

**\$49,260,000**

City of Rapid City, South Dakota

Water Revenue Refunding Bonds, Series 2015

Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Refunding Summary

Dated 05/01/2015 | Delivered 05/01/2015

### Sources Of Funds

|                     |                 |
|---------------------|-----------------|
| Par Amount of Bonds | \$49,260,000.00 |
|---------------------|-----------------|

|                      |                        |
|----------------------|------------------------|
| <b>Total Sources</b> | <b>\$49,260,000.00</b> |
|----------------------|------------------------|

### Uses Of Funds

|                                  |               |
|----------------------------------|---------------|
| Deposit to Crossover Escrow Fund | 48,933,374.08 |
|----------------------------------|---------------|

|                                       |            |
|---------------------------------------|------------|
| Total Underwriter's Discount (0.525%) | 258,615.00 |
|---------------------------------------|------------|

|                   |           |
|-------------------|-----------|
| Costs of Issuance | 66,000.00 |
|-------------------|-----------|

|                 |          |
|-----------------|----------|
| Rounding Amount | 2,010.92 |
|-----------------|----------|

|                   |                        |
|-------------------|------------------------|
| <b>Total Uses</b> | <b>\$49,260,000.00</b> |
|-------------------|------------------------|

### Flow of Funds Detail

|  |           |
|--|-----------|
| State and Local Government Series (SLGS) rates for<br>Date of OMP Candidates | 2/02/2015 |
|--|-----------|

|                                       |            |
|---------------------------------------|------------|
| Crossover Escrow Fund Solution Method | Net Funded |
|---------------------------------------|------------|

|                           |                 |
|---------------------------|-----------------|
| Total Cost of Investments | \$48,933,374.08 |
|---------------------------|-----------------|

|                            |              |
|----------------------------|--------------|
| Interest Earnings @ 1.072% | 2,255,132.17 |
|----------------------------|--------------|

|             |                 |
|-------------|-----------------|
| Total Draws | \$51,188,506.25 |
|-------------|-----------------|

### Issues Refunded And Call Dates

|                          |            |
|--------------------------|------------|
| 2009 Water Revenue (RBC) | 11/01/2019 |
|--------------------------|------------|

### PV Analysis Summary (Net to Net)

|                                       |              |
|---------------------------------------|--------------|
| Net PV Cashflow Savings @ 3.457%(AIC) | 1,570,442.26 |
|---------------------------------------|--------------|

|                                |          |
|--------------------------------|----------|
| Contingency or Rounding Amount | 2,010.92 |
|--------------------------------|----------|

|                           |                |
|---------------------------|----------------|
| Net Present Value Benefit | \$1,572,453.18 |
|---------------------------|----------------|

|  |        |
|--|--------|
| Net PV Benefit / \$44,015,000 Refunded Principal | 3.573% |
|--|--------|

### Bond Statistics

|              |              |
|--------------|--------------|
| Average Life | 15.982 Years |
|--------------|--------------|

|                |            |
|----------------|------------|
| Average Coupon | 3.4378002% |
|----------------|------------|

|                         |            |
|-------------------------|------------|
| Net Interest Cost (NIC) | 3.4706504% |
|-------------------------|------------|

|                                   |            |
|-----------------------------------|------------|
| Bond Yield for Arbitrage Purposes | 3.4023833% |
|-----------------------------------|------------|

|                          |            |
|--------------------------|------------|
| True Interest Cost (TIC) | 3.4461507% |
|--------------------------|------------|

|                          |            |
|--------------------------|------------|
| All Inclusive Cost (AIC) | 3.4573696% |
|--------------------------|------------|

2015 Ref Water Revenue Pa | 2009 | 3/23/2015 | 9:26 AM

**Dougherty & Company LLC**

Public Finance

**\$49,260,000**

City of Rapid City, South Dakota  
Water Revenue Refunding Bonds, Series 2015  
Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Net Debt Service Schedule

| Date         | Principal              | Coupon   | Interest               | Total P+I              | PCF                    | Existing D/S           | Net New D/S            |
|--------------|------------------------|----------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 11/01/2015   | -                      | -        | 797,056.25             | 797,056.25             | (797,056.25)           | 1,159,856.25           | 1,159,856.25           |
| 11/01/2016   | -                      | -        | 1,594,112.50           | 1,594,112.50           | (1,594,112.50)         | 2,319,712.50           | 2,319,712.50           |
| 11/01/2017   | -                      | -        | 1,594,112.50           | 1,594,112.50           | (1,594,112.50)         | 2,439,712.50           | 2,439,712.50           |
| 11/01/2018   | -                      | -        | 1,594,112.50           | 1,594,112.50           | (1,594,112.50)         | 2,589,912.50           | 2,589,912.50           |
| 11/01/2019   | -                      | -        | 1,594,112.50           | 1,594,112.50           | (45,609,112.50)        | 47,008,225.00          | 2,993,225.00           |
| 11/01/2020   | 1,900,000.00           | 1.750%   | 1,594,112.50           | 3,494,112.50           | -                      | -                      | 3,494,112.50           |
| 11/01/2021   | 1,930,000.00           | 2.000%   | 1,560,862.50           | 3,490,862.50           | -                      | -                      | 3,490,862.50           |
| 11/01/2022   | 1,955,000.00           | 2.300%   | 1,522,262.50           | 3,477,262.50           | -                      | -                      | 3,477,262.50           |
| 11/01/2023   | 2,000,000.00           | 2.450%   | 1,477,297.50           | 3,477,297.50           | -                      | -                      | 3,477,297.50           |
| 11/01/2024   | 2,050,000.00           | 2.600%   | 1,428,297.50           | 3,478,297.50           | -                      | -                      | 3,478,297.50           |
| 11/01/2025   | 2,105,000.00           | 2.750%   | 1,374,997.50           | 3,479,997.50           | -                      | -                      | 3,479,997.50           |
| 11/01/2026   | 2,160,000.00           | 2.900%   | 1,317,110.00           | 3,477,110.00           | -                      | -                      | 3,477,110.00           |
| 11/01/2027   | 2,225,000.00           | 3.000%   | 1,254,470.00           | 3,479,470.00           | -                      | -                      | 3,479,470.00           |
| 11/01/2028   | 2,290,000.00           | 3.100%   | 1,187,720.00           | 3,477,720.00           | -                      | -                      | 3,477,720.00           |
| 11/01/2029   | 2,360,000.00           | 3.200%   | 1,116,730.00           | 3,476,730.00           | -                      | -                      | 3,476,730.00           |
| 11/01/2030   | 2,475,000.00           | 3.600%   | 1,041,210.00           | 3,516,210.00           | -                      | -                      | 3,516,210.00           |
| 11/01/2031   | 2,565,000.00           | 3.600%   | 952,110.00             | 3,517,110.00           | -                      | -                      | 3,517,110.00           |
| 11/01/2032   | 2,555,000.00           | 3.600%   | 859,770.00             | 3,414,770.00           | -                      | -                      | 3,414,770.00           |
| 11/01/2033   | 2,645,000.00           | 3.600%   | 767,790.00             | 3,412,790.00           | -                      | -                      | 3,412,790.00           |
| 11/01/2034   | 2,745,000.00           | 3.600%   | 672,570.00             | 3,417,570.00           | -                      | -                      | 3,417,570.00           |
| 11/01/2035   | 2,840,000.00           | 3.750%   | 573,750.00             | 3,413,750.00           | -                      | -                      | 3,413,750.00           |
| 11/01/2036   | 2,945,000.00           | 3.750%   | 467,250.00             | 3,412,250.00           | -                      | -                      | 3,412,250.00           |
| 11/01/2037   | 3,055,000.00           | 3.750%   | 356,812.50             | 3,411,812.50           | -                      | -                      | 3,411,812.50           |
| 11/01/2038   | 3,170,000.00           | 3.750%   | 242,250.00             | 3,412,250.00           | -                      | -                      | 3,412,250.00           |
| 11/01/2039   | 3,290,000.00           | 3.750%   | 123,375.00             | 3,413,375.00           | -                      | -                      | 3,413,375.00           |
| <b>Total</b> | <b>\$49,260,000.00</b> | <b>-</b> | <b>\$27,064,253.75</b> | <b>\$76,324,253.75</b> | <b>(51,188,506.25)</b> | <b>\$55,517,418.75</b> | <b>\$80,653,166.25</b> |

**\$49,260,000**

City of Rapid City, South Dakota  
Water Revenue Refunding Bonds, Series 2015  
Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Net Debt Service Schedule

| Date         | Principal              | Coupon   | Interest               | Total P+I              | PCF                    | Existing D/S           | Net New D/S            |
|--------------|------------------------|----------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 05/01/2015   | -                      | -        | -                      | -                      | -                      | -                      | -                      |
| 11/01/2015   | -                      | -        | 797,056.25             | 797,056.25             | (797,056.25)           | 1,159,856.25           | 1,159,856.25           |
| 05/01/2016   | -                      | -        | 797,056.25             | 797,056.25             | (797,056.25)           | 1,159,856.25           | 1,159,856.25           |
| 11/01/2016   | -                      | -        | 797,056.25             | 797,056.25             | (797,056.25)           | 1,159,856.25           | 1,159,856.25           |
| 05/01/2017   | -                      | -        | 797,056.25             | 797,056.25             | (797,056.25)           | 1,159,856.25           | 1,159,856.25           |
| 11/01/2017   | -                      | -        | 797,056.25             | 797,056.25             | (797,056.25)           | 1,279,856.25           | 1,279,856.25           |
| 05/01/2018   | -                      | -        | 797,056.25             | 797,056.25             | (797,056.25)           | 1,157,456.25           | 1,157,456.25           |
| 11/01/2018   | -                      | -        | 797,056.25             | 797,056.25             | (797,056.25)           | 1,432,456.25           | 1,432,456.25           |
| 05/01/2019   | -                      | -        | 797,056.25             | 797,056.25             | (797,056.25)           | 1,151,612.50           | 1,151,612.50           |
| 11/01/2019   | -                      | -        | 797,056.25             | 797,056.25             | (44,812,056.25)        | 45,856,612.50          | 1,841,612.50           |
| 05/01/2020   | -                      | -        | 797,056.25             | 797,056.25             | -                      | -                      | 797,056.25             |
| 11/01/2020   | 1,900,000.00           | 1.750%   | 797,056.25             | 2,697,056.25           | -                      | -                      | 2,697,056.25           |
| 05/01/2021   | -                      | -        | 780,431.25             | 780,431.25             | -                      | -                      | 780,431.25             |
| 11/01/2021   | 1,930,000.00           | 2.000%   | 780,431.25             | 2,710,431.25           | -                      | -                      | 2,710,431.25           |
| 05/01/2022   | -                      | -        | 761,131.25             | 761,131.25             | -                      | -                      | 761,131.25             |
| 11/01/2022   | 1,955,000.00           | 2.300%   | 761,131.25             | 2,716,131.25           | -                      | -                      | 2,716,131.25           |
| 05/01/2023   | -                      | -        | 738,648.75             | 738,648.75             | -                      | -                      | 738,648.75             |
| 11/01/2023   | 2,000,000.00           | 2.450%   | 738,648.75             | 2,738,648.75           | -                      | -                      | 2,738,648.75           |
| 05/01/2024   | -                      | -        | 714,148.75             | 714,148.75             | -                      | -                      | 714,148.75             |
| 11/01/2024   | 2,050,000.00           | 2.600%   | 714,148.75             | 2,764,148.75           | -                      | -                      | 2,764,148.75           |
| 05/01/2025   | -                      | -        | 687,498.75             | 687,498.75             | -                      | -                      | 687,498.75             |
| 11/01/2025   | 2,105,000.00           | 2.750%   | 687,498.75             | 2,792,498.75           | -                      | -                      | 2,792,498.75           |
| 05/01/2026   | -                      | -        | 658,555.00             | 658,555.00             | -                      | -                      | 658,555.00             |
| 11/01/2026   | 2,160,000.00           | 2.900%   | 658,555.00             | 2,818,555.00           | -                      | -                      | 2,818,555.00           |
| 05/01/2027   | -                      | -        | 627,235.00             | 627,235.00             | -                      | -                      | 627,235.00             |
| 11/01/2027   | 2,225,000.00           | 3.000%   | 627,235.00             | 2,852,235.00           | -                      | -                      | 2,852,235.00           |
| 05/01/2028   | -                      | -        | 593,860.00             | 593,860.00             | -                      | -                      | 593,860.00             |
| 11/01/2028   | 2,290,000.00           | 3.100%   | 593,860.00             | 2,883,860.00           | -                      | -                      | 2,883,860.00           |
| 05/01/2029   | -                      | -        | 558,365.00             | 558,365.00             | -                      | -                      | 558,365.00             |
| 11/01/2029   | 2,360,000.00           | 3.200%   | 558,365.00             | 2,918,365.00           | -                      | -                      | 2,918,365.00           |
| 05/01/2030   | -                      | -        | 520,605.00             | 520,605.00             | -                      | -                      | 520,605.00             |
| 11/01/2030   | 2,475,000.00           | 3.600%   | 520,605.00             | 2,995,605.00           | -                      | -                      | 2,995,605.00           |
| 05/01/2031   | -                      | -        | 476,055.00             | 476,055.00             | -                      | -                      | 476,055.00             |
| 11/01/2031   | 2,565,000.00           | 3.600%   | 476,055.00             | 3,041,055.00           | -                      | -                      | 3,041,055.00           |
| 05/01/2032   | -                      | -        | 429,885.00             | 429,885.00             | -                      | -                      | 429,885.00             |
| 11/01/2032   | 2,555,000.00           | 3.600%   | 429,885.00             | 2,984,885.00           | -                      | -                      | 2,984,885.00           |
| 05/01/2033   | -                      | -        | 383,895.00             | 383,895.00             | -                      | -                      | 383,895.00             |
| 11/01/2033   | 2,645,000.00           | 3.600%   | 383,895.00             | 3,028,895.00           | -                      | -                      | 3,028,895.00           |
| 05/01/2034   | -                      | -        | 336,285.00             | 336,285.00             | -                      | -                      | 336,285.00             |
| 11/01/2034   | 2,745,000.00           | 3.600%   | 336,285.00             | 3,081,285.00           | -                      | -                      | 3,081,285.00           |
| 05/01/2035   | -                      | -        | 286,875.00             | 286,875.00             | -                      | -                      | 286,875.00             |
| 11/01/2035   | 2,840,000.00           | 3.750%   | 286,875.00             | 3,126,875.00           | -                      | -                      | 3,126,875.00           |
| 05/01/2036   | -                      | -        | 233,625.00             | 233,625.00             | -                      | -                      | 233,625.00             |
| 11/01/2036   | 2,945,000.00           | 3.750%   | 233,625.00             | 3,178,625.00           | -                      | -                      | 3,178,625.00           |
| 05/01/2037   | -                      | -        | 178,406.25             | 178,406.25             | -                      | -                      | 178,406.25             |
| 11/01/2037   | 3,055,000.00           | 3.750%   | 178,406.25             | 3,233,406.25           | -                      | -                      | 3,233,406.25           |
| 05/01/2038   | -                      | -        | 121,125.00             | 121,125.00             | -                      | -                      | 121,125.00             |
| 11/01/2038   | 3,170,000.00           | 3.750%   | 121,125.00             | 3,291,125.00           | -                      | -                      | 3,291,125.00           |
| 05/01/2039   | -                      | -        | 61,687.50              | 61,687.50              | -                      | -                      | 61,687.50              |
| 11/01/2039   | 3,290,000.00           | 3.750%   | 61,687.50              | 3,351,687.50           | -                      | -                      | 3,351,687.50           |
| <b>Total</b> | <b>\$49,260,000.00</b> | <b>-</b> | <b>\$27,064,253.75</b> | <b>\$76,324,253.75</b> | <b>(51,188,506.25)</b> | <b>\$55,517,418.75</b> | <b>\$80,653,166.25</b> |

2015 Ref Water Revenue Pa | 2009 | 3/23/2015 | 9:26 AM

**\$49,260,000**

City of Rapid City, South Dakota

Water Revenue Refunding Bonds, Series 2015

Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Debt Service Comparison

| Date         | Total P+l              | PCF                    | Existing D/S           | Net New D/S            | Old Net D/S            | Savings               |
|--------------|------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------|
| 11/01/2015   | 797,056.25             | (797,056.25)           | 1,159,856.25           | 1,159,856.25           | 1,159,856.25           | -                     |
| 11/01/2016   | 1,594,112.50           | (1,594,112.50)         | 2,319,712.50           | 2,319,712.50           | 2,319,712.50           | -                     |
| 11/01/2017   | 1,594,112.50           | (1,594,112.50)         | 2,439,712.50           | 2,439,712.50           | 2,439,712.50           | -                     |
| 11/01/2018   | 1,594,112.50           | (1,594,112.50)         | 2,589,912.50           | 2,589,912.50           | 2,589,912.50           | -                     |
| 11/01/2019   | 1,594,112.50           | (45,609,112.50)        | 47,008,225.00          | 2,993,225.00           | 2,993,225.00           | -                     |
| 11/01/2020   | 3,494,112.50           | -                      | -                      | 3,494,112.50           | 3,618,725.00           | 124,612.50            |
| 11/01/2021   | 3,490,862.50           | -                      | -                      | 3,490,862.50           | 3,616,225.00           | 125,362.50            |
| 11/01/2022   | 3,477,262.50           | -                      | -                      | 3,477,262.50           | 3,600,475.00           | 123,212.50            |
| 11/01/2023   | 3,477,297.50           | -                      | -                      | 3,477,297.50           | 3,601,975.00           | 124,677.50            |
| 11/01/2024   | 3,478,297.50           | -                      | -                      | 3,478,297.50           | 3,604,725.00           | 126,427.50            |
| 11/01/2025   | 3,479,997.50           | -                      | -                      | 3,479,997.50           | 3,603,475.00           | 123,477.50            |
| 11/01/2026   | 3,477,110.00           | -                      | -                      | 3,477,110.00           | 3,603,225.00           | 126,115.00            |
| 11/01/2027   | 3,479,470.00           | -                      | -                      | 3,479,470.00           | 3,603,725.00           | 124,255.00            |
| 11/01/2028   | 3,477,720.00           | -                      | -                      | 3,477,720.00           | 3,604,725.00           | 127,005.00            |
| 11/01/2029   | 3,476,730.00           | -                      | -                      | 3,476,730.00           | 3,600,975.00           | 124,245.00            |
| 11/01/2030   | 3,516,210.00           | -                      | -                      | 3,516,210.00           | 3,642,475.00           | 126,265.00            |
| 11/01/2031   | 3,517,110.00           | -                      | -                      | 3,517,110.00           | 3,641,187.50           | 124,077.50            |
| 11/01/2032   | 3,414,770.00           | -                      | -                      | 3,414,770.00           | 3,538,862.50           | 124,092.50            |
| 11/01/2033   | 3,412,790.00           | -                      | -                      | 3,412,790.00           | 3,540,487.50           | 127,697.50            |
| 11/01/2034   | 3,417,570.00           | -                      | -                      | 3,417,570.00           | 3,540,550.00           | 122,980.00            |
| 11/01/2035   | 3,413,750.00           | -                      | -                      | 3,413,750.00           | 3,538,787.50           | 125,037.50            |
| 11/01/2036   | 3,412,250.00           | -                      | -                      | 3,412,250.00           | 3,539,937.50           | 127,687.50            |
| 11/01/2037   | 3,411,812.50           | -                      | -                      | 3,411,812.50           | 3,538,475.00           | 126,662.50            |
| 11/01/2038   | 3,412,250.00           | -                      | -                      | 3,412,250.00           | 3,539,137.50           | 126,887.50            |
| 11/01/2039   | 3,413,375.00           | -                      | -                      | 3,413,375.00           | 3,536,400.00           | 123,025.00            |
| <b>Total</b> | <b>\$76,324,253.75</b> | <b>(51,188,506.25)</b> | <b>\$55,517,418.75</b> | <b>\$80,653,166.25</b> | <b>\$83,156,968.75</b> | <b>\$2,503,802.50</b> |

### PV Analysis Summary (Net to Net)

|  |                |
|--|----------------|
| Gross PV Debt Service Savings                    | 1,570,442.26   |
| Net PV Cashflow Savings @ 3.457%(AIC)            | 1,570,442.26   |
| Contingency or Rounding Amount                   | 2,010.92       |
| Net Present Value Benefit                        | \$1,572,453.18 |
| Net PV Benefit / \$44,015,000 Refunded Principal | 3.573%         |
| Average Annual Cash Flow Savings                 | 102,196.02     |

### Refunding Bond Information

|                         |           |
|-------------------------|-----------|
| Refunding Dated Date    | 5/01/2015 |
| Refunding Delivery Date | 5/01/2015 |

**\$49,260,000**

City of Rapid City, South Dakota

Water Revenue Refunding Bonds, Series 2015

Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## 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>    |
|-----------------|---------------------|---------------|--------------|------------------------|--------------|------------------------|
| 11/01/2020      | Serial Coupon       | 1.750%        | 1.750%       | 1,900,000.00           | 100.000%     | 1,900,000.00           |
| 11/01/2021      | Serial Coupon       | 2.000%        | 2.000%       | 1,930,000.00           | 100.000%     | 1,930,000.00           |
| 11/01/2022      | Serial Coupon       | 2.300%        | 2.300%       | 1,955,000.00           | 100.000%     | 1,955,000.00           |
| 11/01/2023      | Serial Coupon       | 2.450%        | 2.450%       | 2,000,000.00           | 100.000%     | 2,000,000.00           |
| 11/01/2024      | Serial Coupon       | 2.600%        | 2.600%       | 2,050,000.00           | 100.000%     | 2,050,000.00           |
| 11/01/2025      | Serial Coupon       | 2.750%        | 2.750%       | 2,105,000.00           | 100.000%     | 2,105,000.00           |
| 11/01/2026      | Serial Coupon       | 2.900%        | 2.900%       | 2,160,000.00           | 100.000%     | 2,160,000.00           |
| 11/01/2027      | Serial Coupon       | 3.000%        | 3.000%       | 2,225,000.00           | 100.000%     | 2,225,000.00           |
| 11/01/2028      | Serial Coupon       | 3.100%        | 3.100%       | 2,290,000.00           | 100.000%     | 2,290,000.00           |
| 11/01/2029      | Serial Coupon       | 3.200%        | 3.200%       | 2,360,000.00           | 100.000%     | 2,360,000.00           |
| 11/01/2034      | Term 1 Coupon       | 3.600%        | 3.600%       | 12,985,000.00          | 100.000%     | 12,985,000.00          |
| 11/01/2039      | Term 2 Coupon       | 3.750%        | 3.750%       | 15,300,000.00          | 100.000%     | 15,300,000.00          |
| <b>Total</b>    | -                   | -             | -            | <b>\$49,260,000.00</b> | -            | <b>\$49,260,000.00</b> |

### Bid Information

|                                       |                 |
|---------------------------------------|-----------------|
| Par Amount of Bonds                   | \$49,260,000.00 |
| Gross Production                      | \$49,260,000.00 |
| Total Underwriter's Discount (0.525%) | \$(258,615.00)  |
| Bid (99.475%)                         | 49,001,385.00   |
| Total Purchase Price                  | \$49,001,385.00 |
| Bond Year Dollars                     | \$787,255.00    |
| Average Life                          | 15.982 Years    |
| Average Coupon                        | 3.4378002%      |
| Net Interest Cost (NIC)               | 3.4706504%      |
| True Interest Cost (TIC)              | 3.4461507%      |

**\$45,100,000**

City of Rapid City, South Dakota  
Water Revenue Bonds, Series 2009  
Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Debt Service To Maturity And To Call

| Date         | Refunded Bonds         | Refunded Interest      | D/S To Call            | Principal              | Coupon   | Interest               | Refunded D/S           |
|--------------|------------------------|------------------------|------------------------|------------------------|----------|------------------------|------------------------|
| 11/01/2015   | -                      | 1,134,362.50           | 1,134,362.50           | -                      | -        | 1,134,362.50           | 1,134,362.50           |
| 05/01/2016   | -                      | 1,134,362.50           | 1,134,362.50           | -                      | -        | 1,134,362.50           | 1,134,362.50           |
| 11/01/2016   | -                      | 1,134,362.50           | 1,134,362.50           | -                      | -        | 1,134,362.50           | 1,134,362.50           |
| 05/01/2017   | -                      | 1,134,362.50           | 1,134,362.50           | -                      | -        | 1,134,362.50           | 1,134,362.50           |
| 11/01/2017   | -                      | 1,134,362.50           | 1,134,362.50           | -                      | 4.000%   | 1,134,362.50           | 1,134,362.50           |
| 05/01/2018   | -                      | 1,134,362.50           | 1,134,362.50           | -                      | -        | 1,134,362.50           | 1,134,362.50           |
| 11/01/2018   | -                      | 1,134,362.50           | 1,134,362.50           | -                      | 4.250%   | 1,134,362.50           | 1,134,362.50           |
| 05/01/2019   | -                      | 1,134,362.50           | 1,134,362.50           | -                      | -        | 1,134,362.50           | 1,134,362.50           |
| 11/01/2019   | 44,015,000.00          | 1,134,362.50           | 45,149,362.50          | -                      | 5.000%   | 1,134,362.50           | 1,134,362.50           |
| 05/01/2020   | -                      | -                      | -                      | -                      | -        | 1,134,362.50           | 1,134,362.50           |
| 11/01/2020   | -                      | -                      | -                      | 1,350,000.00           | 5.000%   | 1,134,362.50           | 2,484,362.50           |
| 05/01/2021   | -                      | -                      | -                      | -                      | -        | 1,100,612.50           | 1,100,612.50           |
| 11/01/2021   | -                      | -                      | -                      | 1,415,000.00           | 5.000%   | 1,100,612.50           | 2,515,612.50           |
| 05/01/2022   | -                      | -                      | -                      | -                      | -        | 1,065,237.50           | 1,065,237.50           |
| 11/01/2022   | -                      | -                      | -                      | 1,470,000.00           | 5.000%   | 1,065,237.50           | 2,535,237.50           |
| 05/01/2023   | -                      | -                      | -                      | -                      | -        | 1,028,487.50           | 1,028,487.50           |
| 11/01/2023   | -                      | -                      | -                      | 1,545,000.00           | 5.000%   | 1,028,487.50           | 2,573,487.50           |
| 05/01/2024   | -                      | -                      | -                      | -                      | -        | 989,862.50             | 989,862.50             |
| 11/01/2024   | -                      | -                      | -                      | 1,625,000.00           | 5.000%   | 989,862.50             | 2,614,862.50           |
| 05/01/2025   | -                      | -                      | -                      | -                      | -        | 949,237.50             | 949,237.50             |
| 11/01/2025   | -                      | -                      | -                      | 1,705,000.00           | 5.000%   | 949,237.50             | 2,654,237.50           |
| 05/01/2026   | -                      | -                      | -                      | -                      | -        | 906,612.50             | 906,612.50             |
| 11/01/2026   | -                      | -                      | -                      | 1,790,000.00           | 5.000%   | 906,612.50             | 2,696,612.50           |
| 05/01/2027   | -                      | -                      | -                      | -                      | -        | 861,862.50             | 861,862.50             |
| 11/01/2027   | -                      | -                      | -                      | 1,880,000.00           | 5.000%   | 861,862.50             | 2,741,862.50           |
| 05/01/2028   | -                      | -                      | -                      | -                      | -        | 814,862.50             | 814,862.50             |
| 11/01/2028   | -                      | -                      | -                      | 1,975,000.00           | 5.000%   | 814,862.50             | 2,789,862.50           |
| 05/01/2029   | -                      | -                      | -                      | -                      | -        | 765,487.50             | 765,487.50             |
| 11/01/2029   | -                      | -                      | -                      | 2,070,000.00           | 5.000%   | 765,487.50             | 2,835,487.50           |
| 05/01/2030   | -                      | -                      | -                      | -                      | -        | 713,737.50             | 713,737.50             |
| 11/01/2030   | -                      | -                      | -                      | 2,215,000.00           | 5.250%   | 713,737.50             | 2,928,737.50           |
| 05/01/2031   | -                      | -                      | -                      | -                      | -        | 655,593.75             | 655,593.75             |
| 11/01/2031   | -                      | -                      | -                      | 2,330,000.00           | 5.250%   | 655,593.75             | 2,985,593.75           |
| 05/01/2032   | -                      | -                      | -                      | -                      | -        | 594,431.25             | 594,431.25             |
| 11/01/2032   | -                      | -                      | -                      | 2,350,000.00           | 5.250%   | 594,431.25             | 2,944,431.25           |
| 05/01/2033   | -                      | -                      | -                      | -                      | -        | 532,743.75             | 532,743.75             |
| 11/01/2033   | -                      | -                      | -                      | 2,475,000.00           | 5.250%   | 532,743.75             | 3,007,743.75           |
| 05/01/2034   | -                      | -                      | -                      | -                      | -        | 467,775.00             | 467,775.00             |
| 11/01/2034   | -                      | -                      | -                      | 2,605,000.00           | 5.250%   | 467,775.00             | 3,072,775.00           |
| 05/01/2035   | -                      | -                      | -                      | -                      | -        | 399,393.75             | 399,393.75             |
| 11/01/2035   | -                      | -                      | -                      | 2,740,000.00           | 5.250%   | 399,393.75             | 3,139,393.75           |
| 05/01/2036   | -                      | -                      | -                      | -                      | -        | 327,468.75             | 327,468.75             |
| 11/01/2036   | -                      | -                      | -                      | 2,885,000.00           | 5.250%   | 327,468.75             | 3,212,468.75           |
| 05/01/2037   | -                      | -                      | -                      | -                      | -        | 251,737.50             | 251,737.50             |
| 11/01/2037   | -                      | -                      | -                      | 3,035,000.00           | 5.250%   | 251,737.50             | 3,286,737.50           |
| 05/01/2038   | -                      | -                      | -                      | -                      | -        | 172,068.75             | 172,068.75             |
| 11/01/2038   | -                      | -                      | -                      | 3,195,000.00           | 5.250%   | 172,068.75             | 3,367,068.75           |
| 05/01/2039   | -                      | -                      | -                      | -                      | -        | 88,200.00              | 88,200.00              |
| 11/01/2039   | -                      | -                      | -                      | 3,360,000.00           | 5.250%   | 88,200.00              | 3,448,200.00           |
| <b>Total</b> | <b>\$44,015,000.00</b> | <b>\$10,209,262.50</b> | <b>\$54,224,262.50</b> | <b>\$44,015,000.00</b> | <b>-</b> | <b>\$37,848,812.50</b> | <b>\$81,863,812.50</b> |

### Yield Statistics

|   |              |
|---|--------------|
| Base date for Avg. Life & Avg. Coupon Calculation | 5/01/2015    |
| Average Life                                      | 16.568 Years |
| Average Coupon                                    | 5.1900478%   |
| Weighted Average Maturity (Par Basis)             | 16.568 Years |

### Refunding Bond Information

|                         |           |
|-------------------------|-----------|
| Refunding Dated Date    | 5/01/2015 |
| Refunding Delivery Date | 5/01/2015 |

2009 Water Revenue (RBC) | SINGLE PURPOSE | 3/23/2015 | 9:26 AM

**\$45,100,000**

City of Rapid City, South Dakota

Water Revenue Bonds, Series 2009

Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Total Refunded Debt Service

| Date         | Principal              | Coupon   | Interest               | Total P+i              |
|--------------|------------------------|----------|------------------------|------------------------|
| 11/01/2015   | -                      | -        | 1,134,362.50           | 1,134,362.50           |
| 11/01/2016   | -                      | -        | 2,268,725.00           | 2,268,725.00           |
| 11/01/2017   | -                      | 4.000%   | 2,268,725.00           | 2,268,725.00           |
| 11/01/2018   | -                      | 4.250%   | 2,268,725.00           | 2,268,725.00           |
| 11/01/2019   | -                      | 5.000%   | 2,268,725.00           | 2,268,725.00           |
| 11/01/2020   | 1,350,000.00           | 5.000%   | 2,268,725.00           | 3,618,725.00           |
| 11/01/2021   | 1,415,000.00           | 5.000%   | 2,201,225.00           | 3,616,225.00           |
| 11/01/2022   | 1,470,000.00           | 5.000%   | 2,130,475.00           | 3,600,475.00           |
| 11/01/2023   | 1,545,000.00           | 5.000%   | 2,056,975.00           | 3,601,975.00           |
| 11/01/2024   | 1,625,000.00           | 5.000%   | 1,979,725.00           | 3,604,725.00           |
| 11/01/2025   | 1,705,000.00           | 5.000%   | 1,898,475.00           | 3,603,475.00           |
| 11/01/2026   | 1,790,000.00           | 5.000%   | 1,813,225.00           | 3,603,225.00           |
| 11/01/2027   | 1,880,000.00           | 5.000%   | 1,723,725.00           | 3,603,725.00           |
| 11/01/2028   | 1,975,000.00           | 5.000%   | 1,629,725.00           | 3,604,725.00           |
| 11/01/2029   | 2,070,000.00           | 5.000%   | 1,530,975.00           | 3,600,975.00           |
| 11/01/2030   | 2,215,000.00           | 5.250%   | 1,427,475.00           | 3,642,475.00           |
| 11/01/2031   | 2,330,000.00           | 5.250%   | 1,311,187.50           | 3,641,187.50           |
| 11/01/2032   | 2,350,000.00           | 5.250%   | 1,188,862.50           | 3,538,862.50           |
| 11/01/2033   | 2,475,000.00           | 5.250%   | 1,065,487.50           | 3,540,487.50           |
| 11/01/2034   | 2,605,000.00           | 5.250%   | 935,550.00             | 3,540,550.00           |
| 11/01/2035   | 2,740,000.00           | 5.250%   | 798,787.50             | 3,538,787.50           |
| 11/01/2036   | 2,885,000.00           | 5.250%   | 654,937.50             | 3,539,937.50           |
| 11/01/2037   | 3,035,000.00           | 5.250%   | 503,475.00             | 3,538,475.00           |
| 11/01/2038   | 3,195,000.00           | 5.250%   | 344,137.50             | 3,539,137.50           |
| 11/01/2039   | 3,360,000.00           | 5.250%   | 176,400.00             | 3,536,400.00           |
| <b>Total</b> | <b>\$44,015,000.00</b> | <b>-</b> | <b>\$37,848,812.50</b> | <b>\$81,863,812.50</b> |

### Yield Statistics

|   |              |
|---|--------------|
| Base date for Avg. Life & Avg. Coupon Calculation | 5/01/2015    |
| Average Life                                      | 16.568 Years |
| Average Coupon                                    | 5.1900478%   |
| Weighted Average Maturity (Par Basis)             | 16.568 Years |

### Refunding Bond Information

|                         |           |
|-------------------------|-----------|
| Refunding Dated Date    | 5/01/2015 |
| Refunding Delivery Date | 5/01/2015 |

**\$49,260,000**

City of Rapid City, South Dakota

Water Revenue Refunding Bonds, Series 2015

Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Summary Of Bonds Refunded

| Issue  | Maturity   | Type   | of<br>Bond | Coupon | Maturity<br>Value   | Call Date  | Call Price |
|--|------------|--------|------------|--------|---------------------|------------|------------|
| <b>Dated 12/02/2009   Delivered 12/02/2009</b> |            |        |            |        |                     |            |            |
| 2009 Water Revenue (RBC)                       | 11/01/2020 | Serial | Coupon     | 5.000% | 1,350,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2021 | Serial | Coupon     | 5.000% | 1,415,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2022 | Serial | Coupon     | 5.000% | 1,470,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2023 | Serial | Coupon     | 5.000% | 1,545,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2024 | Serial | Coupon     | 5.000% | 1,625,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2025 | Serial | Coupon     | 5.000% | 1,705,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2026 | Term 1 | Coupon     | 5.000% | 1,790,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2027 | Term 1 | Coupon     | 5.000% | 1,880,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2028 | Term 1 | Coupon     | 5.000% | 1,975,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2029 | Term 1 | Coupon     | 5.000% | 2,070,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2030 | Term 2 | Coupon     | 5.250% | 2,215,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2031 | Term 2 | Coupon     | 5.250% | 2,330,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2032 | Term 2 | Coupon     | 5.250% | 2,350,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2033 | Term 2 | Coupon     | 5.250% | 2,475,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2034 | Term 2 | Coupon     | 5.250% | 2,605,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2035 | Term 2 | Coupon     | 5.250% | 2,740,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2036 | Term 2 | Coupon     | 5.250% | 2,885,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2037 | Term 2 | Coupon     | 5.250% | 3,035,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2038 | Term 2 | Coupon     | 5.250% | 3,195,000           | 11/01/2019 | 100.000%   |
| 2009 Water Revenue (RBC)                       | 11/01/2039 | Term 2 | Coupon     | 5.250% | 3,360,000           | 11/01/2019 | 100.000%   |
| <b>Subtotal</b>                                | -          |        |            | -      | <b>\$44,015,000</b> | -          | -          |
| <b>Total</b>                                   | -          |        |            | -      | <b>\$44,015,000</b> | -          | -          |

**\$49,260,000**

City of Rapid City, South Dakota

Water Revenue Refunding Bonds, Series 2015

Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Crossover Escrow Fund Cashflow

| Date         | Principal              | Rate     | Interest              | Receipts               | Disbursements          | Cash Balance |
|--------------|------------------------|----------|-----------------------|------------------------|------------------------|--------------|
| 05/01/2015   | -                      | -        | -                     | 1.08                   | -                      | 1.08         |
| 11/01/2015   | 542,930.00             | 0.040%   | 254,125.90            | 797,055.90             | 797,056.25             | 0.73         |
| 05/01/2016   | 542,226.00             | 0.150%   | 254,830.06            | 797,056.06             | 797,056.25             | 0.54         |
| 11/01/2016   | 543,040.00             | 0.300%   | 254,016.73            | 797,056.73             | 797,056.25             | 1.02         |
| 05/01/2017   | 543,854.00             | 0.460%   | 253,202.17            | 797,056.17             | 797,056.25             | 0.94         |
| 11/01/2017   | 545,105.00             | 0.620%   | 251,951.31            | 797,056.31             | 797,056.25             | 1.00         |
| 05/01/2018   | 546,794.00             | 0.770%   | 250,261.49            | 797,055.49             | 797,056.25             | 0.24         |
| 11/01/2018   | 548,900.00             | 0.900%   | 248,156.34            | 797,056.34             | 797,056.25             | 0.33         |
| 05/01/2019   | 551,370.00             | 1.010%   | 245,686.29            | 797,056.29             | 797,056.25             | 0.37         |
| 11/01/2019   | 44,569,154.00          | 1.090%   | 242,901.88            | 44,812,055.88          | 44,812,056.25          | -            |
| <b>Total</b> | <b>\$48,933,373.00</b> | <b>-</b> | <b>\$2,255,132.17</b> | <b>\$51,188,506.25</b> | <b>\$51,188,506.25</b> | <b>-</b>     |

### Investment Parameters

|  |                 |
|--|-----------------|
| Investment Model [PV, GIC, or Securities]          | Securities      |
| Default investment yield target                    | Bond Yield      |
| Cash Deposit                                       | 1.08            |
| Cost of Investments Purchased with Bond Proceeds   | 48,933,373.00   |
| Total Cost of Investments                          | \$48,933,374.08 |
| Target Cost of Investments at bond yield           | \$44,414,725.84 |
| Actual positive or (negative) arbitrage            | (4,518,648.24)  |
| Yield to Receipt                                   | 1.0715710%      |
| Yield for Arbitrage Purposes                       | 3.4023833%      |
| State and Local Government Series (SLGS) rates for | 2/02/2015       |

**\$49,260,000**

City of Rapid City, South Dakota

Water Revenue Refunding Bonds, Series 2015

Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Crossover Escrow Summary Cost

| Maturity                | Type    | Coupon | Yield  | \$ Price     | Par Amount          | Principal Cost         | +Accrued Interest | = Total Cost           |
|-------------------------|---------|--------|--------|--------------|---------------------|------------------------|-------------------|------------------------|
| <b>Crossover Escrow</b> |         |        |        |              |                     |                        |                   |                        |
| 11/01/2015              | SLGS-CI | 0.040% | 0.040% | 100.0000000% | 542,930             | 542,930.00             | -                 | 542,930.00             |
| 05/01/2016              | SLGS-CI | 0.150% | 0.150% | 100.0000000% | 542,226             | 542,226.00             | -                 | 542,226.00             |
| 11/01/2016              | SLGS-NT | 0.300% | 0.300% | 100.0000000% | 543,040             | 543,040.00             | -                 | 543,040.00             |
| 05/01/2017              | SLGS-NT | 0.460% | 0.460% | 100.0000000% | 543,854             | 543,854.00             | -                 | 543,854.00             |
| 11/01/2017              | SLGS-NT | 0.620% | 0.620% | 100.0000000% | 545,105             | 545,105.00             | -                 | 545,105.00             |
| 05/01/2018              | SLGS-NT | 0.770% | 0.770% | 100.0000000% | 546,794             | 546,794.00             | -                 | 546,794.00             |
| 11/01/2018              | SLGS-NT | 0.900% | 0.900% | 100.0000000% | 548,900             | 548,900.00             | -                 | 548,900.00             |
| 05/01/2019              | SLGS-NT | 1.010% | 1.010% | 100.0000000% | 551,370             | 551,370.00             | -                 | 551,370.00             |
| 11/01/2019              | SLGS-NT | 1.090% | 1.090% | 100.0000000% | 44,569,154          | 44,569,154.00          | -                 | 44,569,154.00          |
| <b>Subtotal</b>         |         | -      | -      | -            | <b>\$48,933,373</b> | <b>\$48,933,373.00</b> | -                 | <b>\$48,933,373.00</b> |
| <b>Total</b>            |         | -      | -      | -            | <b>\$48,933,373</b> | <b>\$48,933,373.00</b> | -                 | <b>\$48,933,373.00</b> |

### Crossover Escrow

|  |                 |
|--|-----------------|
| Cash Deposit                                     | 1.08            |
| Cost of Investments Purchased with Bond Proceeds | 48,933,373.00   |
| Total Cost of Investments                        | \$48,933,374.08 |

Delivery Date 5/01/2015

**\$49,260,000**

City of Rapid City, South Dakota

Water Revenue Refunding Bonds, Series 2015

Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## **Detail Costs Of Issuance**

Dated 05/01/2015 | Delivered 05/01/2015

### **COSTS OF ISSUANCE DETAIL**

|                     |                    |
|---------------------|--------------------|
| Bond Counsel        | \$30,000.00        |
| Trustee Origination | \$2,500.00         |
| Rating Agency Fee   | \$29,000.00        |
| Escrow Agent        | \$2,500.00         |
| Escrow Verification | \$2,000.00         |
| <b>TOTAL</b>        | <b>\$66,000.00</b> |

**\$49,260,000**

City of Rapid City, South Dakota

Water Revenue Refunding Bonds, Series 2015

Water Treatment Facility / 30 Year Term / A2 Rated (RBC)

## Derivation Of Form 8038 Yield Statistics

| Maturity     | Issuance Value         | Price    | Issuance Price         | Exponent    | Bond Years              |
|--------------|------------------------|----------|------------------------|-------------|-------------------------|
| 05/01/2015   | -                      | -        | -                      | -           | -                       |
| 11/01/2020   | 1,900,000.00           | 100.000% | 1,900,000.00           | 5.5000000x  | 10,450,000.00           |
| 11/01/2021   | 1,930,000.00           | 100.000% | 1,930,000.00           | 6.5000000x  | 12,545,000.00           |
| 11/01/2022   | 1,955,000.00           | 100.000% | 1,955,000.00           | 7.5000000x  | 14,662,500.00           |
| 11/01/2023   | 2,000,000.00           | 100.000% | 2,000,000.00           | 8.5000000x  | 17,000,000.00           |
| 11/01/2024   | 2,050,000.00           | 100.000% | 2,050,000.00           | 9.5000000x  | 19,475,000.00           |
| 11/01/2025   | 2,105,000.00           | 100.000% | 2,105,000.00           | 10.5000000x | 22,102,500.00           |
| 11/01/2026   | 2,160,000.00           | 100.000% | 2,160,000.00           | 11.5000000x | 24,840,000.00           |
| 11/01/2027   | 2,225,000.00           | 100.000% | 2,225,000.00           | 12.5000000x | 27,812,500.00           |
| 11/01/2028   | 2,290,000.00           | 100.000% | 2,290,000.00           | 13.5000000x | 30,915,000.00           |
| 11/01/2029   | 2,360,000.00           | 100.000% | 2,360,000.00           | 14.5000000x | 34,220,000.00           |
| 11/01/2030   | 2,475,000.00           | 100.000% | 2,475,000.00           | 15.5000000x | 38,362,500.00           |
| 11/01/2031   | 2,565,000.00           | 100.000% | 2,565,000.00           | 16.5000000x | 42,322,500.00           |
| 11/01/2032   | 2,555,000.00           | 100.000% | 2,555,000.00           | 17.5000000x | 44,712,500.00           |
| 11/01/2033   | 2,645,000.00           | 100.000% | 2,645,000.00           | 18.5000000x | 48,932,500.00           |
| 11/01/2034   | 2,745,000.00           | 100.000% | 2,745,000.00           | 19.5000000x | 53,527,500.00           |
| 11/01/2035   | 2,840,000.00           | 100.000% | 2,840,000.00           | 20.5000000x | 58,220,000.00           |
| 11/01/2036   | 2,945,000.00           | 100.000% | 2,945,000.00           | 21.5000000x | 63,317,500.00           |
| 11/01/2037   | 3,055,000.00           | 100.000% | 3,055,000.00           | 22.5000000x | 68,737,500.00           |
| 11/01/2038   | 3,170,000.00           | 100.000% | 3,170,000.00           | 23.5000000x | 74,495,000.00           |
| 11/01/2039   | 3,290,000.00           | 100.000% | 3,290,000.00           | 24.5000000x | 80,605,000.00           |
| <b>Total</b> | <b>\$49,260,000.00</b> | <b>-</b> | <b>\$49,260,000.00</b> | <b>-</b>    | <b>\$787,255,000.00</b> |

### IRS Form 8038

|  |               |
|--|---------------|
| Weighted Average Maturity = Bond Years/Issue Price | 15.982 Years  |
| Total Interest from Debt Service                   | 27,064,253.75 |
| Total Interest                                     | 27,064,253.75 |
| NIC = Interest / (Issue Price * Average Maturity)  | 3.4378002%    |
| Bond Yield for Arbitrage Purposes                  | 3.4023833%    |