Agenda Item: 6.

MEMORANDUM

| TO: | Financial, Expenditure and Legal Subcommittee |
|----------|---|
| SUBJECT: | Refinancing of 2013 Flood Control and Water Quality Enhancement Bonds |
| DATE: | October 1, 2017 |
| FROM: | John Winkler, General Manager |

The NRD issued \$43,530,000 of Flood Protection and Water Quality Enhancement Refunding Bonds on June 15, 2017 saving the District more than \$2.7 million. At that time, certain bonds were left unrefunded because they did not produce savings. These bonds now appear to be good refunding candidates. As a reminder, the District refinanced its 2010 bonds in 2015 to achieve approximately \$460,000 of interest cost savings. These refinancing actions have saved the District taxpayers \$3,160,000. As in previous refinancing issues <u>the term</u> of the proposed refunding bonds <u>will not be extended</u>.

The subcommittee's recommendation to the Board is to approve a parameters resolution in order to authorize the possible refinancing and direct the General Manager to sign off on the final terms of the sale. This action would only authorize the refinancing, not commit the District to selling bonds.

Per Bond Counsel's instructions this item will require approval of two thirds majority vote (8 votes) of the Board of Directors to approve the refinancing of the bonds and to realize potential savings.

Management recommends that the Subcommittee recommend to the Board of Directors that the Board authorize the possible refinancing of 2013 Series Flood Control and Water Quality Enhancement Bonds, subject to approval by District Legal Counsel and the General Manager.



Papio-Missouri River Natural Resource District Series 2018 Refunding Bonds John Winkler, General Manager Possible Timeline

| October 10, 2017 | Finance committee considers issuance of refunding bonds |
|---------------------|--|
| October 12, 2017 | Board of Directors considers issuance of refunding bonds |
| October 13, 2017 | Ratings request submitted to Standard & Poor's |
| October 23-27, 2017 | Conference with S&P analysts |
| November 10, 2017 | Rating received |
| November 29, 2017 | Bond sale/order period |
| January 5, 2018 | Closing |



SOURCES AND USES OF FUNDS

PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT IN THE STATE OF NEBRASKA FLOOD PROTECTION and WATER QUALITY ENHANCEMENT REFUNDING BONDS, SERIES 2018 Partial Advance Refunding Series 2013 Assumes BQ, AA- Rating, 2032 Final Maturity, 5-Yr Call [Preliminary -- for discussion only]

| Dated Date | 01/05/2018 |
|---------------|------------|
| Delivery Date | 01/05/2018 |

| Sources: |
|----------|
|----------|

| Bond Proceeds: Par Amount Premium | 8,205,000.00 85,963.35 |
|---|---------------------------|
| | 8,290,963.35 |

Uses:

| Refunding Escrow Deposits: | |
|---|--------------|
| Cash Deposit | 0.68 |
| Securities Purchases | 8,159,862.00 |
| | 8,159,862.68 |
| Cost of Issuance: | |
| Bond Counsel | 14,358.75 |
| S&P Rating | 17,500.00 |
| Paying Agent | 2,000.00 |
| Escrow Agent | 2,000.00 |
| Escrow Verification | 2,500.00 |
| | 38,358.75 |
| Delivery Date Expenses: Underwriter's Discount | 90,255.00 |
| Other Uses of Funds: Rounding Amount | 2,486.92 |
| | 8,290,963.35 |



SUMMARY OF REFUNDING RESULTS

| Dated Date | 01/05/2018 |
|--|--------------|
| Delivery Date | 01/05/2018 |
| Arbitrage yield | 2.298387% |
| Escrow yield | 0.997893% |
| Value of Negative Arbitrage | 9,642.36 |
| Bond Par Amount | 8,205,000.00 |
| True Interest Cost | 2.603293% |
| Net Interest Cost | 2.512212% |
| All-In TIC | 2.653509% |
| Average Coupon | 2.608498% |
| Average Life | 10.881 |
| Par amount of refunded bonds | 8,130,000.00 |
| Average coupon of refunded bonds | 3.124337% |
| Average life of refunded bonds | 10.951 |
| PV of prior debt to 01/05/2018 @ 2.298387% | 8,783,697.02 |
| Net PV Savings | 347,691.25 |
| Percentage savings of refunded bonds | 4.276645% |



SAVINGS

PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT IN THE STATE OF NEBRASKA FLOOD PROTECTION and WATER QUALITY ENHANCEMENT REFUNDING BONDS, SERIES 2018 Partial Advance Refunding Series 2013 Assumes BQ, AA- Rating, 2032 Final Maturity, 5-Yr Call [Preliminary -- for discussion only]

| Date | Prior Debt Service | Refunding Debt Service | Refunding Receipts | Refunding Net Cash Flow | Savings | Annual Savings | Present Value to 01/05/2018 @ 2.2983875% |
|--------------------------|---------------------------|---------------------------|-----------------------|----------------------------|--------------|-------------------|--|
| 01/05/2018 | | | 2,486.92 | -2,486.92 | 2,486.92 | | 2,486.92 |
| 06/15/2018 | 126,718.75 | 91,157.78 | | 91,157.78 | 35,560.97 | | 35,201.61 |
| 06/30/2018 | | | | | | 38,047.89 | |
| 12/15/2018 | 626,718.75 | 637,552.50 | | 637,552.50 | -10,833.75 | | -10,602.43 |
| 06/15/2019 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | | 21,301.37 |
| 06/30/2019 | , | * | | , | , | 11,182.50 | , |
| 12/15/2019 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | , | 21,059.35 |
| 06/15/2020 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | | 20,820.09 |
| 06/30/2020 | , | * | | , | , | 44,032.50 | , |
| 12/15/2020 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | , | 20,583.55 |
| 06/15/2021 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | | 20,349.69 |
| 06/30/2021 | | , | | , | ,• · • · _ • | 44,032.50 | |
| 12/15/2021 | 119.218.75 | 97.202.50 | | 97.202.50 | 22.016.25 | ., | 20.118.49 |
| 06/15/2022 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | | 19,889.91 |
| 06/30/2022 | | 01,202.00 | | 01,202.00 | | 44,032.50 | |
| 12/15/2022 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | 11,002.00 | 19,663.94 |
| 06/15/2023 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | | 19,440.53 |
| 06/30/2023 | 110,210.75 | 57,202.50 | | 57,202.50 | 22,010.20 | 44,032.50 | 10,440.00 |
| 12/15/2023 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | 44,002.00 | 19,219.66 |
| 06/15/2024 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | | 19,001.29 |
| 06/30/2024 | 110,210.75 | 57,202.50 | | 57,202.50 | 22,010.25 | 44,032.50 | 15,001.25 |
| 12/15/2024 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | 44,002.00 | 18,785.41 |
| 06/15/2025 | 119,218.75 | 97,202.50 | | 97,202.50 | 22,016.25 | | 18,571.99 |
| 06/30/2025 | 110,210.75 | 57,202.50 | | 57,202.50 | 22,010.25 | 44,032.50 | 10,07 1.00 |
| 12/15/2025 | 974.218.75 | 982,202.50 | | 982,202.50 | -7.983.75 | 44,052.50 | -6.658.24 |
| 06/15/2026 | 105,859.38 | 88,352.50 | | 88,352.50 | 17,506.88 | | 14,434.41 |
| 06/30/2026 | 100,009.00 | 00,002.00 | | 00,352.50 | 17,500.00 | 9,523.13 | 14,404.41 |
| 12/15/2026 | 985,859.38 | 988,352.50 | | 988,352.50 | -2,493.12 | 3,525.15 | -2,032.22 |
| 06/15/2027 | 92,109.38 | 79,127.50 | | 79,127.50 | 12,981.88 | | 10,461.72 |
| 06/30/2027 | 32,103.30 | 19,121.00 | | 19,121.00 | 12,301.00 | 10,488.76 | 10,401.72 |
| 12/15/2027 | 1,002,109.38 | 999,127.50 | | 999,127.50 | 2,981.88 | 10,400.70 | 2,375.71 |
| 06/15/2028 | 77,890.63 | , | | | , | | 6,996.91 |
| | 11,090.03 | 69,007.50 | | 69,007.50 | 8,883.13 | 11,865.01 | 0,990.91 |
| 06/30/2028 12/15/2028 | 1 010 000 60 | 1 000 007 50 | | 1 000 007 50 | 3.883.13 | 11,005.01 | 3.023.85 |
| | 1,012,890.63 63,281.25 | 1,009,007.50 | | 1,009,007.50 | - , | | - / |
| 06/15/2029 | 03,201.20 | 57,962.50 | | 57,962.50 | 5,318.75 | 0.004.00 | 4,094.73 |
| 06/30/2029 | 1 000 001 05 | 1 000 000 50 | | 1 000 000 50 | 5.318.75 | 9,201.88 | 4.048.21 |
| 12/15/2029 | 1,028,281.25 | 1,022,962.50 | | 1,022,962.50 | - / | |) |
| 06/15/2030 | 48,203.13 | 45,900.00 | | 45,900.00 | 2,303.13 | 7 004 00 | 1,733.04 |
| 06/30/2030 | 4 0 40 000 40 | 4 005 000 00 | | 4 005 000 00 | 7 000 40 | 7,621.88 | 5 400 07 |
| 12/15/2030 | 1,043,203.13 | 1,035,900.00 | | 1,035,900.00 | 7,303.13 | | 5,432.97 |
| 06/15/2031 | 32,656.25 | 31,050.00 | | 31,050.00 | 1,606.25 | | 1,181.35 |
| 06/30/2031 | 4 000 050 05 | 4 054 050 00 | | 4 054 050 00 | 44 000 05 | 8,909.38 | 0 400 00 |
| 12/15/2031 | 1,062,656.25 | 1,051,050.00 | | 1,051,050.00 | 11,606.25 | | 8,439.09 |
| 06/15/2032 | 16,562.50 | 15,750.00 | | 15,750.00 | 812.50 | 40 440 75 | 584.07 |
| 06/30/2032 | 4 070 700 75 | 4 005 | | 4 005 | 10 0 10 -5 | 12,418.75 | |
| 12/15/2032 06/30/2033 | 1,076,562.50 | 1,065,750.00 | | 1,065,750.00 | 10,812.50 | 10,812.50 | 7,684.31 |
| | 10,925,625.04 | 10,533,845.28 | 2,486.92 | 10,531,358.36 | 394,266.68 | 394,266.68 | 347,691.25 |

Savings Summary

| PV of savings from cash flow | 347,691.25 |
|------------------------------|------------|
| Net PV Savings | 347,691.25 |



SAVINGS BY MATURITY

| Bond | Maturity Date | Interest Rate | Par Amount | Adjusted Savings | Adjusted Savings Percent |
|----------------|-------------------|----------------------|--------------------|---------------------|--------------------------------|
| UNREFUNDED Ser | 2013 LTGO Bonds (| callable 2/8/18, mat | 12/15/32), 13UNRF: | | |
| SERIAL | 12/15/2018 D | 3.000% | 500,000.00 | 489.25 | 0.098% |
| TERM32 | 12/15/2025 | 3.125% | 855,000.00 | 56,584.74 | 6.618% |
| | 12/15/2026 | 3.125% | 880,000.00 | 60,811.49 | 6.910% |
| | 12/15/2027 | 3.125% | 910,000.00 | 58,632.88 | 6.443% |
| | 12/15/2028 | 3.125% | 935,000.00 | 53,723.86 | 5.746% |
| | 12/15/2029 | 3.125% | 965,000.00 | 45,736.25 | 4.740% |
| | 12/15/2030 | 3.125% | 995,000.00 | 24,650.19 | 2.477% |
| | 12/15/2031 | 3.125% | 1,030,000.00 | 24,021.62 | 2.332% |
| | 12/15/2032 | 3.125% | 1,060,000.00 | 23,040.96 | 2.174% |
| | | | 8,130,000.00 | 347,691.25 | |



BOND PRICING

| Bond Component | Maturity Date | Amount | Rate | Yield | Price | Yield to Maturity | Call Date | Call Price |
|----------------|------------------|---|--------|-------------------------------------|-----------|----------------------|--------------|---------------|
| Serial Bond: | | | | | | | | |
| | 12/15/2018 | 535,000 | 2.000% | 0.950% | 100.984 | | | |
| | 12/15/2025 | 885,000 | 2.000% | 1.950% | 100.237 C | 1.968% | 01/05/2023 | 100.000 |
| | 12/15/2026 | 900,000 | 2.050% | 2.050% | 100.000 | | | |
| | 12/15/2027 | 920,000 | 2.200% | 2.200% | 100.000 | | | |
| | 12/15/2028 | 940,000 | 2.350% | 2.350% | 100.000 | | | |
| | 12/15/2029 | 965,000 | 2.500% | 2.500% | 100.000 | | | |
| | 12/15/2030 | 990,000 | 3.000% | 2.400% | 102.811 C | 2.740% | 01/05/2023 | 100.000 |
| | 12/15/2031 | 1,020,000 | 3.000% | 2.450% | 102.573 C | 2.776% | 01/05/2023 | 100.000 |
| | 12/15/2032 | 1,050,000 | 3.000% | 2.500% | 102.336 C | 2.807% | 01/05/2023 | 100.000 |
| | | 8,205,000 | | | | | | |
| | De | ated Date elivery Date rst Coupon | | 01/05/201 01/05/201 06/15/201 | 8 | | | |
| | Pa | ar Amount | | 8,205,000.0 | 0 | | | |
| | Pr | emium | | 85,963.3 | 5 | | | |
| | | oduction nderwriter's Discour | nt | 8,290,963.3 -90,255.0 | | | | |
| | | urchase Price ccrued Interest | | 8,200,708.3 | | 95% | | |
| | Ne | et Proceeds | | 8,200,708.3 | 95 | | | |



BOND SUMMARY STATISTICS

PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT IN THE STATE OF NEBRASKA FLOOD PROTECTION and WATER QUALITY ENHANCEMENT REFUNDING BONDS, SERIES 2018 Partial Advance Refunding Series 2013 Assumes BQ, AA- Rating, 2032 Final Maturity, 5-Yr Call [Preliminary -- for discussion only]

Dated Date 01/05/2018 **Delivery Date** 01/05/2018 First Coupon 06/15/2018 Last Maturity 12/15/2032 Arbitrage Yield 2.298387% True Interest Cost (TIC) 2.603293% Net Interest Cost (NIC) 2.512212% All-In TIC 2.653509% Average Coupon 2.608498% Average Life (years) 10.881 Weighted Average Maturity (years) 10.903 Duration of Issue (years) 9.463 Par Amount 8,205,000.00 Bond Proceeds 8,290,963.35 **Total Interest** 2,328,845.28 Net Interest 2,333,136.93 Bond Years from Dated Date 89,279,166.67 Bond Years from Delivery Date 89,279,166.67 **Total Debt Service** 10,533,845.28 Maximum Annual Debt Service 1,070,555.00 Average Annual Debt Service 704,866.97 Underwriter's Fees (per \$1000) Average Takedown Other Fee 11.000000 Total Underwriter's Discount 11.000000 **Bid Price** 99.947695

Average Par PV of 1 bp Average Average Maturity **Bond Component** Value Price Coupon Life Date change Serial Bond 8,205,000.00 101.048 2.608% 10.881 11/22/2028 5,375.40 8.205.000.00 10.881 5,375.40

| | TIC | All-In TIC | Arbitrage Yield |
|---|-------------------------|---------------------------------------|-------------------------|
| Par Value + Accrued Interest | 8,205,000.00 | 8,205,000.00 | 8,205,000.00 |
| Premium (Discount) Underwriter's Discount Cost of Issuance Expense Other Amounts | 85,963.35 -90,255.00 | 85,963.35 -90,255.00 -38,358.75 | 85,963.35 |
| Target Value | 8,200,708.35 | 8,162,349.60 | 8,290,963.35 |
| Target Date Yield | 01/05/2018 2.603293% | 01/05/2018 2.653509% | 01/05/2018 2.298387% |



BOND DEBT SERVICE

| | | Coupon | Interest | Debt Service | Debt Service |
|------------|-----------|--------|--------------|---------------|---------------|
| 06/15/2018 | | | 91,157.78 | 91,157.78 | |
| 06/30/2018 | | | , | - , | 91,157.78 |
| 12/15/2018 | 535,000 | 2.000% | 102,552.50 | 637,552.50 | , |
| 06/15/2019 | | | 97,202.50 | 97,202.50 | |
| 06/30/2019 | | | ., | | 734,755.00 |
| 12/15/2019 | | | 97,202.50 | 97,202.50 | , |
| 06/15/2020 | | | 97,202.50 | 97,202.50 | |
| 06/30/2020 | | | ., | | 194,405.00 |
| 12/15/2020 | | | 97,202.50 | 97,202.50 | , |
| 06/15/2021 | | | 97,202.50 | 97,202.50 | |
| 06/30/2021 | | | ., | | 194,405.00 |
| 12/15/2021 | | | 97,202.50 | 97,202.50 | 10 1, 100100 |
| 06/15/2022 | | | 97,202.50 | 97,202.50 | |
| 06/30/2022 | | | 0.,202.00 | 01,202.00 | 194,405.00 |
| 12/15/2022 | | | 97,202.50 | 97,202.50 | , |
| 06/15/2023 | | | 97,202.50 | 97,202.50 | |
| 06/30/2023 | | | ., | | 194,405.00 |
| 12/15/2023 | | | 97,202.50 | 97,202.50 | , |
| 06/15/2024 | | | 97,202.50 | 97,202.50 | |
| 06/30/2024 | | | - , | - , | 194,405.00 |
| 12/15/2024 | | | 97,202.50 | 97,202.50 | , |
| 06/15/2025 | | | 97,202.50 | 97,202.50 | |
| 06/30/2025 | | | ., | | 194,405.00 |
| 12/15/2025 | 885,000 | 2.000% | 97,202.50 | 982,202.50 | - , |
| 06/15/2026 | | | 88,352.50 | 88,352.50 | |
| 06/30/2026 | | | , | , | 1,070,555.00 |
| 12/15/2026 | 900,000 | 2.050% | 88,352.50 | 988,352.50 | ,, |
| 06/15/2027 | , | | 79,127.50 | 79,127.50 | |
| 06/30/2027 | | | -, | -, | 1,067,480.00 |
| 12/15/2027 | 920,000 | 2.200% | 79,127.50 | 999,127.50 | , , |
| 06/15/2028 | , | | 69,007.50 | 69,007.50 | |
| 06/30/2028 | | | , | , | 1,068,135.00 |
| 12/15/2028 | 940,000 | 2.350% | 69,007.50 | 1,009,007.50 | , , |
| 06/15/2029 | , | | 57,962.50 | 57,962.50 | |
| 06/30/2029 | | | , | , | 1,066,970.00 |
| 12/15/2029 | 965,000 | 2.500% | 57,962.50 | 1,022,962.50 | |
| 06/15/2030 | , | | 45,900.00 | 45,900.00 | |
| 06/30/2030 | | | , | , | 1,068,862.50 |
| 12/15/2030 | 990,000 | 3.000% | 45,900.00 | 1,035,900.00 | , , |
| 06/15/2031 | | | 31,050.00 | 31,050.00 | |
| 06/30/2031 | | | | | 1,066,950.00 |
| 12/15/2031 | 1,020,000 | 3.000% | 31,050.00 | 1,051,050.00 | |
| 06/15/2032 | | | 15,750.00 | 15,750.00 | |
| 06/30/2032 | | | | | 1,066,800.00 |
| 12/15/2032 | 1,050,000 | 3.000% | 15,750.00 | 1,065,750.00 | |
| 06/30/2033 | | | | | 1,065,750.00 |
| | 8,205,000 | | 2,328,845.28 | 10,533,845.28 | 10,533,845.28 |



AGGREGATE NET REFUNDING DEBT SERVICE

PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT IN THE STATE OF NEBRASKA FLOOD PROTECTION and WATER QUALITY ENHANCEMENT REFUNDING BONDS, SERIES 2018 Partial Advance Refunding Series 2013 Assumes BQ, AA- Rating, 2032 Final Maturity, 5-Yr Call [Preliminary – for discussion only]

Debt Service of Proposed and Unrefunded Bonds

| Annual Total | Total | Unrefunded Debt Service* | Proposed Debt Service (net of Accrued) | Date |
|---------------|---------------|-----------------------------|--|------------|
| | 92,657.78 | 1,500.00 | 91,157.78 | 06/15/2018 |
| 92,657.78 | - , | , | -, | 06/30/2018 |
| , | 789,052.50 | 151,500.00 | 637,552.50 | 12/15/2018 |
| | 97,202.50 | , | 97,202.50 | 06/15/2019 |
| 886,255.00 | 01,202.00 | | 01,202.00 | 06/30/2019 |
| 000,200100 | 97,202.50 | | 97,202.50 | 12/15/2019 |
| | 97,202.50 | | 97,202.50 | 06/15/2020 |
| 194,405.00 | 01,202.00 | | 01,202.00 | 06/30/2020 |
| 101,100.00 | 97,202.50 | | 97,202.50 | 12/15/2020 |
| | 97,202.50 | | 97,202.50 | 06/15/2021 |
| 194,405.00 | 57,202.00 | | 57,202.50 | 06/30/2021 |
| 104,400.00 | 97,202.50 | | 97,202.50 | 12/15/2021 |
| | 97,202.50 | | 97,202.50 | 06/15/2022 |
| 194,405.00 | 37,202.30 | | 97,202.50 | 06/30/2022 |
| 194,405.00 | 97,202.50 | | 97,202.50 | 12/15/2022 |
| | | | - | |
| 104 405 00 | 97,202.50 | | 97,202.50 | 06/15/2023 |
| 194,405.00 | 07 202 50 | | 07 202 50 | 06/30/2023 |
| | 97,202.50 | | 97,202.50 | 12/15/2023 |
| 404 405 00 | 97,202.50 | | 97,202.50 | 06/15/2024 |
| 194,405.00 | 07 000 50 | | 07 000 50 | 06/30/2024 |
| | 97,202.50 | | 97,202.50 | 12/15/2024 |
| | 97,202.50 | | 97,202.50 | 06/15/2025 |
| 194,405.00 | | | | 06/30/2025 |
| | 982,202.50 | | 982,202.50 | 2/15/2025 |
| | 88,352.50 | | 88,352.50 | 06/15/2026 |
| 1,070,555.00 | | | | 06/30/2026 |
| | 988,352.50 | | 988,352.50 | 2/15/2026 |
| | 79,127.50 | | 79,127.50 | 06/15/2027 |
| 1,067,480.00 | | | | 06/30/2027 |
| | 999,127.50 | | 999,127.50 | 12/15/2027 |
| | 69,007.50 | | 69,007.50 | 06/15/2028 |
| 1,068,135.00 | | | | 06/30/2028 |
| | 1,009,007.50 | | 1,009,007.50 | 12/15/2028 |
| | 57,962.50 | | 57,962.50 | 06/15/2029 |
| 1,066,970.00 | | | | 06/30/2029 |
| | 1,022,962.50 | | 1,022,962.50 | 12/15/2029 |
| | 45,900.00 | | 45,900.00 | 06/15/2030 |
| 1,068,862.50 | | | | 06/30/2030 |
| | 1,035,900.00 | | 1,035,900.00 | 12/15/2030 |
| | 31,050.00 | | 31,050.00 | 06/15/2031 |
| 1,066,950.00 | | | | 06/30/2031 |
| | 1,051,050.00 | | 1,051,050.00 | 12/15/2031 |
| | 15,750.00 | | 15,750.00 | 06/15/2032 |
| 1,066,800.00 | -, | | -, | 06/30/2032 |
| , , | 1,065,750.00 | | 1,065,750.00 | 12/15/2032 |
| 1,065,750.00 | , | | , , | 06/30/2033 |
| 10,686,845.28 | 10,686,845.28 | 153,000.00 | 10,533,845.28 | |



SUMMARY OF BONDS REFUNDED

| Bond | Maturity Date | Interest Rate | Par Amount | Call Date | Call Price |
|----------------|------------------|-------------------|----------------|--------------|---------------|
| UNREFUNDED Ser | 2013 LTGO Bonds | (callable 2/8/18, | mat 12/15/32): | | |
| SERIAL | 12/15/2018 | 3.000% | 500,000.00 | 02/08/2018 | 100.000 |
| TERM32 | 12/15/2025 | 3.125% | 855,000.00 | 02/08/2018 | 100.000 |
| | 12/15/2026 | 3.125% | 880,000.00 | 02/08/2018 | 100.000 |
| | 12/15/2027 | 3.125% | 910,000.00 | 02/08/2018 | 100.000 |
| | 12/15/2028 | 3.125% | 935,000.00 | 02/08/2018 | 100.000 |
| | 12/15/2029 | 3.125% | 965,000.00 | 02/08/2018 | 100.000 |
| | 12/15/2030 | 3.125% | 995,000.00 | 02/08/2018 | 100.000 |
| | 12/15/2031 | 3.125% | 1,030,000.00 | 02/08/2018 | 100.000 |
| | 12/15/2032 | 3.125% | 1,060,000.00 | 02/08/2018 | 100.000 |
| | | | 8,130,000.00 | | |



ESCROW REQUIREMENTS

| | Dated Date 01/05/2018 Delivery Date 01/05/2018 | | | |
|------------------|--|-----------------------|--------------|--|
| Period Ending | Interest | Principal Redeemed | Total | |
| 02/08/2018 | 37,311.63 | 8,130,000.00 | 8,167,311.63 | |
| | 37,311.63 | 8,130,000.00 | 8,167,311.63 | |



PRIOR BOND DEBT SERVICE

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|------------------|-----------|---------|--------------|---------------|------------------------|
| 06/15/2018 | | | 126,718.75 | 126,718.75 | |
| 06/30/2018 | | | | | 126,718.75 |
| 12/15/2018 | 500,000 | 3.000% | 126,718.75 | 626,718.75 | |
| 06/15/2019 | 000,000 | 0.00070 | 119,218.75 | 119,218.75 | |
| 06/30/2019 | | | 110,210.70 | 110,210.70 | 745,937.50 |
| 12/15/2019 | | | 119,218,75 | 119,218.75 | 140,001.00 |
| 06/15/2020 | | | 119,218.75 | 119,218.75 | |
| 06/30/2020 | | | 113,210.75 | 113,210.75 | 238,437.50 |
| 12/15/2020 | | | 119,218.75 | 119,218.75 | 200,407.00 |
| 06/15/2020 | | | 119,218.75 | 119,218.75 | |
| 06/30/2021 | | | 119,210.75 | 119,210.75 | 238,437.50 |
| 12/15/2021 | | | 119,218,75 | 119,218.75 | 230,437.30 |
| 06/15/2022 | | | , | , | |
| 06/30/2022 | | | 119,218.75 | 119,218.75 | 220 427 50 |
| | | | 110 210 75 | 110 219 75 | 238,437.50 |
| 12/15/2022 | | | 119,218.75 | 119,218.75 | |
| 06/15/2023 | | | 119,218.75 | 119,218.75 | 220 427 50 |
| 06/30/2023 | | | 440.040.75 | 440 040 75 | 238,437.50 |
| 12/15/2023 | | | 119,218.75 | 119,218.75 | |
| 06/15/2024 | | | 119,218.75 | 119,218.75 | 000 407 50 |
| 06/30/2024 | | | 440.040.75 | 440.040.75 | 238,437.50 |
| 12/15/2024 | | | 119,218.75 | 119,218.75 | |
| 06/15/2025 | | | 119,218.75 | 119,218.75 | 000 407 50 |
| 06/30/2025 | 055 000 | 0.4050/ | 440 040 75 | 074 040 75 | 238,437.50 |
| 12/15/2025 | 855,000 | 3.125% | 119,218.75 | 974,218.75 | |
| 06/15/2026 | | | 105,859.38 | 105,859.38 | |
| 06/30/2026 | | | | | 1,080,078.13 |
| 12/15/2026 | 880,000 | 3.125% | 105,859.38 | 985,859.38 | |
| 06/15/2027 | | | 92,109.38 | 92,109.38 | |
| 06/30/2027 | | | | | 1,077,968.76 |
| 12/15/2027 | 910,000 | 3.125% | 92,109.38 | 1,002,109.38 | |
| 06/15/2028 | | | 77,890.63 | 77,890.63 | |
| 06/30/2028 | | | | | 1,080,000.01 |
| 12/15/2028 | 935,000 | 3.125% | 77,890.63 | 1,012,890.63 | |
| 06/15/2029 | | | 63,281.25 | 63,281.25 | |
| 06/30/2029 | | | | | 1,076,171.88 |
| 12/15/2029 | 965,000 | 3.125% | 63,281.25 | 1,028,281.25 | |
| 06/15/2030 | | | 48,203.13 | 48,203.13 | |
| 06/30/2030 | | | | | 1,076,484.38 |
| 12/15/2030 | 995,000 | 3.125% | 48,203.13 | 1,043,203.13 | |
| 06/15/2031 | | | 32,656.25 | 32,656.25 | |
| 06/30/2031 | | | | | 1,075,859.38 |
| 12/15/2031 | 1,030,000 | 3.125% | 32,656.25 | 1,062,656.25 | |
| 06/15/2032 | | | 16,562.50 | 16,562.50 | |
| 06/30/2032 | | | | | 1,079,218.75 |
| 12/15/2032 | 1,060,000 | 3.125% | 16,562.50 | 1,076,562.50 | |
| 06/30/2033 | | | | | 1,076,562.50 |
| | 8,130,000 | | 2,795,625.04 | 10,925,625.04 | 10,925,625.04 |



ESCROW STATISTICS

PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT IN THE STATE OF NEBRASKA FLOOD PROTECTION and WATER QUALITY ENHANCEMENT REFUNDING BONDS, SERIES 2018 Partial Advance Refunding Series 2013 Assumes BQ, AA- Rating, 2032 Final Maturity, 5-Yr Call [Preliminary -- for discussion only]

| | Total Escrow Cost | Modified Duration (years) | PV of 1 bp change | Yield to Receipt Date | Yield to Disbursement Date | Perfect Escrow Cost | Value of Negative Arbitrage | Cost of Dead Time |
|---|----------------------|---------------------------------|----------------------|-----------------------------|----------------------------------|---------------------------|-----------------------------------|----------------------|
| | 8,159,862.68 | 0.091 | 74.43 | 0.997893% | 0.997893% | 8,150,220.32 | 9,642.36 | |
| _ | 8,159,862.68 | | 74.43 | | | 8,150,220.32 | 9,642.36 | 0.00 |

Delivery date Arbitrage yield 01/05/2018 2.298387%



SUMMARY OF UNREFUNDED BONDS

| Bond | Maturity | Interest | Par |
|------------------|----------------|---------------------|---------------|
| | Date | Rate | Amount |
| UNREFUNDED Ser 2 | 013 LTGO Bonds | (callable 2/8/18, m | at 12/15/32): |
| SERIAL | 12/15/2018 | 2.000% | 150,000.00 |
| | | | 150,000.00 |



UNREFUNDED BOND DEBT SERVICE

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|--------------------------|-----------|--------|----------|-----------------|---------------------------|
| 06/15/2018 06/30/2018 | | | 1,500 | 1,500 | 1,500 |
| 12/15/2018 06/30/2019 | 150,000 | 2.000% | 1,500 | 151,500 | 151,500 |
| | 150,000 | | 3,000 | 153,000 | 153,000 |



DISCLAIMER

PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT IN THE STATE OF NEBRASKA FLOOD PROTECTION and WATER QUALITY ENHANCEMENT REFUNDING BONDS, SERIES 2018 Partial Advance Refunding Series 2013 Assumes BQ, AA- Rating, 2032 Final Maturity, 5-Yr Call [Preliminary -- for discussion only]

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Furthermore, should D.A. Davidson present multiple scenarios or even a comparison of the general characteristics of potential debt financing structures along with the risks, advantages, and disadvantages of each, D.A. Davidson is not providing any recommendation(s) or advice in regards to the scenarios presented or features of any particular option. The factual information presented herein and described above should not be construed to contain subjective assumptions, opinions, or views. The conduct of D.A. Davidson's personnel or the content and manner of their presentation(s) should not in any way be construed as a suggestion, advice, or an opinion.

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