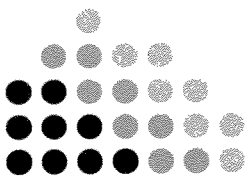
- The proposal is for Team B to underwrite the bond sale:

Co-Senior Managers:

Goldman, Sachs & Co. (Bookrunning Senior Manager)  
Walton Johnson & Co.

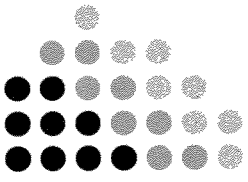
Co-Managers:

Morgan Stanley  
JP Morgan Chase  
RBC Dain Rauscher  
SWS Securities  
Siebert Brandford Shank & Co., LLC



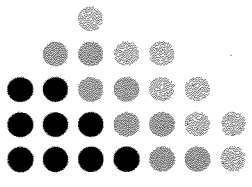
# Negotiated Sale

- Due to current market volatility, a negotiated sale is recommended.
- In a negotiated sale, the issuer sells bonds to an underwriter at rates and terms that are “negotiated”
- Underwriting syndicate is selected in advance of the sale
- Negotiated sale allows for flexibility in the structuring and timing of the sale
- On the day of the sale, underwriter works with investors to price bonds based on demand



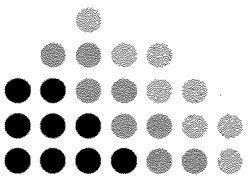
# Schedule of Events

September 22	Finance, Audit & Accountability briefing
September 24	Council authorization to prepare for bond, certificates and equipment acquisition note sales
October 22	Receive ratings
October 29	Preliminary Official Statement Posted to i-Deal
October 31	Distribute Preliminary Official Statement and Representation Letters to Council
November 4	Pricing
November 5	Execute Bond Purchase Agreement
December 1	Deliver bonds and receive proceeds



# Recommendation

- Recommend approval of the September 24 Council resolutions authorizing staff to proceed with the preparations for the bond, certificates and equipment note sales



# Appendix

Bond Authorization Summary – Page 13
Uses of Proceeds – Pages 14 thru 17
Sources and Uses – Bonds with 10 Year Call – Page 18
Debt Service Schedule – Bonds with 10 Year Call – Page 19 and 20
Sources and Uses – Bonds with 7 Year Call – Page 21
Debt Service Schedule – Bonds with 7 Year Call – Page 22 and 23
Sources and Uses – Equipment Note Proceeds – Page 24
Debt Service Schedule – Equipment Notes – Page 25
Sources and Uses – Certificates of Obligation Proceeds – Page 26
Debt Service Schedule – Certificates of Obligation Proceeds – Page 27 and 28
Estimated Issuance Costs – Page 29

**Bond Authorization Summary**

	<b>Authorized Amount</b>	<b>Amount Previously Issued</b>	<b>November 2008 Sale</b>	<b>Unissued Balance</b>
<b>2006 Bond Program</b>				
1 Street & Transportation Improvements	390,420,000	114,869,000	53,018,000	222,533,000
2 Flood Protection and Storm Drainage Facilities	334,315,000	124,419,000	12,000,000	197,896,000
3 Park and Recreation Facilities	343,230,000	123,910,000	67,087,000	152,233,000
4 Library Facilities	46,200,000	14,656,000	16,828,000	14,716,000
5 Cultural Arts Facilities	60,855,000	21,003,000	33,171,000	6,681,000
6 City Hall, City Service and City Maintenance Facilities	34,750,000	6,498,000	5,804,000	22,448,000
7 Land Acquisition for the Development of Low and Moderate Income, Single Family Homes	1,500,000	0	0	1,500,000
8 Economic Development in the Southern Area of the City and in other areas of the City in connection with transit-oriented development	41,495,000	10,216,000	5,045,000	26,234,000
9 Farmers Market Improvements	6,635,000	2,996,000	0	3,639,000
10 Land Acquisition in the Cadillac Heights area for future location of city facilities	22,550,000	1,509,000	5,607,000	15,434,000
11 Court Facilities	7,945,000	0	1,192,000	6,753,000
12 Public Safety Facilities	63,625,000	19,819,000	14,918,000	28,888,000
<b>Total</b>	<b>\$1,353,520,000</b>	<b>\$439,895,000</b>	<b>\$214,670,000</b>	<b>\$698,955,000</b>

## FY 2008-09 Uses of Proceeds

### 2006 General Obligation Bond Program

#### 1. **Street and Transportation Improvements**

Bridge Repair and Modification	0
Intergovernmental Partnership Projects	13,079,491
Multi-modal Transportation Facilities	0
Public Art	211,155
Sidewalk Improvements	99,250
Street Petitions	1,930,724
Street Reconstruction	8,701,310
Street Resurfacing	11,183,072
Streetscape/Urban Design	10,849,851
Target Neighborhood	3,994,345
Thoroughfares	1,415,583
Warranted Signals and School Flashers	1,553,625
	<hr/>
	<b>\$53,018,406</b>

#### 2. **Flood Protection and Storm Drainage Facilities**

Erosion Control	2,632,471
Flood Management	2,022,747
Public Art	728,789
Storm Drainage Relief System	6,615,993
	<hr/>
	<b>\$12,000,000</b>

#### 3. **Park and Recreation Facilities**

Administrative and Internal Service Facilities	689,500
Aquatic Facilities	1,216,250
Code Compliance, Safety and Security	1,016,050
Dallas Zoo	14,799,000
Downtown Parks	2,000,000
Environmental	992,500
Fair Park	12,045,500
Historic Restoration	0
Land Acquisition	10,700,000
Major Maintenance - Park Facilities	2,982,470
Major Park Facilities	2,332,850
Playground Improvement	955,487
Public Art	566,285
Recreation Facilities and Site Development	14,261,801
Trail Development	2,529,307
	<hr/>
	<b>\$67,087,000</b>

#### 4. **Library Facilities**

Library Facilities	14,578,460
Major Maintenance - Library	2,200,358
Public Art	49,920
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	<b>\$16,828,738</b>

## FY 2008-09 Uses of Proceeds

<b>5.</b>	<b>Cultural Arts Facilities</b>	
	Cultural Facilities	30,998,236
	Major Maintenance - City Facilities	0
	Major Maintenance - Cultural Facilities	1,705,000
	Studies and Master Plans	170,000
	Public Art	298,022
		<b>\$33,171,258</b>
<b>6.</b>	<b>City Hall, City Service and Maintenance Facilities</b>	
	Administrative and Internal Service Facilities	0
	Major Maintenance - City Facilities	5,803,376
		<b>\$5,803,376</b>
<b>7.</b>	<b>Land Acquisition Under The Land Bank Program</b>	-
<b>8.</b>	<b>Economic Development Programs and Initiatives</b>	
	Acquisition and Demolition	3,000,000
	Infrastructure Support	2,030,296
	Public Art	15,342
		<b>\$5,045,638</b>
<b>10.</b>	<b>Land Acquisition in the Cadillac Heights Area</b>	
	Land Acquisition	5,606,580
		<b>\$5,606,580</b>
<b>11.</b>	<b>Court Facilities</b>	
	Municipal Courts Facilities	1,176,550.00
	Public Art	15,195.00
		<b>1,191,745.00</b>
<b>12.</b>	<b>Public Safety Facilities</b>	
	Emergency Warning Systems	0
	Fire Protection Facilities	12,655,689
	Land Acquisition	1,193,791
	Major Maintenance - City Facilities	0
	Major Maintenance - Public Safety	1,010,708
	Public Art	57,071
		<b>\$14,917,259</b>
<b>Total 2006 General Obligation Bond Program</b>		<b>\$214,670,000</b>



# FY 2008-09 Equipment Acquisition Notes Summary

## Equipment Acquisition Notes

### **Fire & Rescue Department**

Fleet Replacement (5 units)	\$144,900
DFR Vehicles - Engines (10 units)	3,718,887
DFR Vehicles - Trucks (3 units)	2,526,531
DFR Vehicles - Suburbans (5 units) / Sedans, SUVs, 12-Passenger Vans (8 Units)	408,339
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	<b>\$6,798,657</b>

### **Code Compliance**

Fleet Replacement (18 units)	\$606,100
Sub-Compact Cars (8)	\$819,000
Van - Animals (10)	\$284,000
Roto-booms (5)	\$550,000
Brush Truck (5)	\$209,705
Brush Truck Trailer (5)	\$291,000
20 yard Rear - Loader Refuse Truct (2)	\$210,000
16 foot Trailer (6)	\$103,500
Bucket Truck (1)	\$75,603
Wood Chipper Truck and Container (1)	\$75,000
Box Vans - Closure (2)	\$72,000
Cage Trailers - Mowers (6)	\$60,000
Roll-Off container Truck (2)	\$192,800
40 cubic yard Roll-Off Container Truck (6)	\$30,516
Zero Radius - Mowers (6)	\$75,000
	<hr/>
	<b>\$3,654,224</b>

### **Police Department**

Fleet Replacement (35 units)	\$964,149
Motorcycle Replacement (1 unit)	21,630
Tahoes (18 units)	602,916
	<hr/>
	<b>\$1,588,695</b>

### **Equipment & Building Services**

Fleet Replacement (3 units)	<b>\$97,944</b>
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### **Environmental & Health Services**

Fleet Replacement (2 units)	<b>\$97,209</b>
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### **Housing Department**

Fleet Replacement (1 unit)	<b>\$27,972</b>
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### **Library**

Fleet Replacement (1 unit)	<b>\$42,683</b>
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### **Park and Recreation**

Fleet Replacement (12 units)	<b>\$471,980</b>
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## FY 2008-09 Equipment Acquisition Notes Summary

### Street Services

Fleet Replacement (28 units)	\$2,160,209
Replacement Refuse Automated Side-Loader Trucks (7)	\$1,313,795
Replacement Refuse Trucks (8)	\$850,987
Replacement Refuse Pickup Trucks (10)	\$279,720
Replacement Refuse Dead Animal Collection Trucks (2)	\$63,153
Add Refuse Stake-Bed Hydraulic Lift Trucks (4)	\$235,200
Add Refuse Pickup Trucks (3)	\$96,375
Replacement Brush Trucks (6)	\$372,914
Replacement Brush Trailers (2)	\$84,000
Add Brush Pickup Trucks (2)	\$55,944
Add Disposal Bucket Truck (1)	\$75,957
Add Recycling Automated Side-Loader Collection Trucks (6)	\$1,172,224
Add Recycling Trucks (61)	\$638,240
Sanders (22 units)	225,000
Asphalt Paver (1 unit)	450,000
	<hr/>
	<b>\$8,073,718</b>

### Public Works & Transportation

Fleet Replacement (5 units)	<b>\$123,339</b>
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### Communication & Information Services

CIS - CAD Upgrade: In Car Mobile Computer Replacement	14,563,579
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	<b>\$14,563,579</b>

### Total Equipment Notes

**\$35,540,000**

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### Certificates of Obligation

City Hall Data Center Improvements	<b>\$5,500,000</b>
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### Total Certificates of Obligation

**\$5,500,000**

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## City of Dallas, Texas

\$207,760,000 General Obligation Bonds, Series 2008

\$214,670,000 Authorization - Feb 15, 2018 Call (10 Yr Call)

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

## Sources & Uses

Dated 11/01/2008 | Delivered 12/01/2008

### Sources Of Funds

Par Amount of Bonds	\$207,760,000.00
Bid Premium	6,911,541.15
Accrued Interest from 11/01/2008 to 12/01/2008	908,950.00
<b>Total Sources</b>	<b>\$215,580,491.15</b>

### Uses Of Funds

Deposit to Debt Service Fund	908,950.00
Deposit to Project Construction Fund	214,670,000.00
Rounding Amount	1,541.15
<b>Total Uses</b>	<b>\$215,580,491.15</b>

**City of Dallas, Texas****\$207,760,000 General Obligation Bonds, Series 2008****\$214,670,000 Authorization - Feb 15, 2018 Call (10 Yr Call)**

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

**Debt Service Schedule**

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+i	Fiscal Total
12/01/2008	-	-	-	-	-
02/15/2009	-	-	3,151,026.67	3,151,026.67	-
08/15/2009	-	-	5,453,700.00	5,453,700.00	-
09/30/2009	-	-	-	-	8,604,726.67
02/15/2010	10,935,000.00	5.250%	5,453,700.00	16,388,700.00	-
08/15/2010	-	-	5,166,656.25	5,166,656.25	-
09/30/2010	-	-	-	-	21,555,356.25
02/15/2011	10,935,000.00	5.250%	5,166,656.25	16,101,656.25	-
08/15/2011	-	-	4,879,612.50	4,879,612.50	-
09/30/2011	-	-	-	-	20,981,268.75
02/15/2012	10,935,000.00	5.250%	4,879,612.50	15,814,612.50	-
08/15/2012	-	-	4,592,568.75	4,592,568.75	-
09/30/2012	-	-	-	-	20,407,181.25
02/15/2013	10,935,000.00	5.250%	4,592,568.75	15,527,568.75	-
08/15/2013	-	-	4,305,525.00	4,305,525.00	-
09/30/2013	-	-	-	-	19,833,093.75
02/15/2014	10,935,000.00	5.250%	4,305,525.00	15,240,525.00	-
08/15/2014	-	-	4,018,481.25	4,018,481.25	-
09/30/2014	-	-	-	-	19,259,006.25
02/15/2015	10,935,000.00	5.250%	4,018,481.25	14,953,481.25	-
08/15/2015	-	-	3,731,437.50	3,731,437.50	-
09/30/2015	-	-	-	-	18,684,918.75
02/15/2016	10,935,000.00	5.250%	3,731,437.50	14,666,437.50	-
08/15/2016	-	-	3,444,393.75	3,444,393.75	-
09/30/2016	-	-	-	-	18,110,831.25
02/15/2017	10,935,000.00	5.250%	3,444,393.75	14,379,393.75	-
08/15/2017	-	-	3,157,350.00	3,157,350.00	-
09/30/2017	-	-	-	-	17,536,743.75
02/15/2018	10,935,000.00	5.250%	3,157,350.00	14,092,350.00	-
08/15/2018	-	-	2,870,306.25	2,870,306.25	-
09/30/2018	-	-	-	-	16,962,656.25
02/15/2019	10,935,000.00	5.250%	2,870,306.25	13,805,306.25	-
08/15/2019	-	-	2,583,262.50	2,583,262.50	-
09/30/2019	-	-	-	-	16,388,568.75
02/15/2020	10,935,000.00	5.250%	2,583,262.50	13,518,262.50	-
08/15/2020	-	-	2,296,218.75	2,296,218.75	-
09/30/2020	-	-	-	-	15,814,481.25
02/15/2021	10,935,000.00	5.250%	2,296,218.75	13,231,218.75	-
08/15/2021	-	-	2,009,175.00	2,009,175.00	-
09/30/2021	-	-	-	-	15,240,393.75
02/15/2022	10,935,000.00	5.250%	2,009,175.00	12,944,175.00	-
08/15/2022	-	-	1,722,131.25	1,722,131.25	-
09/30/2022	-	-	-	-	14,666,306.25
02/15/2023	10,935,000.00	5.250%	1,722,131.25	12,657,131.25	-

2008 GO 9.19+25bps - 10 Y | SINGLE PURPOSE | 9/19/2008 | 3:50 PM

## City of Dallas, Texas

\$207,760,000 General Obligation Bonds, Series 2008

\$214,670,000 Authorization - Feb 15, 2018 Call (10 Yr Call)

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

## Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/15/2023	-	-	1,435,087.50	1,435,087.50	-
09/30/2023	-	-	-	-	14,092,218.75
02/15/2024	10,935,000.00	5.250%	1,435,087.50	12,370,087.50	-
08/15/2024	-	-	1,148,043.75	1,148,043.75	-
09/30/2024	-	-	-	-	13,518,131.25
02/15/2025	10,935,000.00	5.250%	1,148,043.75	12,083,043.75	-
08/15/2025	-	-	861,000.00	861,000.00	-
09/30/2025	-	-	-	-	12,944,043.75
02/15/2026	10,935,000.00	5.250%	861,000.00	11,796,000.00	-
08/15/2026	-	-	573,956.25	573,956.25	-
09/30/2026	-	-	-	-	12,369,956.25
02/15/2027	10,935,000.00	5.250%	573,956.25	11,508,956.25	-
08/15/2027	-	-	286,912.50	286,912.50	-
09/30/2027	-	-	-	-	11,795,868.75
02/15/2028	10,930,000.00	5.250%	286,912.50	11,216,912.50	-
09/30/2028	-	-	-	-	11,216,912.50
<b>Total</b>	<b>\$207,760,000.00</b>	<b>-</b>	<b>\$112,222,664.17</b>	<b>\$319,982,664.17</b>	<b>-</b>

### Yield Statistics

Accrued Interest from 11/01/2008 to 12/01/2008	908,950.00
Bond Year Dollars	\$2,120,261.22
Average Life	10.205 Years
Average Coupon	5.2928697%
Net Interest Cost (NIC)	4.9668938%
True Interest Cost (TIC)	4.8134498%
Bond Yield for Arbitrage Purposes	4.6577744%
All Inclusive Cost (AIC)	4.8099447%

### IRS Form 8038

Net Interest Cost	4.6842824%
Weighted Average Maturity	10.078 Years

2008 GO 9.19+25bps - 10 Y | SINGLE PURPOSE | 9/19/2008 | 3:50 PM

## City of Dallas, Texas

\$208,755,000 General Obligation Bonds, Series 2008

\$214,670,000 Authorization - Feb 15, 2015 Call (7 Yr Call)

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

## Sources & Uses

Dated 11/01/2008 | Delivered 12/01/2008

### Sources Of Funds

Par Amount of Bonds	\$208,755,000.00
Bid Premium	5,917,223.65
Accrued Interest from 11/01/2008 to 12/01/2008	913,303.13
<b>Total Sources</b>	<b>\$215,585,526.78</b>

### Uses Of Funds

Deposit to Debt Service Fund	913,303.13
Deposit to Project Construction Fund	214,670,000.00
Rounding Amount	2,223.65
<b>Total Uses</b>	<b>\$215,585,526.78</b>

**City of Dallas, Texas**

\$208,755,000 General Obligation Bonds, Series 2008

\$214,670,000 Authorization - Feb 15, 2015 Call (7 Yr Call)

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

**Debt Service Schedule**

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/01/2008	-	-	-	-	-
02/15/2009	-	-	3,166,117.50	3,166,117.50	-
08/15/2009	-	-	5,479,818.75	5,479,818.75	-
09/30/2009	-	-	-	-	8,645,936.25
02/15/2010	10,990,000.00	5.250%	5,479,818.75	16,469,818.75	-
08/15/2010	-	-	5,191,331.25	5,191,331.25	-
09/30/2010	-	-	-	-	21,661,150.00
02/15/2011	10,990,000.00	5.250%	5,191,331.25	16,181,331.25	-
08/15/2011	-	-	4,902,843.75	4,902,843.75	-
09/30/2011	-	-	-	-	21,084,175.00
02/15/2012	10,990,000.00	5.250%	4,902,843.75	15,892,843.75	-
08/15/2012	-	-	4,614,356.25	4,614,356.25	-
09/30/2012	-	-	-	-	20,507,200.00
02/15/2013	10,990,000.00	5.250%	4,614,356.25	15,604,356.25	-
08/15/2013	-	-	4,325,868.75	4,325,868.75	-
09/30/2013	-	-	-	-	19,930,225.00
02/15/2014	10,990,000.00	5.250%	4,325,868.75	15,315,868.75	-
08/15/2014	-	-	4,037,381.25	4,037,381.25	-
09/30/2014	-	-	-	-	19,353,250.00
02/15/2015	10,990,000.00	5.250%	4,037,381.25	15,027,381.25	-
08/15/2015	-	-	3,748,893.75	3,748,893.75	-
09/30/2015	-	-	-	-	18,776,275.00
02/15/2016	10,990,000.00	5.250%	3,748,893.75	14,738,893.75	-
08/15/2016	-	-	3,460,406.25	3,460,406.25	-
09/30/2016	-	-	-	-	18,199,300.00
02/15/2017	10,990,000.00	5.250%	3,460,406.25	14,450,406.25	-
08/15/2017	-	-	3,171,918.75	3,171,918.75	-
09/30/2017	-	-	-	-	17,622,325.00
02/15/2018	10,985,000.00	5.250%	3,171,918.75	14,156,918.75	-
08/15/2018	-	-	2,883,562.50	2,883,562.50	-
09/30/2018	-	-	-	-	17,040,481.25
02/15/2019	10,985,000.00	5.250%	2,883,562.50	13,868,562.50	-
08/15/2019	-	-	2,595,206.25	2,595,206.25	-
09/30/2019	-	-	-	-	16,463,768.75
02/15/2020	10,985,000.00	5.250%	2,595,206.25	13,580,206.25	-
08/15/2020	-	-	2,306,850.00	2,306,850.00	-
09/30/2020	-	-	-	-	15,887,056.25
02/15/2021	10,985,000.00	5.250%	2,306,850.00	13,291,850.00	-
08/15/2021	-	-	2,018,493.75	2,018,493.75	-
09/30/2021	-	-	-	-	15,310,343.75
02/15/2022	10,985,000.00	5.250%	2,018,493.75	13,003,493.75	-
08/15/2022	-	-	1,730,137.50	1,730,137.50	-
09/30/2022	-	-	-	-	14,733,631.25
02/15/2023	10,985,000.00	5.250%	1,730,137.50	12,715,137.50	-

2008 GO 9.19+25bps - 7 Yr | SINGLE PURPOSE | 9/19/2008 | 3:50 PM

## City of Dallas, Texas

\$208,755,000 General Obligation Bonds, Series 2008

\$214,670,000 Authorization - Feb 15, 2015 Call (7 Yr Call)

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

## Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/15/2023	-	-	1,441,781.25	1,441,781.25	-
09/30/2023	-	-	-	-	14,156,918.75
02/15/2024	10,985,000.00	5.250%	1,441,781.25	12,426,781.25	-
08/15/2024	-	-	1,153,425.00	1,153,425.00	-
09/30/2024	-	-	-	-	13,580,206.25
02/15/2025	10,985,000.00	5.250%	1,153,425.00	12,138,425.00	-
08/15/2025	-	-	865,068.75	865,068.75	-
09/30/2025	-	-	-	-	13,003,493.75
02/15/2026	10,985,000.00	5.250%	865,068.75	11,850,068.75	-
08/15/2026	-	-	576,712.50	576,712.50	-
09/30/2026	-	-	-	-	12,426,781.25
02/15/2027	10,985,000.00	5.250%	576,712.50	11,561,712.50	-
08/15/2027	-	-	288,356.25	288,356.25	-
09/30/2027	-	-	-	-	11,850,068.75
02/15/2028	10,985,000.00	5.250%	288,356.25	11,273,356.25	-
09/30/2028	-	-	-	-	11,273,356.25
<b>Total</b>	<b>\$208,755,000.00</b>	<b>-</b>	<b>\$112,750,942.50</b>	<b>\$321,505,942.50</b>	<b>-</b>

### Yield Statistics

Accrued Interest from 11/01/2008 to 12/01/2008	913,303.13
Bond Year Dollars	\$2,130,240.75
Average Life	10.205 Years
Average Coupon	5.2928732%
Net Interest Cost (NIC)	5.0151007%
True Interest Cost (TIC)	4.8768110%
Bond Yield for Arbitrage Purposes	4.6495201%
All Inclusive Cost (AIC)	4.8737185%

### IRS Form 8038

Net Interest Cost	4.7532512%
Weighted Average Maturity	10.078 Years



## City of Dallas, Texas

\$33,740,000 Equipment Acquisition Contractual Obligation, Series 2008

\$35,540,000 Authorization

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

## Sources & Uses

Dated 11/01/2008 | Delivered 12/01/2008

### Sources Of Funds

Par Amount of Bonds	\$33,740,000.00
Bid Premium	1,800,737.40
Accrued Interest from 11/01/2008 to 12/01/2008	146,812.50
<b>Total Sources</b>	<b>\$35,687,549.90</b>

### Uses Of Funds

Deposit to Debt Service Fund	146,812.50
Deposit to Project Construction Fund	35,540,000.00
Rounding Amount	737.40
<b>Total Uses</b>	<b>\$35,687,549.90</b>

**City of Dallas, Texas**

\$33,740,000 Equipment Acquisition Contractual Obligation, Series 2008

\$35,540,000 Authorization

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/01/2008	-	-	-	-	-
02/15/2009	-	-	508,950.00	508,950.00	-
08/15/2009	960,000.00	4.250%	880,875.00	1,840,875.00	-
09/30/2009	-	-	-	-	2,349,825.00
02/15/2010	-	-	860,475.00	860,475.00	-
08/15/2010	8,200,000.00	5.250%	860,475.00	9,060,475.00	-
09/30/2010	-	-	-	-	9,920,950.00
02/15/2011	-	-	645,225.00	645,225.00	-
08/15/2011	8,195,000.00	5.250%	645,225.00	8,840,225.00	-
09/30/2011	-	-	-	-	9,485,450.00
02/15/2012	-	-	430,106.25	430,106.25	-
08/15/2012	8,195,000.00	5.250%	430,106.25	8,625,106.25	-
09/30/2012	-	-	-	-	9,055,212.50
02/15/2013	-	-	214,987.50	214,987.50	-
08/15/2013	8,190,000.00	5.250%	214,987.50	8,404,987.50	-
09/30/2013	-	-	-	-	8,619,975.00
<b>Total</b>	<b>\$33,740,000.00</b>	<b>-</b>	<b>\$5,691,412.50</b>	<b>\$39,431,412.50</b>	<b>-</b>

**Yield Statistics**

Accrued Interest from 11/01/2008 to 12/01/2008	146,812.50
Bond Year Dollars	\$105,740.44
Average Life	3.134 Years
Average Coupon	5.3824367%
Net Interest Cost (NIC)	3.6794579%
True Interest Cost (TIC)	3.4646471%
Bond Yield for Arbitrage Purposes	3.0928524%
All Inclusive Cost (AIC)	3.4206736%

**IRS Form 8038**

Net Interest Cost	3.0116778%
Weighted Average Maturity	3.153 Years

## City of Dallas, Texas

\$5,530,000 Combination Tax and Revenue Certificates of Obligation, Series 2008

\$5,500,000 Authorization

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

## Sources & Uses

Dated 11/01/2008 | Delivered 12/01/2008

### Sources Of Funds

Par Amount of Bonds	\$5,530,000.00
Bid Discount	(25,125.00)
Accrued Interest from 11/01/2008 to 12/01/2008	17,279.17
<b>Total Sources</b>	<b>\$5,522,154.17</b>

### Uses Of Funds

Deposit to Debt Service Fund	17,279.17
Deposit to Project Construction Fund	5,500,000.00
Rounding Amount	4,875.00
<b>Total Uses</b>	<b>\$5,522,154.17</b>

**City of Dallas, Texas**

**\$5,530,000 Combination Tax and Revenue Certificates of Obligation, Series 2008**

**\$5,500,000 Authorization**

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

**Debt Service Schedule**

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/01/2008	-	-	-	-	-
02/15/2009	-	-	59,901.11	59,901.11	-
08/15/2009	-	-	103,675.00	103,675.00	-
09/30/2009	-	-	-	-	163,576.11
02/15/2010	615,000.00	3.750%	103,675.00	718,675.00	-
08/15/2010	-	-	92,143.75	92,143.75	-
09/30/2010	-	-	-	-	810,818.75
02/15/2011	615,000.00	3.500%	92,143.75	707,143.75	-
08/15/2011	-	-	81,381.25	81,381.25	-
09/30/2011	-	-	-	-	788,525.00
02/15/2012	615,000.00	3.500%	81,381.25	696,381.25	-
08/15/2012	-	-	70,618.75	70,618.75	-
09/30/2012	-	-	-	-	767,000.00
02/15/2013	615,000.00	3.500%	70,618.75	685,618.75	-
08/15/2013	-	-	59,856.25	59,856.25	-
09/30/2013	-	-	-	-	745,475.00
02/15/2014	615,000.00	3.625%	59,856.25	674,856.25	-
08/15/2014	-	-	48,709.38	48,709.38	-
09/30/2014	-	-	-	-	723,565.63
02/15/2015	615,000.00	3.750%	48,709.38	663,709.38	-
08/15/2015	-	-	37,178.13	37,178.13	-
09/30/2015	-	-	-	-	700,887.51
02/15/2016	615,000.00	3.875%	37,178.13	652,178.13	-
08/15/2016	-	-	25,262.50	25,262.50	-
09/30/2016	-	-	-	-	677,440.63
02/15/2017	615,000.00	4.000%	25,262.50	640,262.50	-
08/15/2017	-	-	12,962.50	12,962.50	-
09/30/2017	-	-	-	-	653,225.00
02/15/2018	610,000.00	4.250%	12,962.50	622,962.50	-
09/30/2018	-	-	-	-	622,962.50
<b>Total</b>	<b>\$5,530,000.00</b>	<b>-</b>	<b>\$1,123,476.13</b>	<b>\$6,653,476.13</b>	<b>-</b>

**City of Dallas, Texas**

\$5,530,000 Combination Tax and Revenue Certificates of Obligation, Series 2008

\$5,500,000 Authorization

\*\*\*\*\* Preliminary - For Discussion Purposes Only \*\*\*\*\*

\*\*\*\*\* Assumes Aa1/AA2 Uninsured Rates +25bps as of 9/19/08 11:00am CT \*\*\*\*\*

**Debt Service Schedule**

Part 2 of 2

**Yield Statistics**

Accrued Interest from 11/01/2008 to 12/01/2008	17,279.17
Bond Year Dollars	\$28,766.72
Average Life	5.202 Years
Average Coupon	3.9054715%
Net Interest Cost (NIC)	3.9928120%
True Interest Cost (TIC)	3.9331093%
Bond Yield for Arbitrage Purposes	3.7174964%
All Inclusive Cost (AIC)	3.9355613%

**IRS Form 8038**

Net Interest Cost	3.7319994%
Weighted Average Maturity	5.186 Years

## Estimated Issuance Costs

	General Obligation Bonds	Equipment Acquisition Notes	Certificate Of Obligation	Total Issuance Costs
<b>Co-Bond Counsel</b>				
Vinson and Elkins L.L.P.	\$ 162,000	\$ 27,000	\$ 12,000	\$ 201,000
West & Associates L.L.P.*	77,000	10,000	5,000	92,000
<b>Co-Financial Advisors</b>				
First Southwest Company	92,481	27,994	15,000	135,475
Estrada Hinojosa*	62,321	19,330	10,000	91,651
<b>Out-of-Pocket Expenses</b>				
First Southwest Company	12,593	2,084	323	15,000
<b>Official Statement Typing</b>				
First Southwest Company	1,260	208	32	1,500
<b>Official Statement Printing</b>				
TBD	8,000	1,500	500	10,000
<b>Rating Agencies</b>				
Moody's Investors Service	42,861	7,930	2,073	52,864
Standard & Poor's	46,000	15,000	8,200	69,200
<b>Legal Notice</b>				
Dallas Morning News	-	-	900	900
Grant Thornton L.L.P.	5,247	869	134	6,250
<b>Filing Fee</b>				
Attorney General	9,500	9,500	5,500	24,500
<b>Total Issuance Costs</b>	<b><u>\$ 519,263</u></b>	<b><u>\$ 121,415</u></b>	<b><u>\$ 59,662</u></b>	<b><u>\$ 700,340</u></b>

\*Total M/WBE Participation as % of Total Issuance Costs: 26.17%

(Note: The low bid underwriting group for each issue generally includes M/WBE firms. Therefore, total M/WBE participation will not be known until the day the obligations are sold.)