



August 05, 2015

Ms. Kate Burum, Assistant General Counsel and Funds Manager
Oklahoma Water Resources Board
3800 North Claussen Boulevard
Oklahoma City, Oklahoma 73118

TRANSMITTAL LETTER

**CONTROL #FAP-24
\$10,180,000.00
OKLAHOMA WATER RESOURCES BOARD
STATE LOAN PROGRAM REVENUE BONDS, SERIES 2014A
DATE OF ISSUE: MARCH 13, 2014
ARBITRAGE REBATE CALCULATIONS
FOR THE COMPUTATION PERIOD
MARCH 13, 2014 TO JULY 01, 2015
AS OF THE DATE OF THIS REPORT
AUGUST 05, 2015**

We have enclosed the arbitrage rebate calculation report (together with Exhibits thereto, the "Report") for the above-referenced issue of tax-exempt debt ("Debt"). As explained in more detail in this Report, *there is no Contingent Rebatable Arbitrage with respect to the Debt for the above-referenced Computation Period.* There are no filing requirements regarding arbitrage rebate with the United States Treasury, Internal Revenue Service ("IRS") as of the date of this Report, and therefore, nothing should be filed with the IRS as of this time.

Please note that the 5th Year IRS filing date is 60 days from July 01, 2018. If you have any questions regarding this Report and related matters please call *Matt Collins* or *Stephen H. Broden* at (800) 672-9993 ext. 7538. We will be happy to discuss any aspect of these calculations.

Very truly yours,

ARBITRAGE COMPLIANCE SPECIALISTS, INC.

Arbitrage Compliance Specialists, Inc.





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3800 North Claussen Boulevard
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At your request, Arbitrage Compliance Specialists, Inc. ("ACS") has prepared computations pertaining to the amount of the contingent rebatable arbitrage ("Contingent Rebatable Arbitrage") for the Issuer with respect to the above-referenced issue of tax-exempt debt ("Debt") for the above-referenced computation period ("Computation Period"). The computations following as Exhibits (together with the letter, the "Report") have been performed by ACS and are based upon the limited scope of ACS' engagement with information, instructions, assumptions and representations as provided to ACS by the Issuer. The computations reflected in the Exhibits of this Report are summarized as follows:

1. The yield on the Debt is 3.326697%.
2. The yield on the investments is 0.153311882%.
3. Total Contingent Rebatable Arbitrage (\$40,116.91)

For purposes of these calculations, we have allocated the Debt Service Reserve Fund to reflect that portion that is subject to rebate for the Debt. Using procedures, which ACS has developed for calculating arbitrage rebate, ACS has computed the amount of the Contingent Rebatable Arbitrage with respect to the Debt for the Computation Period in accordance with the applicable provisions of the Internal Revenue Code of 1986, as amended and the Treasury Regulations applicable to the Debt.

ARBITRAGE COMPLIANCE SPECIALISTS, INC.

BY: 
Ira B. Sacks, CPA, Director
PTIN: P01247303



NOTES AND ASSUMPTIONS

1. The Dated Date of the Debt is March 13, 2014.
2. The Delivery Date of the Debt is March 13, 2014.
3. The Bond Year, as previously elected, is July 1st for purposes of determining installment computation dates.
4. The Computation Period is March 13, 2014 to July 1, 2015.
5. Computations of yield are based on a 360-day year with semiannual compounding.
6. Purchase prices on investments are assumed to be at fair market value and represent an arm's length transaction.
7. Based upon the *Arbitrage and Use of Proceeds Certificate*, the Debt constitutes a single issue for federal taxation purposes and is not treated as part of any other issue of governmental obligations.
8. The Debt Service Fund associated with the Debt constitutes a bona fide debt service fund and has not been taken into account in determining the Cumulative Rebate Liability pursuant to the Code.
9. On May 1, 2011 the Board amended the General Bond Resolution to establish a program wide General Debt Service Reserve Fund. The cash in the General Debt Service Reserve Fund secures all Debt on a parity basis just as in each of the issue specific Debt Service Reserve Funds secures all Debt on a parity basis.
10. According to the *Arbitrage and Use of Proceeds Certificate*, Section 4.6 (a) amounts in the Board's Reserve Fund must be invested at or below the Yield on the Debt to which they relate. We have tested the Reserve Fund from March 13, 2014 to July 1, 2015 and found the Reserve Fund to be invested below the Bond Yield, and therefore, no payment is due to the IRS for this yield restriction requirement, at this time.
11. Amounts held in the Reserve Funds associated with the Debt have been taken into account in determining the Cumulative Rebate Liability with respect to the Debt. The Reserve Fund is allocated to several of the Issuer's outstanding debt issues, including the Debt, based upon the relative outstanding principal amount, the allocation method used by the prior rebate calculation provider.
12. ACS has applied the computation date credit amounts set forth in the Proposed Regulations for bond years ending on or after September 26, 2007 (the date the Proposed Regulations were published by the Department of Treasury).

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 {INTERIM ARBITRAGE REBATE CALCULATIONS}

CALCULATION OF REBATE AMOUNT

STARTING 03/13/14 TO 07/01/15
 BOND YIELD : 3.326697000%

***** PAST END OF REBATE PERIOD *****							
PERIOD ENDING	RELEVANT CASH FLOW	FUTURE VALUE FACTOR	INVESTMENT DESCRIPTION	INVESTMENT YIELD	PRESENT VALUE FACTOR	TOTAL FUTURE VALUE	NUMBER OF DAYS
03/13/14	-912,624.03	1.043824452				-952,619.28	468
04/02/14	726.00	1.042008407				756.50	449
04/07/14	18,677.63	1.041531025				19,453.33	444
04/11/14	774.11	1.041149278				805.96	440
04/15/14	559.77	1.040767670				582.59	436
06/30/14	89.97	1.033638370				93.00	361
07/01/14	-1,620.00	1.033543643	Computation Date Credit			-1,674.34	360
07/31/14	892,296.32	1.030800342				919,779.35	331
08/01/14	-867,425.30	1.030705875				-894,060.35	330
10/15/14	841.47	1.023739318				861.45	256
12/03/14	867,086.60	1.019245667				883,774.26	208
12/04/14	-849,141.63	1.019152259				-865,404.61	207
12/19/14	-44,796.38	1.017752171				-45,591.61	192
04/15/15	773.19	1.006989572				778.60	76
06/30/15	893,916.32	1.000091652				893,998.25	1
07/01/15	-1,650.00	1.000000000	Computation Date Credit			-1,650.00	0
	<u>-1,515.96</u>					<u>-40,116.91</u>	
NO REBATE REQUIRED	:					<u>-40,116.91</u>	

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LISTING OF INVESTMENTS BY FUND

YIELD RES RESERVES
=====

1. GENERAL RESERVE-GOVT FUND/CDs

COSTS OF ISSUANCE
=====

2. TREASURY ACCOUNT

LOAN FUND
=====

3. TAX-EXEMPT PROCEEDS

NOTE: THE DEBT SERVICE RESERVE FUNDS, SUBJECT PORTION, HAVE
BEEN ALLOCATED AMONG ISSUES SUPPORTED BY THE FUNDS
BASED ON RELATIVE OUTSTANDING PRINCIPAL AMOUNTS.

PROOF OF INVESTMENT YIELD

INVESTMENT YIELD : 0.153311882%

PERIOD ENDING	INVESTMENTS	PRESENT VALUE FACTOR	PRESENT VALUE	PROCEEDS	PRESENT VALUE FACTOR	PRESENT VALUE
03/13/14	-912,624.03	1.001994277	-914,444.05		1.001994277	
04/02/14		1.001913235		726.00	1.001913235	727.39
04/07/14		1.001891910		18,677.63	1.001891910	18,712.97
04/11/14		1.001874849		774.11	1.001874849	775.56
04/15/14		1.001857789		559.77	1.001857789	560.81
06/30/14		1.001537970		89.97	1.001537970	90.11
07/31/14		1.001410071		892,296.32	1.001410071	893,554.52
08/01/14	-867,425.30	1.001405808	-868,644.73		1.001405808	
10/15/14		1.001090394		841.47	1.001090394	842.39
12/03/14		1.000885855		867,086.60	1.000885855	867,854.71
12/04/14	-849,141.63	1.000881594	-849,890.23		1.000881594	
12/19/14	-44,796.38	1.000817684	-44,833.01		1.000817684	
04/15/15		1.000323587		773.19	1.000323587	773.44
06/30/15		1.000004257		893,916.32	1.000004257	893,920.13
	<u>-2,673,987.34</u>		<u>-2,677,812.03</u>	<u>2,675,741.38</u>		<u>2,677,812.03</u>

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INVESTMENT DETAIL - YIELD RES RESERVEs

GENERAL RESERVE-GOVT FUND/CDs	
NET	:
YIELD (Computed)	:
Date	Transaction Amt

03/13/14	-892,446.40
04/15/14	559.77
06/30/14	89.97
07/31/14	892,296.32
08/01/14	-867,425.30
10/15/14	841.47
12/03/14	867,086.60
12/04/14	-849,141.63
12/19/14	-44,796.38
04/15/15	773.19
06/30/15	893,916.32

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INVESTMENT DETAIL - COSTS OF ISSUANCE

TREASURY ACCOUNT	
NET	:
YIELD (Computed):	0.00819
Date	Transaction Amt

03/13/14	-122,092.75
03/13/14	101,915.12
04/02/14	726.00
04/07/14	2,536.00
04/07/14	15,100.00
04/07/14	1,041.63
04/11/14	774.00
04/11/14	0.11

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INVESTMENT DETAIL - LOAN FUND

TAX-EXEMPT PROCEEDS
NET : 0.00
YIELD (Computed): 0.00000
Date Transaction Amt

03/13/14 -10,095,547.25
03/13/14 10,095,547.25