

## TAX AND NON-ARBITRAGE CERTIFICATE

The undersigned Melvin Davis and Brad Johnson, DO HEREBY CERTIFY that they are the duly elected, qualified and acting Chairman of the Board of Commissioners of Oconee County, Georgia (the “County”) and the Chairman of the Walton County Water and Sewerage Authority (the “Issuer”), respectively, and they have the authority to execute this Certificate on behalf of the County and the Issuer, respectively. This Certificate is being delivered to Gray Pannell & Woodward LLP so that Gray Pannell & Woodward LLP may rely on the information contained herein (including the exhibits and appendices hereto) in rendering its opinion with respect to certain federal income tax matters relating to the Series 2015 Bonds (as defined below).

WE HEREBY FURTHER CERTIFY for and on behalf of the County and the Issuer as follows:

### I. General.

A. We are familiar with the Walton County Water and Sewerage Authority Refunding Revenue Bonds (Oconee – Hard Labor Creek Reservoir Project), Series 2015 in the aggregate principal amount of \$8,425,000 (the “Series 2015 Bonds”), being issued and sold by the Issuer.

B. The Series 2015 Bonds are being issued pursuant to a Trust Indenture, dated as of April 1, 2008 (the “Original Indenture”), as supplemented by a First Supplemental Trust Indenture, dated as of April 1, 2008 (the “First Supplemental Trust Indenture”), and as supplemented by a Second Supplemental Trust Indenture, dated as of July 1, 2015 (the “Second Supplemental Indenture” and, together with the Original Indenture and the First Supplemental Trust Indenture, the “Indenture”), each between the Issuer and Regions Bank, as trustee (the “Trustee”) and used, along with other available moneys of the Issuer, for the purpose of providing funds (1) to advance refund the Issuer’s Revenue Bonds (Oconee – Hard Labor Creek Reservoir Project), Series 2008 (the “Series 2008 Bonds”), maturing on February 1, 2028, in the aggregate principal amount of \$1,120,000 and subject to sinking fund redemption on February 1 in the years 2027 (in part) and 2028, and maturing on February 1, 2038, in the aggregate principal amount of \$7,020,000 and subject to mandatory sinking fund redemption on February 1 in the years 2029 through 2035, inclusive (the “Refunded Bonds”) and (2) to pay certain expenses incident to the issuance of the Series 2015 Bonds.

C. The Series 2008 Bonds were issued by the Issuer on April 2, 2008, in the original aggregate principal amount of \$19,535,000 for the purpose of (i) financing or refinancing a portion of the cost of the acquisition, construction, and equipping of a new reservoir and related treatment, pumping and other facilities and other related facilities, including piping (the “Reservoir Project”); (ii) paying capitalized interest on the Series 2008 Bonds, and (iii) paying all or a portion of the costs of issuance of the Series 2008 Bonds, including a bond insurance premium.

D. In order to carry out the advance refunding of the Refunded Bonds, the Issuer will enter into an Escrow Deposit Agreement, dated July 29, 2015 (the “Escrow Deposit

Agreement”), with Regions Bank, Atlanta, Georgia, as escrow agent (in such capacity, the “Escrow Agent”) and as trustee for the Refunded Bonds. Under the Escrow Deposit Agreement, a portion of the proceeds of the Series 2015 Bonds in an amount equal to \$8,967,546.88 and other available funds of the Issuer (in the amount of \$203,500) will be deposited with Escrow Agent and applied to make an initial cash deposit in the Escrow Fund, created pursuant to the Escrow Deposit Agreement, of \$176.82 and to purchase general and direct non-callable obligations of the United States of America (the “Acquired Obligations”) as shown on Exhibit B to the Escrow Deposit Agreement (an executed copy of which is included in the transcript for the Series 2015 Bonds), as more fully described in the Escrow Deposit Agreement. Such initial cash deposit and proceeds of the Acquired Obligations, when and as the same become due and payable, will provide sufficient moneys to (i) pay principal and interest on the Refunded Bonds as the same become due through and including February 1, 2018 and (ii) to redeem the Refunded Bonds maturing on and after February 1, 2019, on February 1, 2018, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date, all as shown on Exhibit “A” attached hereto.

E. The Issuer and the County have entered into an Intergovernmental Contract – Reservoir Project, dated as of October 1, 2007, as supplemented by the First Supplement to Intergovernmental Contract – Reservoir Project, dated as of April 1, 2008, and as supplemented by a Second Supplement to Intergovernmental Contract – Reservoir Project, dated as of July 1, 2015 (as supplemented, the “Intergovernmental Contract”) under which the Issuer has agreed to provide certain water and sewerage facilities and services to the County, and the County has agreed, subject to the terms of the Intergovernmental Contract, to pay to the Issuer amounts sufficient to pay the principal and interest on the outstanding Series 2008 Bonds (remaining outstanding after the refunding of the Refunded Bonds) and the Series 2015 Bonds. The County has agreed to levy an ad valorem tax to the extent required to make the payments under the Intergovernmental Contract.

F. The Series 2015 Bonds are being sold to Stifel Nicolaus & Company, Incorporated (the “Underwriter”), pursuant to a Bond Purchase Agreement, dated June 30, 2015 (the “Purchase Agreement”), among the Underwriter, the County and the Issuer.

G. We have examined a completed copy of the Information Return for Tax Exempt Governmental Bond Issues (IRS Form 8038-G) of even date herewith filed pursuant to Section 149(e) of the Internal Revenue Code of 1986, as amended (the “Code”) on behalf of the Issuer with the Internal Revenue Service Center, Ogden, Utah 84201, and, to the best of our knowledge, all information therein is true and correct as of the date of this Certificate.

## II. Refunding of Refunded Bonds.

A. The Issuer will realize a debt service savings on the Refunded Bonds because of the refunding.

B. No portion of the Refunded Bonds has previously been advanced refunded.

### III. Sources and Uses of Funds.

A. The total sources and uses of the Series 2015 Bonds, together with certain other moneys, are set forth in Exhibit A attached hereto.

### IV. Overissuance Test.

A. Reasonably expected “proceeds” of the Series 2015 Bonds means the sum of (a) the “sale proceeds” of the Series 2015 Bonds (defined in Treasury Regulation § 1.148-1(b) as any amounts actually or constructively received from the sale of the Series 2015 Bonds, including amounts used to pay underwriter’s discount and post-issuance accrued interest), plus (b) any “investment proceeds” of the Series 2015 Bonds (as defined in Treasury Regulation § 1.148-1(b)), plus (c) any “transferred proceeds” of the Series 2015 Bonds (as defined in Treasury Regulation § 1.148-9).

B. The reasonably expected proceeds of the Series 2015 Bonds (a) will not exceed by more than a minor portion the amount necessary to accomplish the governmental purposes of the issue and (b) are not in excess of the amount of sale proceeds allocated to expenditures for the governmental purposes of the issue.

### V. Disbursements of Funds and Schedule of Expenditures; Yield.

A. The sale proceeds of the Series 2015 Bonds shall be applied as follows:

(a) \$226,543.42 will be used to pay costs of issuance, including the Underwriter’s discount.

(b) \$8,967,546.88, together with \$203,500 from the Sinking Fund for the Series 2008 Bonds, representing a sum equal to the amount necessary (\$9,171,046.88) (i) to provide for the payment in full of the principal and interest due on the Refunded Bonds through and including February 1, 2018 (the earliest redemption date for the Refunded Bonds) and (ii) to redeem the Refunded Bonds maturing on and after February 1, 2019, on February 1, 2018, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date, shall be irrevocably deposited with Regions Bank, as trustee for the Series 2008 Bonds.

B. That portion of the moneys used to pay costs of issuance of the Series 2015 Bonds, together with any investment earnings thereon, is expected to be expended for the payment of costs of issuance of the Series 2015 Bonds within 30 days after the date of this Certificate. If such moneys are not expended within 30 days, the Issuer will instruct the underwriter not to invest those moneys at a yield higher than the yield on the Series 2015 Bonds.

C. The Refunded Bonds will be paid and redeemed in full on February 1, 2018, the first date on which such bonds may be redeemed.

D. The yield on the Series 2015 Bonds is 2.8976%. For purposes of this Certificate, the “yield” is, and shall be, calculated in the manner set forth in the Code and in accordance with Treasury Regulation § 1.148-4(b). Generally, the “yield” on a fixed yield issue means the

discount rate which, when used in computing the present value of all unconditionally payable payments of principal, interest, and fees for a “qualified guarantee” (as defined in Treasury Regulation § 1.148-4(f)), and amounts reasonably expected to be paid as fees for qualified guarantees, produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of such obligation as of the issue date. In the case of the Series 2015 Bonds, the “issue price” of any bond is defined in the same manner as such term is defined under Sections 1273 and 1274 of the Code. The issue price and yield of the Series 2015 Bonds is based on the Certificate of the Underwriter attached hereto as Exhibit B.

#### VI. Bona Fide Debt Service Fund and Debt Service Reserve Fund.

A. The Sinking Fund established under the Indenture is a “bona fide debt service fund” within the meaning of Section 148 of the Code and Treasury Regulation § 1.148-1(b) in that:

(a) it is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year; and

(b) it is to be depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of (i) the earnings on the bona fide debt service fund for the immediately preceding bond year, or (ii) 1/12th of the principal and interest payments on the Series 2015 Bonds for the immediately preceding bond year.

The bona fide debt service fund is expected to be completely depleted on each payment date of principal or interest. The moneys on deposit in the bona fide debt service fund will be invested pending their disbursement.

B. The moneys on deposit in the Sinking Fund will be invested in investments permitted under the Indenture at an unlimited yield pending their disbursement.

C. Under the Intergovernmental Contract, on the 15<sup>th</sup> day of each month in each year during the term of the Intergovernmental Contract, or if any such date falls on a day that is not a Business Day, then on the next succeeding Business Day, the County will deposit in the Sinking Fund created under the Indenture 1/6<sup>th</sup> of the interest due on the next succeeding semi-annual interest payment date and 1/12<sup>th</sup> of the principal due on the next succeeding annual principal payment date until the amount on deposit in the Sinking Fund is equal to the amount due on the next February 1 or August 1, as applicable.

D. The Debt Service Reserve Fund created under the Indenture was funded in order to provide a reserve to be applied to pay principal and interest on the Bonds (as defined in the Indenture), including the Series 2008 Bonds (remaining outstanding after the refunding of the Refunded Bonds) and the Series 2015 Bonds, in the event that moneys held by the Trustee in the Sinking Fund are insufficient for such purpose on any day on which such payments are due. The Debt Service Reserve Fund will be funded in an amount equal to the “Reserve Requirement,” which is defined in the Indenture to mean, at any time of computation, an amount equal to the least of (a) ten percent of the original aggregate principal amount of the Bonds; (b) 125% of the average annual principal and interest requirements on the Bonds in any Sinking Fund Year; or (c) the maximum annual principal and interest requirements on the Bonds in any Sinking Fund



Year. In the event the moneys and the value of investments in the Debt Service Reserve Fund exceed the Reserve Requirement, then on the next Interest Payment Date, the Trustee shall transfer to the Sinking Fund the amount of any such excess.

E. The moneys on deposit in the Debt Service Reserve Fund will be invested in investments permitted under the Indenture at an unlimited yield pending their disbursement.

F. In the event that moneys are withdrawn from the Debt Service Reserve Fund to be applied to the payment of the Bonds (other than a withdrawal because the amount therein exceeds the Reserve Requirement) then the Issuer is required to make periodic payments under the Indenture to restore the balance in the Debt Service Reserve Fund to an amount equal to the Reserve Requirement. Under the Intergovernmental Contract, should there be a shortfall in the Debt Service Reserve Fund as a result of a transfer of amounts from the Debt Service Reserve Fund to the Sinking Fund to pay amounts due on any series of Bonds, the County shall make deposits to the Debt Service Reserve Fund in 12 equal monthly installments, such that the amounts so deposited, when added to the amounts on deposit in the Debt Service Reserve Fund, will equal the Reserve Requirement.

G. Except for the Sinking Fund and the Debt Service Reserve Fund, no “sinking fund” or “pledged fund” (as such terms are defined in Treasury Regulation § 1.148-1(c)(2) and (3), respectively), debt service fund, redemption fund, reserve fund, revolving fund or any similar fund or account has been or will be created or established by the Issuer or will be established by any other person or entity with moneys or property derived from the Issuer or any related party from which the principal of, redemption premium (if any) or interest on, the Series 2015 Bonds is reasonably expected to be paid, directly or indirectly. All of the moneys to be used to pay the principal of, redemption premium (if any) and interest on the Series 2015 Bonds will be deposited into the Sinking Fund.

## VII. Pledged and Replacement Funds.

A. No stock or other “security” as defined in Section 165(g)(2)(A) and (B) of the Code, annuity contract, “investment-type property” as described or defined in Section 148(b) of the Code and Treasury Regulation § 1.148-1(d), or any other obligation (other than an obligation described in Section 103(a) of the Internal Revenue Code of 1954, as amended, or Section 103(a) of the Code which is not a “specified private activity bond” within the meaning of Section 57(a)(5)(C) of the Code), will be pledged as security for the payment of principal of, redemption premium (if any) and interest on the Series 2015 Bonds.

B. All of the proceeds of the Series 2015 Bonds (including any investment proceeds) are being expended for the purposes set forth in paragraph I(B) hereof, and no portion of the proceeds of the Series 2015 Bonds is expected to be used to finance or be allocated to working capital expenditures or to create any working capital reserve, directly or indirectly.

C. The Series 2015 Bonds will not be outstanding longer than is reasonably necessary for the governmental purposes of the issue, as determined under Treasury Regulation § 1.148-10. The weighted average maturity of the Series 2015 Bonds does not exceed the reasonably expected economic life of the Reservoir Project by more than 20%. The proceeds of the Series 2015 Bonds are not expected to be used directly or indirectly to replace funds which

were or are to be used directly or indirectly to acquire “higher yielding investments” within the meaning of Section 148(b) of the Code.

D. The Issuer has not entered into any agreement obligating it to maintain any amount at a particular level for the benefit of the owners of the Series 2015 Bonds.

VIII. Composite Issues and Bank Qualification and Allocation.

A. There are no other obligations heretofore issued or to be issued by or on behalf of any state, territory or possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia, which:

(a) are to be sold less than 15 days prior to or after the date of sale of the Series 2015 Bonds;

(b) are to be sold pursuant to the same plan of financing with the Series 2015 Bonds; and

(c) are reasonably expected to be paid from substantially the same source of funds as the Series 2015 Bonds, determined without regard to guarantees from unrelated parties.

B. The Issuer, the County and Walton County, Georgia have agreed to the irrevocable allocation of 100% of the principal amount of the Series 2015 Bonds to the County for purposes of Section 265(b)(3)(C)(iii) and 148(f)(4)(D)(iv) of the Code.

C. The County intends, and does hereby designate, the Series 2015 Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code. In connection therewith, the County does hereby certify as follows:

(a) the obligations evidenced by the Series 2015 Bonds are not “private activity bonds” as defined in Section 141 of the Code;

(b) the County has designated the Series 2015 Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the County (and all entities treated as one issuer with the County and all subordinate entities whose obligations are treated as issued by the County) during the current calendar year will not exceed \$10,000,000;

(d) not more than \$10,000,000 of obligations issued by the County during the current calendar year will be designated for purposes of Section 265(b)(3) of the Code;

(e) the County and all entities which issue obligations on behalf of the County shall be treated as one issuer, and no entity has been formed or availed of to avoid the \$10,000,000 limitation set forth in Section 265(b)(3) of the Code; and

(f) the Series 2015 Bonds are not being issued as part of a direct or indirect composite issue within the meaning of Section 265(b)(3) of the Code.

#### IX. Private Activity Bond Test.

A. No portion of the proceeds of the Series 2015 Bonds or the Reservoir Project is to be used, directly or indirectly, in a trade or business carried on by any person other than a governmental unit (other than use as a member of the general public) (a “private business use”), and no portion of the principal or interest on the Series 2015 Bonds is, under the Indenture or pursuant to any underlying agreement, directly or indirectly (a) secured by any property used or to be used in a private business use or payments in respect of such property, or (b) to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use.

B. There is no management contract with respect to the Reservoir Project. If the Issuer enters into any other management contract, cooperative research agreement, output contract or similar agreement with respect to the Reservoir Project or any of the products or services provided at the Reservoir Project, such agreement shall comply with Revenue Procedure 97-13 or any other similar law, regulation or ruling.

C. No portion of the proceeds of the Series 2015 Bonds is being used (a) to finance or refinance any “output facility” (within the meaning of Section 141(b)(4) of the Code), (b) to make or to finance loans to persons other than governmental units or (c) directly or indirectly, for the acquisition by a governmental unit of nongovernmental output property (within the meaning of Section 141(d) of the Code).

#### X. Hedge Bonds.

A. The Issuer reasonably expected that (a) at least 85% of the “spendable proceeds” of the Refunded Bonds would be spent for the governmental purposes for which such Refunded Bonds were issued within the three year period beginning on the date of issuance of such Refunded Bonds, and (b) not more than 50% of the proceeds of the Refunded Bonds would be invested in “nonpurpose investments” (as defined in Treasury Regulation § 1.148-1(b)) having a substantially guaranteed yield for four years or more.

B. The Series 2015 Bonds are being issued for the significant governmental purposes set forth in paragraph I(B), and are not being issued to hedge against future increases in interest rates.

#### XI. Rebate to the United States.

A. The Issuer and the County hereby covenant and agree that, except as provided in paragraph XI (F) hereof, at the end of each five year period beginning on the date of issuance of the Series 2015 Bonds, or on such other date as may be permitted by applicable temporary, proposed or final Treasury Regulations (each such date, a “computation date”) it shall compute the Rebutable Arbitrage (as described in paragraph XI (B) of this Certificate) with respect to the Series 2015 Bonds and within 60 days thereafter make installment payments to the United States

in an amount such that the amount of such payment, together with the amounts previously so paid, equals 90% of the Rebatable Arbitrage with respect to the Series 2015 Bonds. The final installment (the “Final Rebate”) shall be paid no later than the date 60 days after the final computation date, and shall be in an amount such that the amount of such payment, together with the amounts previously so paid, equals all of the Rebatable Arbitrage as of the final computation date. If the Series 2015 Bonds are retired within three years after the date of issuance thereof, the final computation date need not occur before the end of eight months after the date of issuance of the Series 2015 Bonds or during the period in which the Issuer reasonably expects that any of the spending exceptions under Treasury Regulation § 1.148-7 will apply to the Series 2015 Bonds.

B. The “Rebatable Arbitrage” with respect to the Series 2015 Bonds is an amount equal to the sum of:

(a) the excess of:

(i) the aggregate amount earned from the date of the issuance of the Series 2015 Bonds on all nonpurpose investments in which gross proceeds of the Series 2015 Bonds are invested (other than amounts attributable to the excess described in this clause) over

(ii) the amount that would have been earned if the yield on such nonpurpose investments had been equal to the yield (determined on the basis of the issue price) on the Series 2015 Bonds; plus

(b) any income attributable to the excess described in Section XI (B)(a) above (whether or not such income exceeds the yield on the Series 2015 Bonds).

The amount of Rebatable Arbitrage shall be computed in accordance with Treasury Regulations §§ 1.148-0 to 1.148-11, as the same may be modified, amended or superseded from time to time with respect to the Series 2015 Bonds.

C. Generally, the Rebatable Arbitrage with respect to the Series 2015 Bonds as of any date of computation is the excess of (x) the future value of all nonpurpose receipts with respect to the Series 2015 Bonds; over (y) the future value of all nonpurpose payments with respect to the Series 2015 Bonds computed as required under Treasury Regulation § 1.148-3(c).

D. For purposes of determining the amount of Rebatable Arbitrage under Section 148(f) of the Code, because the rate of interest on the Series 2015 Bonds does not vary during the term of the Series 2015 Bonds, and because the weighted average maturity of the Series 2015 Bonds (as determined in accordance with Section 147(b)(2)(A) of the Code) is at least five years, any amount earned on a bona fide debt service fund (as described in Section 148(f)(4)(B) of the Code) shall not be taken into account.

E. Each payment of the Rebatable Arbitrage required under the provisions of this Certificate shall be (a) filed with the Internal Revenue Service Center, Ogden, Utah 84201, and (b) accompanied by a copy of the IRS Form 8038-T to be filed with respect to the Rebatable Arbitrage which is being paid, except as may otherwise be provided by applicable Treasury

Regulations.

F. Unless the Issuer shall receive an opinion of recognized bond counsel experienced in matters relating to Section 148 of the Code to the effect that failure to pay any rebate under Section 148(f) of the Code will not adversely affect the exclusion of interest on the Series 2015 Bonds from gross income for federal income tax purposes, the Issuer agrees that it shall file all reports and make all payments required to be made to the United States in accordance with Section 148(f) of the Code and Treasury Regulation §§ 1.148-0 to 1.148-11, or any successor temporary, proposed or final Treasury Regulations thereto.

## XII. Issue Price of Bonds and Qualified Guarantee.

A. Based upon the Certificate of the Underwriter attached hereto as Exhibit B, dated the date of this Certification, the aggregate “issue price” of the Series 2015 Bonds is \$9,194,090.30 (i.e., the principal amount of the Series 2015 Bonds, plus original issue premium of \$769,090.30). In determining the “issue price”, the Issuer is relying on the Proposed Treasury Regulation § 1.148-1(f)(2)(ii), as published in *The Federal Register* on June 24, 2015.

B. No portion of the Series 2015 Bonds was sold for property.

## XIII. Miscellaneous.

A. The Issuer does not have a present expectation or intention of selling or otherwise disposing of any portion of the Reservoir Project or its interest therein prior to the last maturity of the Series 2015 Bonds.

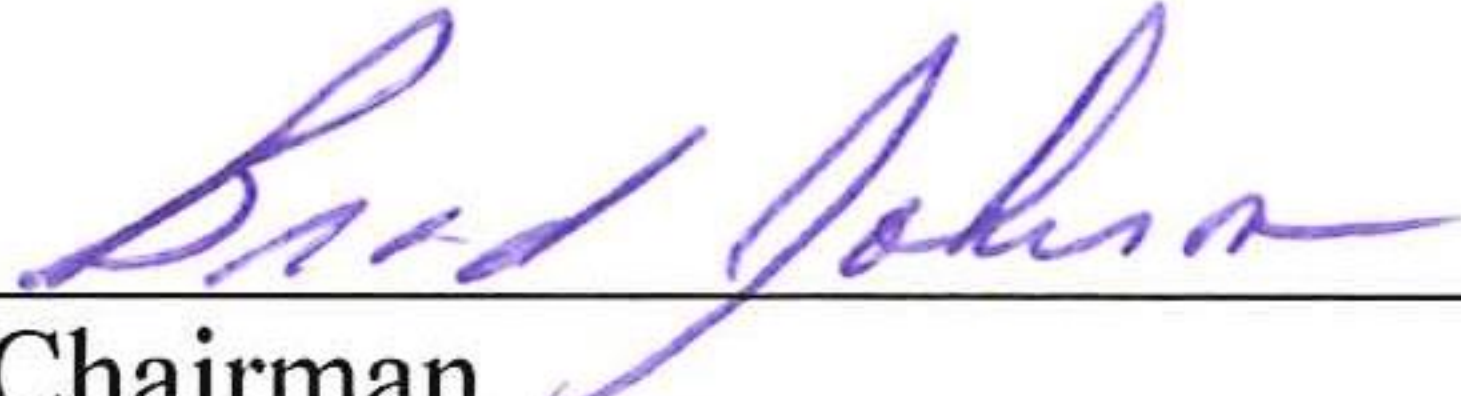
B. The Series 2015 Bonds are not and will not be “federally guaranteed” within the meaning of Section 149(b) of the Code.

C. No portion of the Series 2015 Bonds is being used, directly or indirectly, in connection with a transaction or a series of transactions that attempts to circumvent the provisions of Section 148 of the Code or the proposed, temporary or final Treasury Regulations applicable thereto (a) enabling the Issuer to exploit the difference between tax exempt and taxable interest rates to gain a material financial advantage and (b) increasing the burden on the market for tax exempt obligations. The Series 2015 Bonds are not being issued sooner and will not remain outstanding longer than is reasonably necessary for the purposes for which the Series 2015 Bonds are issued.



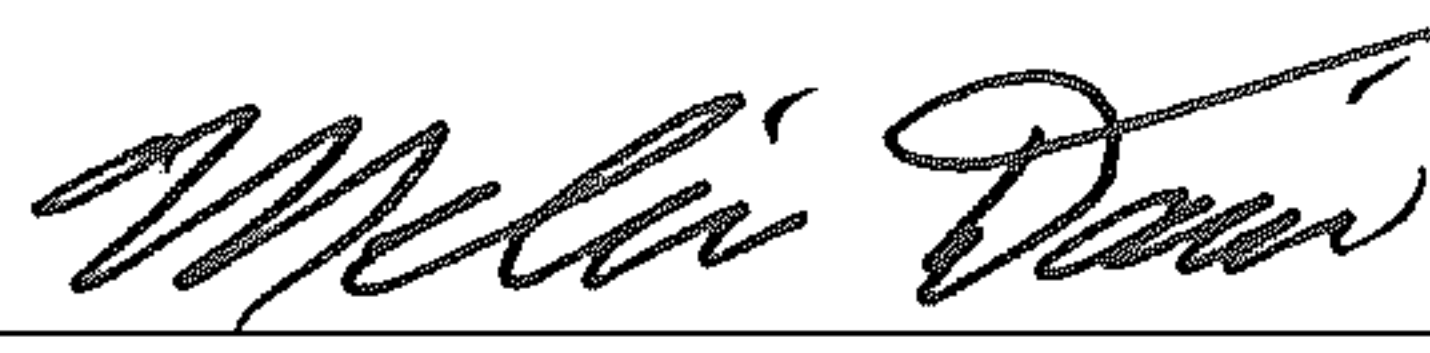
IN WITNESS WHEREOF, this Certificate has been executed on behalf of the Issuer by the undersigned this 29<sup>th</sup> day of July, 2015.

WALTON COUNTY WATER AND  
SEWERAGE AUTHORITY

By:   
Chairman



OCONEE COUNTY, GEORGIA

By:   
Chairman, Oconee County Board of  
Commissioners

Exhibits:

- Exhibit A - Sources and Uses of Funds and Numbers Run from Stifel Nicolaus & Company, Incorporated
- Exhibit B - Certificate as to Issue Price, Yield and Weighted Average Maturity

Exhibit A

**SOURCES AND USE OF FUNDS**

**SERIES 2015 BONDS**

**Sources of Funds**

Principal Amount of Series 2015 Bonds	\$8,425,000.00
Original Issue Premium	769,090.30
Amount held in Sinking Fund for Series 2008 Bonds	<u>203,500.00</u>
<b>Total Sources:</b>	<b><u>\$9,397,590.30</u></b>

**Uses of Funds**

Deposit to Escrow Fund for refunding of Refunded Bonds	\$9,171,046.88
Underwriter's Discount	63,187.50
Costs of Issuance	<u>163,355.92</u>
<b>Total Uses:</b>	<b><u>\$9,397,590.30</u></b>

Sources and Uses of Funds  
 Walton County Water and Sewerage Authority  
 Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservior Project), Series 2015

Dated Date     7/29/2015  
 Delivery  
 Date             7/29/2015

Sources:	
<hr/>	
Bond Proceeds:	
Par Amount	8,425,000.00
Net Premium	769,090.30
	<hr/>
	9,194,090.30
Other Sources of Funds:	
Sinking Fund - Interest	203,500.00
	<hr/>
	9,397,590.30
	<hr/> <hr/>
Uses:	
<hr/>	
Refunding Escrow Deposits:	
Cash Deposit	176.82
Open Market Purchases	9,170,870.06
	<hr/>
	9,171,046.88
Delivery Date Expenses:	
Cost of Issuance	163,355.92
Underwriter's Discount	63,187.50
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	226,543.42
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	9,397,590.30
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Bond Pricing  
 Walton County Water and Sewerage Authority  
 Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					
	2/1/2016	10,000	2.000%	0.400%	100.807
	2/1/2017	25,000	3.000%	0.750%	103.362
	2/1/2018	25,000	3.000%	1.100%	104.682
	2/1/2027	330,000	4.000%	2.620%	112.076 C
	2/1/2028	850,000	4.000%	2.670%	111.610 C
	2/1/2029	880,000	4.000%	2.730%	111.053 C
	2/1/2030	920,000	4.000%	2.800%	110.408 C
	2/1/2031	955,000	4.000%	2.900%	109.493 C
	2/1/2032	995,000	4.000%	2.950%	109.039 C
	2/1/2033	1,035,000	4.000%	3.000%	108.588 C
	2/1/2034	1,075,000	4.000%	3.070%	107.959 C
	2/1/2035	1,115,000	4.000%	3.120%	107.513 C
		8,215,000			
2026 Term Bond:					
	2/1/2026	210,000	2.375%	2.550%	98.396
		8,425,000			

Dated Date	7/29/2015	
Delivery Date	7/29/2015	
First Coupon	2/1/2016	
Par Amount	8,425,000.00	
Premium	769,090.30	
	-----	
Production	9,194,090.30	109.128668%
Underwriter's Discount	-63,187.50	-0.750000%
	-----	
Purchase Price	9,130,902.80	108.378668%
Accrued Interest		
	-----	
Net Proceeds	9,130,902.80	

Unrefunded Bond Debt Service  
Walton County Water and Sewerage Authority

Outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series

Period Ending	Principal	Coupon	Interest	Debt Service
2/1/2016	485,000	4.000%	510,462.50	995,462.50
2/1/2017	505,000	4.000%	491,062.50	996,062.50
2/1/2018	525,000	4.000%	470,862.50	995,862.50
2/1/2019	545,000	4.125%	449,862.50	994,862.50
2/1/2020	570,000	4.250%	427,381.26	997,381.26
2/1/2021	595,000	4.375%	403,156.26	998,156.26
2/1/2022	620,000	4.250%	377,125.00	997,125.00
2/1/2023	645,000	4.500%	350,775.00	995,775.00
2/1/2024	675,000	5.000%	321,750.00	996,750.00
2/1/2025	710,000	5.000%	288,000.00	998,000.00
2/1/2026	745,000	5.000%	252,500.00	997,500.00
2/1/2027	480,000	5.000%	215,250.00	695,250.00
2/1/2028			191,250.00	191,250.00
2/1/2029			191,250.00	191,250.00
2/1/2030			191,250.00	191,250.00
2/1/2031			191,250.00	191,250.00
2/1/2032			191,250.00	191,250.00
2/1/2033			191,250.00	191,250.00
2/1/2034			191,250.00	191,250.00
2/1/2035			191,250.00	191,250.00
2/1/2036	1,215,000	5.000%	191,250.00	1,406,250.00
2/1/2037	1,275,000	5.000%	130,500.00	1,405,500.00
2/1/2038	1,335,000	5.000%	66,750.00	1,401,750.00
	10,925,000		6,476,687.52	17,401,687.52



Prior Bond Debt Service				
Walton County Water and Sewerage Authority				
ng Revenue Bonds (Oconee-Hard Labor Creek Reservior Project), Ser				
Period				
Ending	Principal	Coupon	Interest	Debt Service
2/1/2016			407,000	407,000
2/1/2017			407,000	407,000
2/1/2018			407,000	407,000
2/1/2019			407,000	407,000
2/1/2020			407,000	407,000
2/1/2021			407,000	407,000
2/1/2022			407,000	407,000
2/1/2023			407,000	407,000
2/1/2024			407,000	407,000
2/1/2025			407,000	407,000
2/1/2026			407,000	407,000
2/1/2027	300,000	5.000%	407,000	707,000
2/1/2028	820,000	5.000%	392,000	1,212,000
2/1/2029	860,000	5.000%	351,000	1,211,000
2/1/2030	905,000	5.000%	308,000	1,213,000
2/1/2031	950,000	5.000%	262,750	1,212,750
2/1/2032	1,000,000	5.000%	215,250	1,215,250
2/1/2033	1,050,000	5.000%	165,250	1,215,250
2/1/2034	1,100,000	5.000%	112,750	1,212,750
2/1/2035	1,155,000	5.000%	57,750	1,212,750
	8,140,000		6,748,750	14,888,750

Bond Debt Service  
Walton County Water and Sewerage Authority

Outstanding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series

Period Ending	Principal	Coupon	Interest	Debt Service
2/1/2016	10,000	2.000%	168,293.13	178,293.13
2/1/2017	25,000	3.000%	332,687.50	357,687.50
2/1/2018	25,000	3.000%	331,937.50	356,937.50
2/1/2019	25,000	2.375%	331,187.50	356,187.50
2/1/2020	25,000	2.375%	330,593.76	355,593.76
2/1/2021	25,000	2.375%	330,000.00	355,000.00
2/1/2022	25,000	2.375%	329,406.26	354,406.26
2/1/2023	25,000	2.375%	328,812.50	353,812.50
2/1/2024	25,000	2.375%	328,218.76	353,218.76
2/1/2025	30,000	2.375%	327,625.00	357,625.00
2/1/2026	30,000	2.375%	326,912.50	356,912.50
2/1/2027	330,000	4.000%	326,200.00	656,200.00
2/1/2028	850,000	4.000%	313,000.00	1,163,000.00
2/1/2029	880,000	4.000%	279,000.00	1,159,000.00
2/1/2030	920,000	4.000%	243,800.00	1,163,800.00
2/1/2031	955,000	4.000%	207,000.00	1,162,000.00
2/1/2032	995,000	4.000%	168,800.00	1,163,800.00
2/1/2033	1,035,000	4.000%	129,000.00	1,164,000.00
2/1/2034	1,075,000	4.000%	87,600.00	1,162,600.00
2/1/2035	1,115,000	4.000%	44,600.00	1,159,600.00
	8,425,000		5,264,674.41	13,689,674.41

Savings  
Walton County Water and Sewerage Authority  
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 07/29/2015 @ 2.8975965%
2/1/2016	407,000.00	203,500.00	203,500.00	178,293.13	25,206.87	24,810.40
2/1/2017	407,000.00		407,000.00	357,687.50	49,312.50	47,737.77
2/1/2018	407,000.00		407,000.00	356,937.50	50,062.50	47,086.91
2/1/2019	407,000.00		407,000.00	356,187.50	50,812.50	46,434.58
2/1/2020	407,000.00		407,000.00	355,593.76	51,406.24	45,643.12
2/1/2021	407,000.00		407,000.00	355,000.00	52,000.00	44,859.22
2/1/2022	407,000.00		407,000.00	354,406.26	52,593.74	44,083.06
2/1/2023	407,000.00		407,000.00	353,812.50	53,187.50	43,314.86
2/1/2024	407,000.00		407,000.00	353,218.76	53,781.24	42,554.76
2/1/2025	407,000.00		407,000.00	357,625.00	49,375.00	37,999.23
2/1/2026	407,000.00		407,000.00	356,912.50	50,087.50	37,452.11
2/1/2027	707,000.00		707,000.00	656,200.00	50,800.00	36,905.47
2/1/2028	1,212,000.00		1,212,000.00	1,163,000.00	49,000.00	34,593.68
2/1/2029	1,211,000.00		1,211,000.00	1,159,000.00	52,000.00	35,612.44
2/1/2030	1,213,000.00		1,213,000.00	1,163,800.00	49,200.00	32,720.60
2/1/2031	1,212,750.00		1,212,750.00	1,162,000.00	50,750.00	32,745.74
2/1/2032	1,215,250.00		1,215,250.00	1,163,800.00	51,450.00	32,210.62
2/1/2033	1,215,250.00		1,215,250.00	1,164,000.00	51,250.00	31,131.66
2/1/2034	1,212,750.00		1,212,750.00	1,162,600.00	50,150.00	29,555.67
2/1/2035	1,212,750.00		1,212,750.00	1,159,600.00	53,150.00	30,379.61
	14,888,750.00	203,500.00	14,685,250.00	13,689,674.41	995,575.59	757,831.51

Savings Summary

PV of savings from cash flow	757,831.51
	-----
Net PV Savings	757,831.51

Summary of Refunding Results  
Walton County Water and Sewerage Authority  
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservior Project), Series 2015

Dated Date	7/29/2015
Delivery Date	7/29/2015
Arbitrage yield	2.897597%
Escrow yield	0.877604%
Value of Negative Arbitrage	419,037.05
Bond Par Amount	8,425,000.00
True Interest Cost	3.285300%
Net Interest Cost	3.446974%
Average Coupon	3.980721%
Average Life	15.698
Par amount of refunded bonds	8,140,000.00
Average coupon of refunded bonds	5.000000%
Average life of refunded bonds	16.087
PV of prior debt to 07/29/2015 @ 2.897597%	10,520,335.94
Net PV Savings	757,831.51
Percentage savings of refunded bonds	9.309969%
Percentage savings of refunding bonds	8.995033%

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Bond Summary Statistics  
Walton County Water and Sewerage Authority  
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015

Dated Date	7/29/2015
Delivery Date	7/29/2015
Last Maturity	2/1/2035
Arbitrage Yield	2.897597%
True Interest Cost (TIC)	3.285300%
Net Interest Cost (NIC)	3.446974%
All-In TIC	3.439312%
Average Coupon	3.980721%
Average Life (years)	15.698
Duration of Issue (years)	11.942
Par Amount	8,425,000.00
Bond Proceeds	9,194,090.30
Total Interest	5,264,674.41
Net Interest	4,558,771.61
Total Debt Service	13,689,674.41
Maximum Annual Debt Service	1,164,000.00
Average Annual Debt Service	701,834.63
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	7.500000
	-----
Total Underwriter's Discount	7.500000
Bid Price	108.378668

Bond Component	Par Value	Price	Average Coupon	Average Life
2026 Term Bond	210,000.00	98.396	2.375%	7.148
Serial Bonds	8,215,000.00	109.403	3.999%	15.916
	8,425,000.00			15.698

	TIC -----	All-In TIC -----	Arbitrage Yield -----	
Par Value	8,425,000.00	8,425,000.00	8,425,000.00	8,425,000.00
+ Accrued Interest				
+ Premium (Discount)	769,090.30	769,090.30	769,090.30	769,090.30
- Underwriter's Discount	-63,187.50	-63,187.50	-63,187.50	
- Cost of Issuance Expense			-163,355.92	
- Other Amounts				
Target Value	9,130,902.80	8,967,546.88	8,967,546.88	9,194,090.30
Target Date	7/29/2015	7/29/2015	7/29/2015	7/29/2015
Yield	3.285300%	3.439312%	3.439312%	2.897597%

Escrow Statistics

Walton County Water and Sewerage Authority

Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015

Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursemen t Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow:						
9,171,046.88	2.330	0.877604%	0.877525%	8,751,955.54	419,037.05	54.29
9,171,046.88				8,751,955.54	419,037.05	54.29

Delivery date 7/29/2015  
 Arbitrage  
 yield 2.897597%



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Escrow Requirements			
Walton County Water and Sewerage Authority			
Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project)			
Period		Principal	
Ending	Interest	Redeemed	Total
8/1/2015	203,500.00		203,500.00
2/1/2016	203,500.00		203,500.00
8/1/2016	203,500.00		203,500.00
2/1/2017	203,500.00		203,500.00
8/1/2017	203,500.00		203,500.00
2/1/2018	203,500.00	8,140,000.00	8,343,500.00
	1,221,000.00	8,140,000.00	9,361,000.00

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Escrow Descriptions										
Walton County Water and Sewerage Authority										
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015										
Purchase Date	Type of Security	CUSIP or ID	Maturity Date	Par Amount	Rate	Yield	Price	Interest Class	Interest Frequency	Interest Day Basis
Jul 29, 2015:										
	TBill	912796FX2	7/30/2015	161,000		-3.533%	100.009760	Periodic	Semiannual	ACT/ACT
	TBond	912828PS3	1/31/2016	160,000	2.000%	0.117%	100.951430	Periodic	Semiannual	ACT/ACT
	TBond	912828LD0	7/31/2016	162,000	3.250%	0.371%	102.886810	Periodic	Semiannual	ACT/ACT
	TBond	912828SC5	1/31/2017	164,000	0.875%	0.541%	100.499770	Periodic	Semiannual	ACT/ACT
	TBond	912828NR7	7/31/2017	165,000	2.375%	0.703%	103.324640	Periodic	Semiannual	ACT/ACT
	TBond	912828UJ7	1/31/2018	8,307,000	0.875%	0.892%	99.958777	Periodic	Semiannual	ACT/ACT
				9,119,000						

Escrow Cost  
Walton County Water and Sewerage Authority  
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015

Type of Security	Maturity Date	Par Amount	Rate	Yield	Price	Cost	Accrued Interest	Total Cost
TBill	7/30/2015	161,000		-3.532775%	100.0097600	161,015.71		161,015.71
TBond	1/31/2016	160,000	2.000%	0.116825%	100.9514300	161,522.29	1,582.32	163,104.61
TBond	7/31/2016	162,000	3.250%	0.371015%	102.8868100	166,676.63	2,603.41	169,280.04
TBond	1/31/2017	164,000	0.875%	0.541235%	100.4997700	164,819.62	709.57	165,529.19
TBond	7/31/2017	165,000	2.375%	0.702630%	103.3246400	170,485.66	1,937.72	172,423.38
TBond	1/31/2018	8,307,000	0.875%	0.891670%	99.9587768	8,303,575.59	35,941.54	8,339,517.13
		9,119,000				9,128,095.50	42,774.56	9,170,870.06

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
7/29/2015	9,170,870.06	176.82	9,171,046.88	0.877604%
	9,170,870.06	176.82	9,171,046.88	

Escrow Cash Flow  
 Walton County Water and Sewerage Authority  
 Funding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series

Date	Principal	Interest	Net Escrow Receipts	Present Value
				to 07/29/2015 @ 0.8776038%
7/30/2015	161,000.00		161,000.00	160,996.08
7/31/2015		43,252.51	43,252.51	43,250.41
1/31/2016	160,000.00	43,252.51	203,252.51	202,354.69
7/31/2016	162,000.00	41,652.51	203,652.51	201,867.12
1/31/2017	164,000.00	39,020.01	203,020.01	200,360.98
7/31/2017	165,000.00	38,302.51	203,302.51	199,763.21
1/31/2018	8,307,000.00	36,343.13	8,343,343.13	8,162,277.57
	9,119,000.00	241,823.18	9,360,823.18	9,170,870.06

Escrow Cost Summary

Purchase date	7/29/2015
Purchase cost of securities	9,170,870.06
	-----
Target for yield calculation	9,170,870.06

Escrow Sufficiency  
Walton County Water and Sewerage Authority

nding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
7/29/2015		176.82	176.82	176.82
7/30/2015		161,000.00	161,000.00	161,176.82
7/31/2015		43,252.51	43,252.51	204,429.33
8/1/2015	203,500.00		-203,500.00	929.33
1/31/2016		203,252.51	203,252.51	204,181.84
2/1/2016	203,500.00		-203,500.00	681.84
7/31/2016		203,652.51	203,652.51	204,334.35
8/1/2016	203,500.00		-203,500.00	834.35
1/31/2017		203,020.01	203,020.01	203,854.36
2/1/2017	203,500.00		-203,500.00	354.36
7/31/2017		203,302.51	203,302.51	203,656.87
8/1/2017	203,500.00		-203,500.00	156.87
1/31/2018		8,343,343.13	8,343,343.13	8,343,500.00
2/1/2018	8,343,500.00		-8,343,500.00	
	9,361,000.00	9,361,000.00		

Proof of Composite Escrow Yield  
 Walton County Water and Sewerage Authority  
 Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project)  
All restricted escrows funded by bond proceeds

Date	Security Receipts	Present Value to 07/29/2015 @ Security 0.8776037828 %
7/30/2015	161,000.00	160,996.08
7/31/2015	43,252.51	43,250.41
1/31/2016	203,252.51	202,354.69
7/31/2016	203,652.51	201,867.12
1/31/2017	203,020.01	200,360.98
7/31/2017	203,302.51	199,763.21
1/31/2018	8,343,343.13	8,162,277.57
	9,360,823.18	9,170,870.06

Escrow Cost Summary

Purchase date	7/29/2015
Purchase cost of securities	9,170,870.06
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Target for yield calculation	9,170,870.06



Form 8038 Statistics  
Walton County Water and Sewerage Authority  
Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015

Dated Date 7/29/2015  
Delivery Date 7/29/2015

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bonds:						
	2/1/2016	10,000.00	2.000%	100.807	10,080.70	10,000.00
	2/1/2017	25,000.00	3.000%	103.362	25,840.50	25,000.00
	2/1/2018	25,000.00	3.000%	104.682	26,170.50	25,000.00
	2/1/2027	330,000.00	4.000%	112.076	369,850.80	330,000.00
	2/1/2028	850,000.00	4.000%	111.610	948,685.00	850,000.00
	2/1/2029	880,000.00	4.000%	111.053	977,266.40	880,000.00
	2/1/2030	920,000.00	4.000%	110.408	1,015,753.60	920,000.00
	2/1/2031	955,000.00	4.000%	109.493	1,045,658.15	955,000.00
	2/1/2032	995,000.00	4.000%	109.039	1,084,938.05	995,000.00
	2/1/2033	1,035,000.00	4.000%	108.588	1,123,885.80	1,035,000.00
	2/1/2034	1,075,000.00	4.000%	107.959	1,160,559.25	1,075,000.00
	2/1/2035	1,115,000.00	4.000%	107.513	1,198,769.95	1,115,000.00
2026 Term Bond:						
	2/1/2019	25,000.00	2.375%	98.396	24,599.00	25,000.00
	2/1/2020	25,000.00	2.375%	98.396	24,599.00	25,000.00
	2/1/2021	25,000.00	2.375%	98.396	24,599.00	25,000.00
	2/1/2022	25,000.00	2.375%	98.396	24,599.00	25,000.00
	2/1/2023	25,000.00	2.375%	98.396	24,599.00	25,000.00
	2/1/2024	25,000.00	2.375%	98.396	24,599.00	25,000.00
	2/1/2025	30,000.00	2.375%	98.396	29,518.80	30,000.00
	2/1/2026	30,000.00	2.375%	98.396	29,518.80	30,000.00
		8,425,000.00			9,194,090.30	8,425,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	2/1/2035	4.000%	1,198,769.95	1,115,000.00		
Entire Issue			9,194,090.30	8,425,000.00	15.6941	2.8976%

Proceeds used for accrued interest	
Proceeds used for bond issuance costs (including underwriters' discount)	226,543.42
Proceeds used for credit enhancement	
Proceeds allocated to reasonably required reserve or replacement fund	
Proceeds used to currently refund prior issues	
Proceeds used to advance refund prior issues	9,171,046.88
Remaining weighted average maturity of the bonds to be currently refunded	
Remaining weighted average maturity of the bonds to be advance refunded	16.0770

Form 8038 Statistics  
 Walton County Water and Sewerage Authority  
 Refunding Revenue Bonds (Oconee-Hard Labor Creek Reservoir Project), Series 2015  
Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
Walton County Water and Sewerage Authority:					
TERM2028	2/1/2027	300,000.00	5.000%	100.378	301,134.00
TERM2028	2/1/2028	820,000.00	5.000%	100.378	823,099.60
TERM2038	2/1/2029	860,000.00	5.000%	98.468	846,824.80
TERM2038	2/1/2030	905,000.00	5.000%	98.468	891,135.40
TERM2038	2/1/2031	950,000.00	5.000%	98.468	935,446.00
TERM2038	2/1/2032	1,000,000.00	5.000%	98.468	984,680.00
TERM2038	2/1/2033	1,050,000.00	5.000%	98.468	1,033,914.00
TERM2038	2/1/2034	1,100,000.00	5.000%	98.468	1,083,148.00
TERM2038	2/1/2035	1,155,000.00	5.000%	98.468	1,137,305.40
<b>8,140,000.00</b>					<b>8,036,687.20</b>

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
Walton County Water and Sewerage Authority	2/1/2018	4/2/2008	16.0770
All Refunded Issues	2/1/2018		16.0770

## Preliminary Certificate of Underwriter Regarding Issue Price

### A. Purpose of this Certificate

This certificate is being delivered in connection with the issuance of the \$8,425,000 Refunding Revenue Bonds (Oconee – Hard Labor Creek Reservoir Project), Series 2015 (the “Securities”) by the Walton County Water and Sewerage Authority, a political subdivision of the State of Georgia (the “Issuer”).

Proposed Treasury Regulation § 1.148-1(f)(2)(ii), as published in *The Federal Register* on June 24, 2015, provides an alternative method for establishing the issue price of the Securities. This certificate is being delivered to support the Issuer’s reliance on the alternative method of establishing issue price. Stifel, Nicolaus & Company, Incorporated (the “Certifying Underwriter”) is the sole underwriter for the Securities and is delivering this certificate on behalf of each person who is included in the term “Underwriter”, as defined in *Section B* of this Certificate.

### B. Definitions Used in this Certificate

For purposes of this certificate, the following terms shall have the meaning indicated:

“**Bond Purchase Agreement**” means the Bond Purchase Agreement dated the Sale Date between the Issuer and the Certifying Underwriter.

“**Certifying Underwriter**” means Stifel, Nicolaus & Company, Incorporated, as the sole underwriter for the Securities.

“**Closing Date**” means the date the Issuer delivers the Securities to the Underwriter and the Underwriter pays the purchase price of the Securities.

“**Initial Offering Price**” means the initial offering price identified by the Underwriter in *Section C.1*. The issue price is determined separately for Securities with the same maturity and interest rate.

“**Non-Conforming Sale**” means a sale of the Securities to the Public at a price higher than the Initial Offering Price.

“**Public**” means any person other than the Underwriter.

“**Sale Date**” means June 30, 2015.

“**Underwriter**” means, collectively, each of the following persons: (i) the Certifying Underwriter; (ii) each person that has contracted with the Issuer or the Certifying Underwriter to form an underwriting syndicate or group for the initial sale of the Securities, including without limitation each person identified in the Bond Purchase Agreement or Preliminary Official Statement for the Securities as a member of the underwriting group; (iii) each person that has



entered into a contract or other arrangement with the Certifying Underwriter or underwriting syndicate or group to sell the Securities; and (iv) any person related to any person described in clauses (i) - (iii) under Section 144(a)(3) of the Internal Revenue Code.

### C. Representations and Agreement

The Certifying Underwriter hereby certifies the following, based upon the information available to it:

1. The final pricing wire attached to this certificate as *Schedule A* contains the Initial Offering Price for the Securities.

2. Except for those Securities maturing in year 2016, 2017 and 2018, the Underwriter filled all orders for the Securities received on or before the Sale Date (to the extent the orders did not exceed the amount of Securities to be sold) at the Initial Offering Price. The Underwriter did not fill an order for a Non-Conforming Sale of any Security on or before the Sale Date.

3. The Underwriter will not fill an order for a Non-Conforming Sale of any Security after the Sale Date and before the Closing Date unless the higher price is the result of a market change (such as a decline in interest rates) for those Securities after the Sale Date.

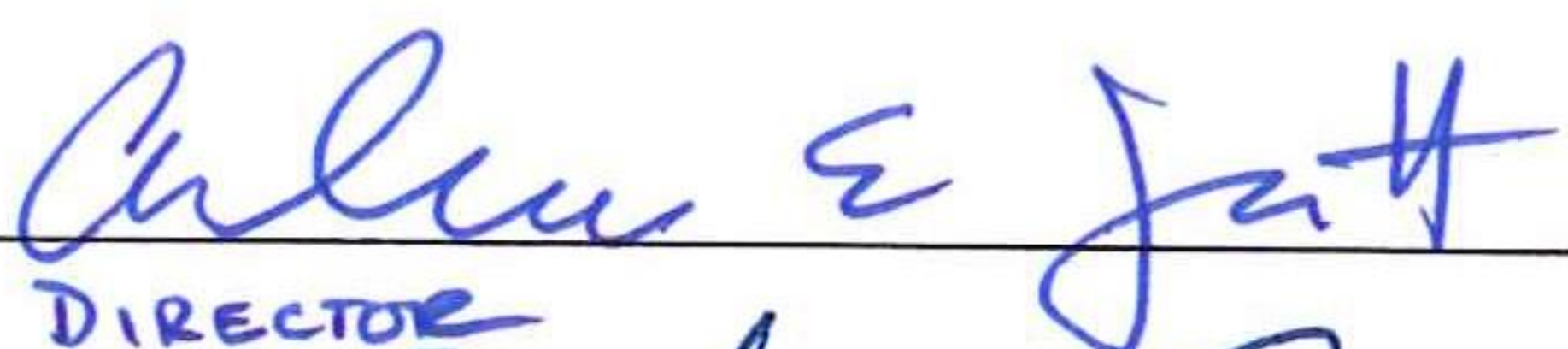
4. On the Closing Date the Underwriter will deliver to the Issuer a supplemental certificate (a) confirming that no Non-Conforming Sale of the Securities has been made by the Underwriter since the Sale Date or (b) if Non-Conforming Sales have been made by the Underwriter since the Sale Date, identifying all such Non-Conforming Sales and providing objective data to justify the corresponding market change.

We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel for the Securities.

Nothing herein represents our interpretation of any laws or regulations under the Internal Revenue Code of 1986, as amended.

Dated: June 30, 2015.

STIFEL, NICOLAUS & COMPANY, INCORPORATED,  
as Underwriter

By:   
Title: DIRECTOR

By:   
Underwriter



## Schedule A

### MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND YIELDS

<u>February 1 Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP<sup>(1)</sup></u>
2016	\$10,000	2.000%	0.400%	93342PBZ8
2017	25,000	3.000	0.750	93342PCA2
2018	25,000	3.000	1.100	93342PCB0
2027	330,000	4.000	2.620 <sup>†</sup>	93342PCL8
2028	850,000	4.000	2.670 <sup>†</sup>	93342PCM6
2029	880,000	4.000	2.730 <sup>†</sup>	93342PCN4
2030	920,000	4.000	2.800 <sup>†</sup>	93342PCP9
2031	955,000	4.000	2.900 <sup>†</sup>	93342PCQ7
2032	995,000	4.000	2.950 <sup>†</sup>	93342PCR5
2033	1,035,000	4.000	3.000 <sup>†</sup>	93342PCS3
2034	1,075,000	4.000	3.070 <sup>†</sup>	93342PCT1
2035	1,115,000	4.000	3.120 <sup>†</sup>	93342PCU8

\$210,000 2.375% Term Bond due February 1, 2026, Yield 2.550%, CUSIP No. 93342PCK0

<sup>†</sup> Priced to first call date of August 1, 2025.

**Final Certificate of Underwriter Regarding Issue Price;  
Yield and Weighted Average Maturity**

**A. Purpose of this Certificate**

This certificate is being delivered in connection with the issuance of the \$8,425,000 Refunding Revenue Bonds (Oconee – Hard Labor Creek Reservoir Project), Series 2015 (the “Securities”) by the Walton County Water and Sewerage Authority, a political subdivision of the State of Georgia (the “Issuer”).

Proposed Treasury Regulation § 1.148-1(f)(2)(ii), as published in *The Federal Register* on June 24, 2015, provides an alternative method for establishing the issue price of the Securities. This certificate is being delivered to support the Issuer’s reliance on the alternative method of establishing issue price. Stifel, Nicolaus & Company, Incorporated is the sole underwriter for the Securities (the “Certifying Underwriter”) and is delivering this certificate on behalf of each person who is included in the term “Underwriter”, as defined in *Section B* of this Certificate.

On the Sale Date identified below, the Certifying Underwriter delivered the Preliminary Certificate of Underwriter Regarding Issue Price (the “Preliminary Certificate”) with respect to the Securities. This certificate supplements the Preliminary Certificate.

**B. Definitions Used in this Certificate**

For purposes of this certificate, the following terms shall have the meaning indicated:

“**Bond Purchase Agreement**” means the Bond Purchase Agreement dated the Sale Date between the Issuer and the Certifying Underwriter.

“**Certifying Underwriter**” means Stifel, Nicolaus & Company, Incorporated, as the sole underwriter for the Securities.

“**Closing Date**” means the date the Issuer delivers the Securities to the Underwriter and the Underwriter pays the purchase price of the Securities.

“**Initial Offering Price**” means the initial offering price identified by the Underwriter in *Section C.1*. The issue price is determined separately for Securities with the same maturity and interest rate.

“**Non-Conforming Sale**” means a sale of the Securities to the Public at a price higher than the Initial Offering Price.

“**Public**” means any person other than the Underwriter.

“**Preliminary Certificate**” means the Preliminary Certificate of Underwriter Regarding Issue Price delivered the Certifying Underwriter on the Sale Date of the Securities.

**“Sale Date”** means the June 30, 2015.

**“Underwriter”** means, collectively, each of the following persons: (i) the Certifying Underwriter; (ii) each person that has contracted with the Issuer or the Certifying Underwriter to form an underwriting syndicate or group for the initial sale of the Securities, including without limitation each person identified in the Bond Purchase Agreement or Preliminary Official Statement as a member of the underwriting group; (iii) each person that has entered into a contract or other arrangement with the Certifying Underwriter or underwriting syndicate or group to sell the Securities; and (iv) any person related to any person described in clauses (i) - (iii) under Section 144(a)(3) of the Internal Revenue Code.

### **C. Representations and Agreement**

The Certifying Underwriter hereby certifies the following, based upon the information available to it:

1. The Initial Offering Price was accurately stated in the Preliminary Certificate.
2. Except for the Securities maturing in year 2016, 2017 and 2018, the Underwriter filled all orders for the Securities received on or before the Sale Date (to the extent the orders did not exceed the amount of Securities to be sold) at the Initial Offering Price. After the Sale Date but before the Closing Date, the Underwriter also sold those Securities maturing in year 2016 and 2018 at the Initial Offering Price. The Underwriter did not fill an order for a Non-Conforming Sale of any Security on or before the Sale Date.
3. There were no Non-Conforming Sales by the Underwriter after the Sale Date and before the Closing Date. Any Non-Conforming Sales, if any, between the Sale Date and the Closing Date not disclosed by the Underwriter herein were made by a person not included in the definition of “Underwriter”.

We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel for the Securities.

Nothing herein represents our interpretation of any laws or regulations under the Internal Revenue Code of 1986, as amended.

### **D. Yield and Weighted Average Maturity.**

1. We have been asked by Bond Counsel to calculate the yield of the Series 2015 Bonds using the definition that follows. “Yield” is the discount rate calculated on the basis of a 360-day year consisting of twelve months of thirty days each and assuming semiannual compounding that, when used in computing the present value as of the date hereof of all unconditionally payable payments of principal, interest (including original issue discount), and fees for qualified guarantees on the Series 2015 Bonds, produces an amount equal to the present value, using the same discount rate, of the Issue Price of the Series 2015 Bonds. In accordance with this calculation, the yield on the Series 2015 Bonds is 2.8976%.



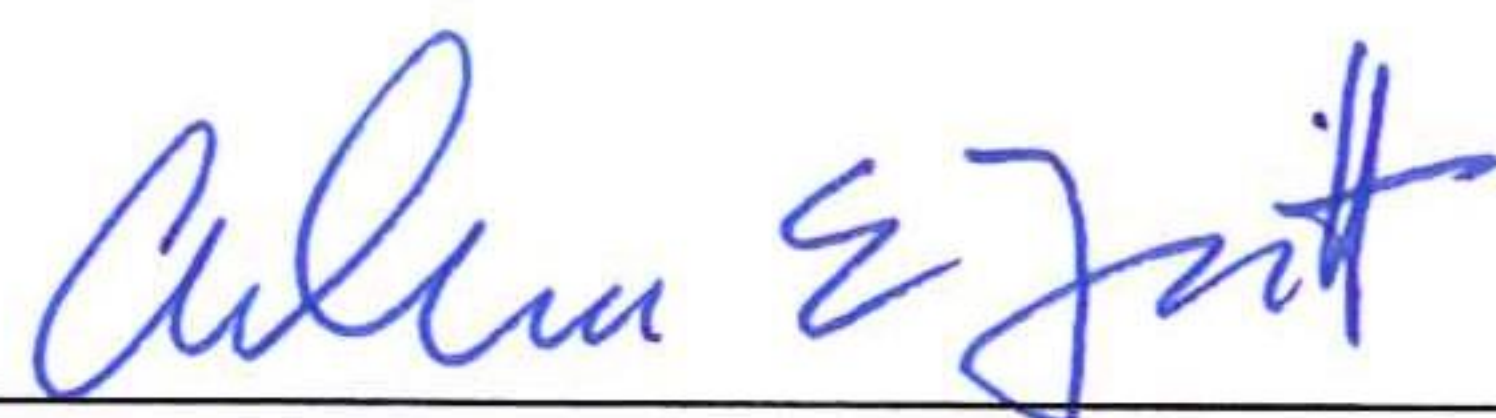
2. We have been asked by Bond Counsel to calculate the weighted average maturity of the Series 2015 Bonds in the following manner: divide (a) the sum of the products determined by taking the Issue Price of each maturity of the Series 2015 Bonds times the number of years from the date hereof to the date of such maturity (treating the mandatory redemption of the Series 2015 Bonds as a maturity), by (b) the aggregate issue price of the Series 2015 Bonds. Based on this calculation, the weighted average maturity of the Series 2015 Bonds is 15.6941 years.

3. We have been asked by Bond Counsel to calculate the remaining weighted average maturity of the Refunded Bonds in the following manner: divide (a) the sum of the products determined by taking the Issue Price of each maturity of the Refunded Bonds times the number of years from the date hereof to the date of such maturity (treating the mandatory redemption of the Refunded Bonds as a maturity), by (b) the aggregate issue price of the Refunded Bonds. Based on this calculation, the remaining weighted average maturity of the Refunded Bonds is 16.0770 years.

4. The above representations in this Section D are factual in nature, and the undersigned makes no representation as to the legal sufficiency of these factual representations for any purpose.

Dated: July 29, 2015.

STIFEL, NICOLAUS & COMPANY, INCORPORATED,  
as Underwriter

By:   
Title: DIRECTOR

By:   
Underwriter



## CERTIFICATE OF UNDERWRITER

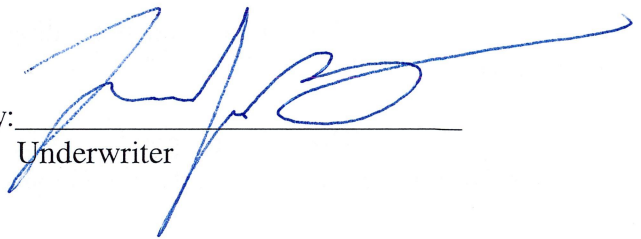
This Certificate is furnished by Stifel Nicolaus & Company, Incorporated, as underwriter (the "Underwriter") of the \$8,425,000 stated principal amount of the Walton County Water and Sewerage Authority Refunding Revenue Bonds (Oconee – Hard Labor Creek Reservoir Project), Series 2015 (the "Securities"). The Underwriter hereby certifies and represents the following, based upon the information available to it:

1. Attached as Exhibit A hereto is the trade blotter providing evidence that the Underwriter made three trades after July 1, 2015 (the Initial Trade Date) and before July 29, 2015 (the "Closing Date"), and that all three trades were sold at the prices listed on the inside front cover of the Official Statement, dated June 30, 2015, with respect to the Securities. All three such trades settled on the Closing Date.
2. The Underwriter is holding in its inventory \$20,000 of the Securities maturing in the year 2017.
3. There are no pending orders for the Securities maturing in the years 2016, 2017 and 2018 which will settle after the Closing Date.

Witness my hand this 29<sup>th</sup> day of July, 2015.

STIFEL NICOLAUS & COMPANY,  
INCORPORATED

By: \_\_\_\_\_  
Title: \_\_\_\_\_

By:  \_\_\_\_\_  
Underwriter

CUSIP	Security	B/S	Amount	Price	Takedown	Yield	Trade Date	Settle Date	Ticket #	Mktg Dt
93342PBZ8	WLTUTL 2 02/01/16	Bought from Issuer	-10	100.557	0.25	0.40	07/01/2015	07/29/2015	7496725	02/01/2016
93342PBZ8	WLTUTL 2 02/01/16	Sold	10	100.807		0.40	07/15/2015	07/29/2015	7554702	02/01/2016
		Balance	0							
93342PCA2	WLTUTL 3 02/01/17	Bought from Issuer	-25	103.112	0.25	0.75	07/01/2015	07/29/2015	7496726	02/01/2017
93342PCA2	WLTUTL 3 02/01/17	Sold	5	103.362		0.75	07/10/2015	07/29/2015	7533950	02/01/2017
		Balance	-20							
93342PCB0	WLTUTL 3 02/01/18	Bought from Issuer	-25	104.382	0.3	1.10	07/01/2015	07/29/2015	7496727	02/01/2018
93342PCB0	WLTUTL 3 02/01/18	Sold	25	104.682		1.10	07/06/2015	07/29/2015	7506259	02/01/2018
		Balance	0							