



\$3,800,000
Oakland County - Rochester Hills Water Supply
and Sewage Disposal System Bonds, Series 2005
(Preliminary Defeasance Analysis)

NET SOURCES AND USES

Closing Date: 04/07/10

Sources:

Funds Available	<u>\$894,568.29</u>
	<u>\$894,568.29</u>

Uses:

Escrow Fund	\$884,054.32
Escrow Agent Fee	1,500.00 *
Legal Fees & Costs	2,500.00 *
Financial Advisor Fees & Costs	3,500.00
CUSIP Fee	150.00 *
Verification Report	2,500.00
Contingency Amount	<u>363.97</u>
	<u>\$894,568.29</u>

Defeasance Gross Savings:	\$1,339,150.00
Less Cash Deposit and Defeasance Cost:	<u>894,568.29</u>
Defeasance Net Savings:	\$444,581.71

* Estimated.



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REMAINING DEBT SERVICE PRIOR TO BOND DEFEASANCE

Date	Principal	Coupon	Interest	Total Debt Service	Fiscal Total
10/01/10			\$65,890.63	\$65,890.63	
04/01/11	\$150,000.00	4.000%	65,890.63	215,890.63	\$281,781.25
10/01/11			62,890.63	62,890.63	
04/01/12	175,000.00	4.000%	62,890.63	237,890.63	300,781.25
10/01/12			59,390.63	59,390.63	
04/01/13	175,000.00	4.000%	59,390.63	234,390.63	293,781.25
10/01/13			55,890.63	55,890.63	
04/01/14	175,000.00	4.000%	55,890.63	230,890.63	286,781.25
10/01/14			52,390.63	52,390.63	
04/01/15	175,000.00	4.000%	52,390.63	227,390.63	279,781.25
10/01/15			48,890.63	48,890.63	
04/01/16	200,000.00	4.100%	48,890.63	248,890.63	297,781.25
10/01/16			44,790.63	44,790.63	
04/01/17	200,000.00	4.150%	44,790.63	244,790.63	289,581.25
10/01/17			40,640.63	40,640.63	
04/01/18	200,000.00	4.200%	40,640.63	240,640.63	281,281.25
10/01/18			36,440.63	36,440.63	
04/01/19	200,000.00	4.300%	36,440.63	236,440.63	272,881.25
10/01/19			32,140.63	32,140.63	
04/01/20	225,000.00	4.350%	32,140.63	257,140.63	289,281.25
10/01/20			27,246.88	27,246.88	
04/01/21	225,000.00	4.375%	27,246.88	252,246.88	279,493.75
10/01/21			22,325.00	22,325.00	
04/01/22	225,000.00	4.400%	22,325.00	247,325.00	269,650.00
10/01/22			17,375.00	17,375.00	
04/01/23	250,000.00	4.450%	17,375.00	267,375.00	284,750.00
10/01/23			11,812.50	11,812.50	
04/01/24	250,000.00	4.500%	11,812.50	261,812.50	273,625.00
10/01/24			6,187.50	6,187.50	
04/01/25	275,000.00	4.500%	6,187.50	281,187.50	287,375.00
	<u>\$3,100,000.00</u>		<u>\$1,168,606.25</u>	<u>\$4,268,606.25</u>	<u>\$4,268,606.25</u>



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BOND DEBT SERVICE TO BE DEFEASED

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Total</u>
10/01/10			\$18,475.00	\$18,475.00	
04/01/11			18,475.00	18,475.00	\$36,950.00
10/01/11			18,475.00	18,475.00	
04/01/12			18,475.00	18,475.00	36,950.00
10/01/12			18,475.00	18,475.00	
04/01/13			18,475.00	18,475.00	36,950.00
10/01/13			18,475.00	18,475.00	
04/01/14			18,475.00	18,475.00	36,950.00
10/01/14			18,475.00	18,475.00	
04/01/15			18,475.00	18,475.00	36,950.00
10/01/15			18,475.00	18,475.00	
04/01/16			18,475.00	18,475.00	36,950.00
10/01/16			18,475.00	18,475.00	
04/01/17			18,475.00	18,475.00	36,950.00
10/01/17			18,475.00	18,475.00	
04/01/18			18,475.00	18,475.00	36,950.00
10/01/18			18,475.00	18,475.00	
04/01/19			18,475.00	18,475.00	36,950.00
10/01/19			18,475.00	18,475.00	
04/01/20			18,475.00	18,475.00	36,950.00
10/01/20			18,475.00	18,475.00	
04/01/21			18,475.00	18,475.00	36,950.00
10/01/21			18,475.00	18,475.00	
04/01/22	\$50,000.00	4.400%	18,475.00	68,475.00	86,950.00
10/01/22			17,375.00	17,375.00	
04/01/23	250,000.00	4.450%	17,375.00	267,375.00	284,750.00
10/01/23			11,812.50	11,812.50	
04/01/24	250,000.00	4.500%	11,812.50	261,812.50	273,625.00
10/01/24			6,187.50	6,187.50	
04/01/25	275,000.00	4.500%	6,187.50	281,187.50	287,375.00
	<u>\$825,000.00</u>		<u>\$514,150.00</u>	<u>\$1,339,150.00</u>	<u>\$1,339,150.00</u>



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NEW DEBT SERVICE SCHEDULE AFTER BOND DEFEASANCE

Date	Principal	Coupon	Interest	Total Debt Service	Fiscal Total
10/01/10			\$47,415.63	\$47,415.63	
04/01/11	\$150,000.00	4.000%	47,415.63	197,415.63	\$244,831.25
10/01/11			44,415.63	44,415.63	
04/01/12	175,000.00	4.000%	44,415.63	219,415.63	263,831.25
10/01/12			40,915.63	40,915.63	
04/01/13	175,000.00	4.000%	40,915.63	215,915.63	256,831.25
10/01/13			37,415.63	37,415.63	
04/01/14	175,000.00	4.000%	37,415.63	212,415.63	249,831.25
10/01/14			33,915.63	33,915.63	
04/01/15	175,000.00	4.000%	33,915.63	208,915.63	242,831.25
10/01/15			30,415.63	30,415.63	
04/01/16	200,000.00	4.100%	30,415.63	230,415.63	260,831.25
10/01/16			26,315.63	26,315.63	
04/01/17	200,000.00	4.150%	26,315.63	226,315.63	252,631.25
10/01/17			22,165.63	22,165.63	
04/01/18	200,000.00	4.200%	22,165.63	222,165.63	244,331.25
10/01/18			17,965.63	17,965.63	
04/01/19	200,000.00	4.300%	17,965.63	217,965.63	235,931.25
10/01/19			13,665.63	13,665.63	
04/01/20	225,000.00	4.350%	13,665.63	238,665.63	252,331.25
10/01/20			8,771.88	8,771.88	
04/01/21	225,000.00	4.375%	8,771.88	233,771.88	242,543.75
10/01/21			3,850.00	3,850.00	
04/01/22	175,000.00	4.400%	3,850.00	178,850.00	182,700.00
	<u>\$2,275,000.00</u>		<u>\$654,456.25</u>	<u>\$2,929,456.25</u>	<u>\$2,929,456.25</u>



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DEFEASANCE SAVINGS ANALYSIS

Date	Debt Service Prior to Defeasance	Debt Service After Defeasance	Savings/(Loss)	Fiscal Savings/(Loss)
10/01/10	\$65,890.63	\$47,415.63	\$18,475.00	
04/01/11	215,890.63	197,415.63	18,475.00	\$36,950.00
10/01/11	62,890.63	44,415.63	18,475.00	
04/01/12	237,890.63	219,415.63	18,475.00	36,950.00
10/01/12	59,390.63	40,915.63	18,475.00	
04/01/13	234,390.63	215,915.63	18,475.00	36,950.00
10/01/13	55,890.63	37,415.63	18,475.00	
04/01/14	230,890.63	212,415.63	18,475.00	36,950.00
10/01/14	52,390.63	33,915.63	18,475.00	
04/01/15	227,390.63	208,915.63	18,475.00	36,950.00
10/01/15	48,890.63	30,415.63	18,475.00	
04/01/16	248,890.63	230,415.63	18,475.00	36,950.00
10/01/16	44,790.63	26,315.63	18,475.00	
04/01/17	244,790.63	226,315.63	18,475.00	36,950.00
10/01/17	40,640.63	22,165.63	18,475.00	
04/01/18	240,640.63	222,165.63	18,475.00	36,950.00
10/01/18	36,440.63	17,965.63	18,475.00	
04/01/19	236,440.63	217,965.63	18,475.00	36,950.00
10/01/19	32,140.63	13,665.63	18,475.00	
04/01/20	257,140.63	238,665.63	18,475.00	36,950.00
10/01/20	27,246.88	8,771.88	18,475.00	
04/01/21	252,246.88	233,771.88	18,475.00	36,950.00
10/01/21	22,325.00	3,850.00	18,475.00	
04/01/22	247,325.00	178,850.00	68,475.00	86,950.00
10/01/22	17,375.00		17,375.00	
04/01/23	267,375.00		267,375.00	284,750.00
10/01/23	11,812.50		11,812.50	
04/01/24	261,812.50		261,812.50	273,625.00
10/01/24	6,187.50		6,187.50	
04/01/25	281,187.50		281,187.50	287,375.00
	<u>\$4,268,606.25</u>	<u>\$2,929,456.25</u>	<u>\$1,339,150.00</u>	<u>\$1,339,150.00</u>

Less Cost of Defeasance: 894,568.29

Defeasance Net Savings: \$444,581.71



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REDEMPTION SCHEDULE

Redemption Premium: 0.00%

Date	Principal	Interest	Redeemed Principal	Redemption Premium	Total Debt Service	Fiscal Total
10/01/10		\$18,475.00			\$18,475.00	
04/01/11		18,475.00			18,475.00	\$36,950.00
10/01/11		18,475.00			18,475.00	
04/01/12		18,475.00	\$825,000.00	\$0.00	843,475.00	861,950.00
	<u>\$0.00</u>	<u>\$73,900.00</u>	<u>\$825,000.00</u>	<u>\$0.00</u>	<u>\$898,900.00</u>	<u>\$898,900.00</u>



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DEFEASANCE ESCROW CASH FLOW ANALYSIS

04/07/10 Beginning Cash Balance: \$0.32

Date	Beginning Cash Balance	SLGS Principal	SLGS Rate	Rates Available *	SLGS Interest	Total	Debt Service Defeasance	Net Cash Flow	Ending Cash Balance	0.86862% Present Value
04/07/10	\$0.32								\$0.32	
10/01/10	0.32	\$14,852.00	0.120%	0.120%	\$3,623.15	\$18,475.15	\$18,475.00	\$0.15	0.47	\$18,397.92
04/01/11	0.47	14,685.00	0.370%	0.370%	3,790.47	18,475.47	18,475.00	0.47	0.94	18,318.67
10/01/11	0.94	14,738.00	0.570%	0.570%	3,737.03	18,475.03	18,475.00	0.03	0.97	18,239.03
04/01/12	0.97	839,779.00	0.880%	0.880%	3,695.03	843,474.03	843,475.00	-0.97	0.00	829,098.38
		<u>\$884,054.00</u>			<u>\$14,845.68</u>	<u>\$898,899.68</u>	<u>\$898,900.00</u>			<u>\$884,054.00</u>

Arbitrage Yield: 4.3035817%

Total Cost of Escrow Securities: \$884,054.32

* January 6, 2010 SLGS Rate Table.