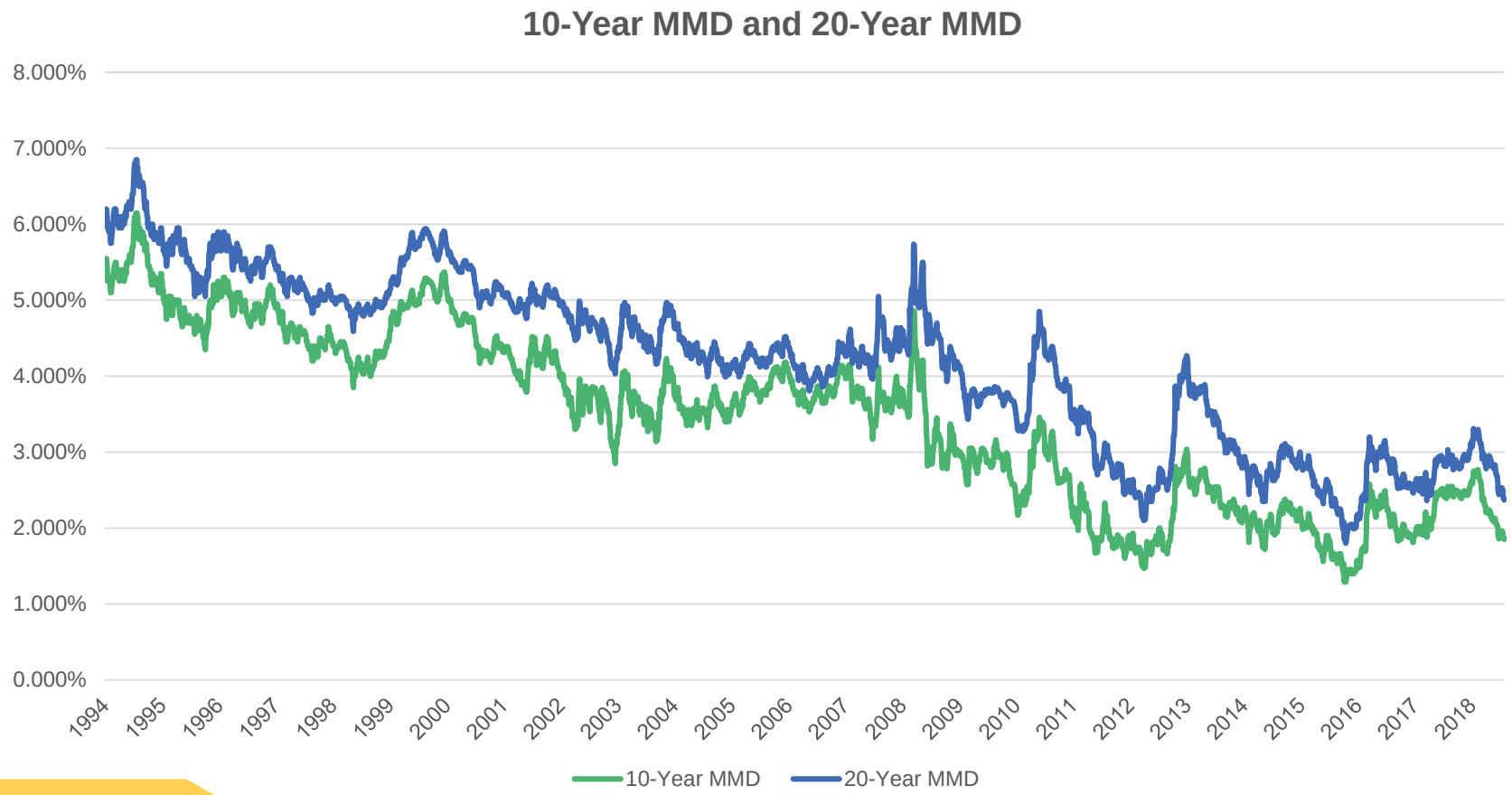
Long-Term Interest Rates are Low

- Today's market is characterized by interest rates which are low from a historical perspective, providing potential opportunities for RFTA to refinance existing debt and fund CIP projects at low interest rates



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Refunding Opportunities

- Today's interest rates provide RFTA the opportunity to refinance certain of its outstanding Sales Tax Revenue Bonds for economic savings
  - At present, only RFTA's Series 2009B Build America Bonds and Series 2013A Loan provide refinancing savings
  - Refunding the 2009B BABs also removes the future risk of ongoing sequestration

Issuer Name	RFTA		RFTA		
Series Name	Series 2013A Loan		Series 2009B Taxable BABs		
Par Size	$2,000,000		$21,310,000		
Dated Date	11/21/2013		7/9/2009		
Due Date	1-Dec		1-Dec		
Optional Redemption	From and after Closing Date to and including 12/1/2023 @ 102.00, After December 1, 2023 @ 101.00		December 1, 2019 @ 100.0		
	Par	Coupon	Par		Coupon
2019	110,000	3.480%			
2020	120,000	3.480%			
2021	130,000	3.480%	840,000	*	6.614%
2022	140,000	3.480%	875,000	*	6.614%
2023	150,000	3.480%	915,000	*	6.614%
2024	160,000	3.480%	955,000	*	6.614%
2025	170,000	3.480%	995,000	*	6.614%
2026	180,000	3.480%	1,035,000	*	6.614%
2027	190,000	3.480%	1,080,000	*	6.614%
2028	200,000	3.480%	1,130,000	*	6.614%
2029			1,175,000	T	6.614%
2030			1,025,000	*	6.710%
2031			1,070,000	*	6.710%
2032			1,120,000	*	6.710%
2033			1,170,000	T	6.710%
2034			920,000	*	6.810%
2035			960,000	*	6.810%
2036			1,000,000	*	6.810%
2037			1,045,000	*	6.810%
2038			1,090,000	*	6.810%
2039			2,910,000	T	6.810%
Par Outstanding	$1,550,000		$21,310,000		

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Summary of Preliminary Refunding Results

- Savings from a refunding in today's market are attractive
- Average annual savings are approximately $168,000
- However, results of the refunding are highly correlated to interest rates, which are volatile

Summary of Preliminary Refunding Results[2]

	Series 2009B BABs	Series 2013A Loan	Aggregate
Par Amount	$18,665,000	$1,350,000	$20,015,000
Maturities Refunded	2021 – 2039	2019 – 2028	
Par Amount Refunded	$21,310,000	$1,550,000	$22,860,000
Issuance Expenses[1]	$192,000	$14,000	$206,000
Gross Refunding Savings	$3,340,000	$77,000	$3,417,000
PV Refunding Savings	$2,307,000	$60,000	$2,367,000

1 Includes fees for underwriter, bond counsel, underwriters counsel, financial advisor, ratings, printing, surety bond, etc…
2 Results assume a refunding structure with rates as of May 1, 2019, proportional savings cash funded DSRF and 'AA-' ratings.
Results are preliminary and subject to change based on future market rates, amortization of refunding bonds and availability of surety policies.

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Potential New Money Bonds

- RFTA is also analyzing its 12-36 month capital project funding needs
- If sufficient project needs are identified, RFTA staff and its advisors will analyze the costs / benefits of combining new money bonds with the refunding transaction
  - Cost efficiencies
  - Staff time efficiencies
  - Lock in today's borrowing costs
- The reimbursement resolution in front of the Board will allow RFTA to reimburse itself in the future for eligible project costs incurred today

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