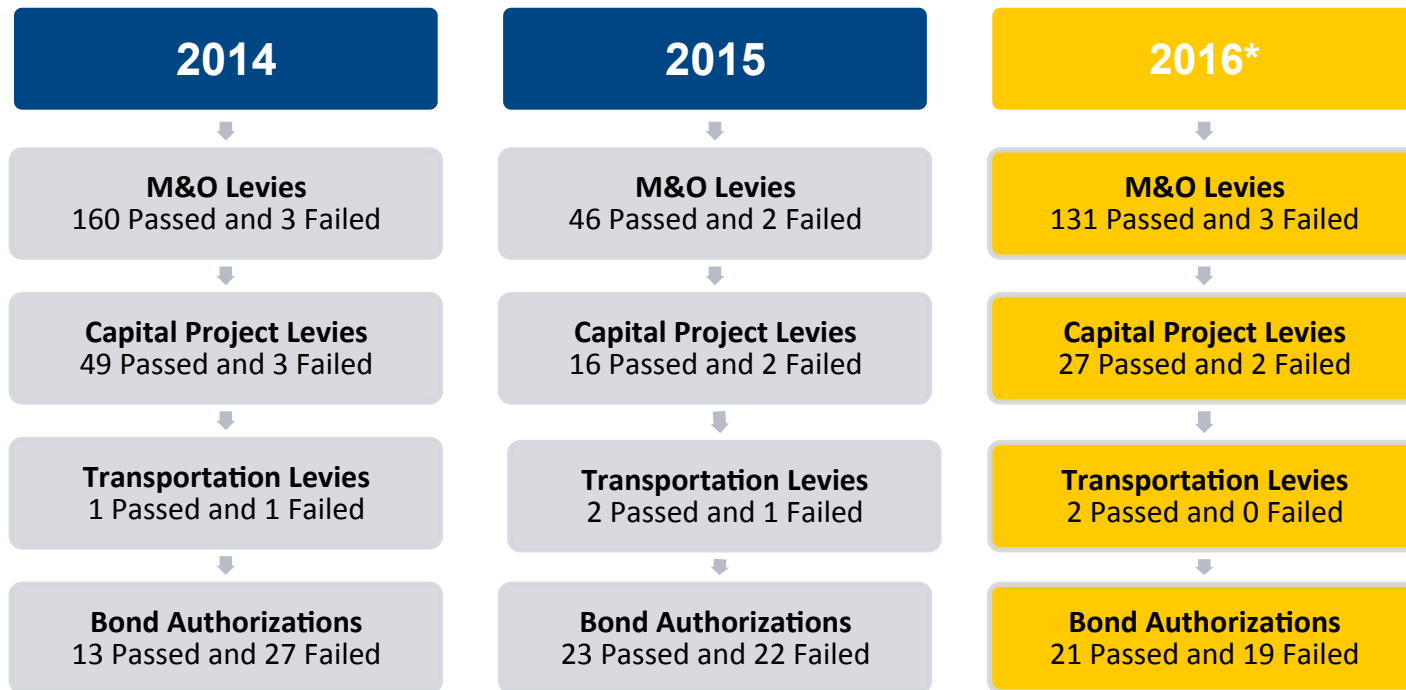


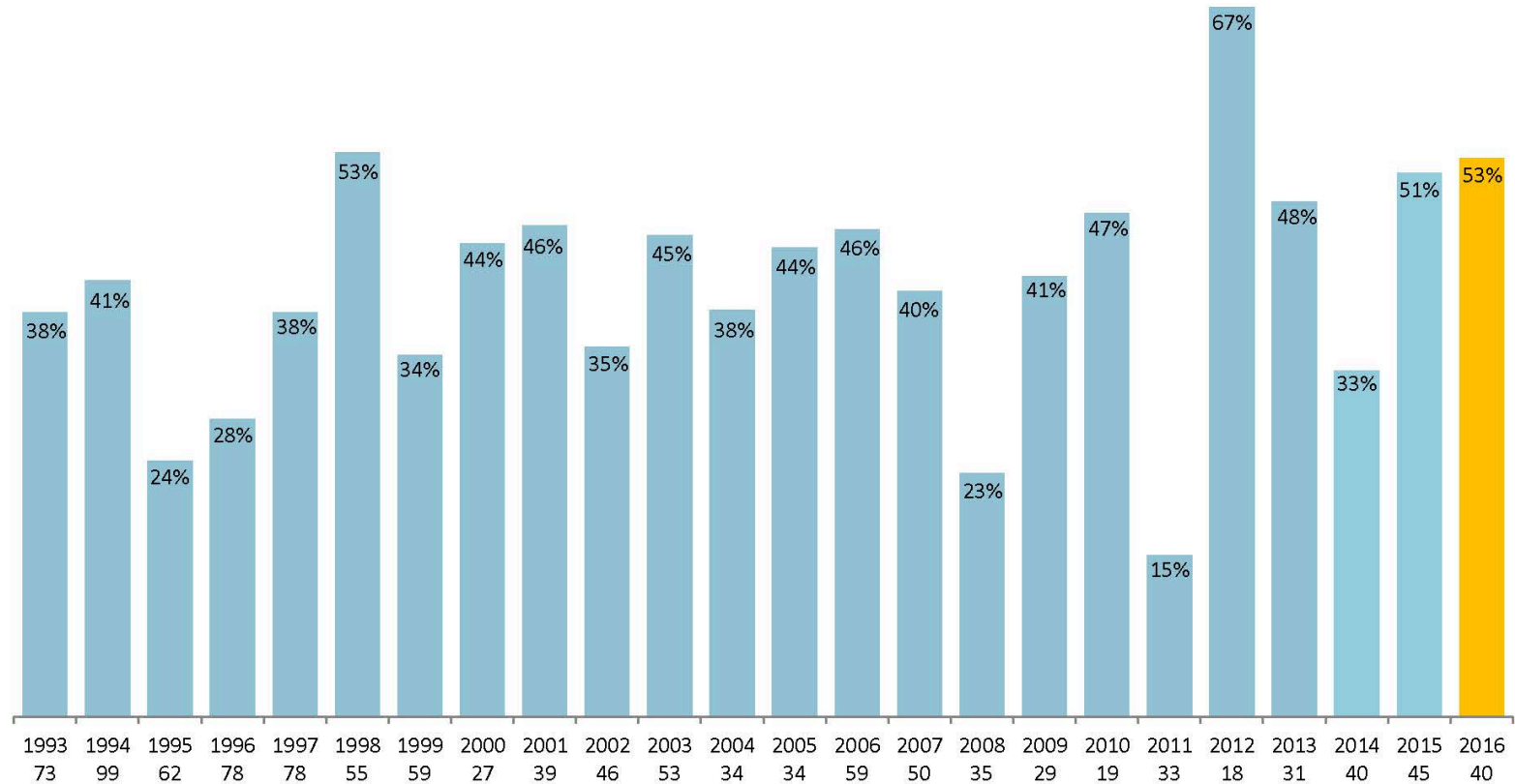
Washington State Election Results-School Districts Only



* February 9, 2016 and April 26, 2016 election results only.

Source: Washington Secretary of State: Election and Voting website and individual County Auditor websites

Voting Patterns-Bond Issues Passed per Year (Years 1993 through April 2016-Schools Only)



Source: State of Washington, Office of Superintendent of Public Instruction

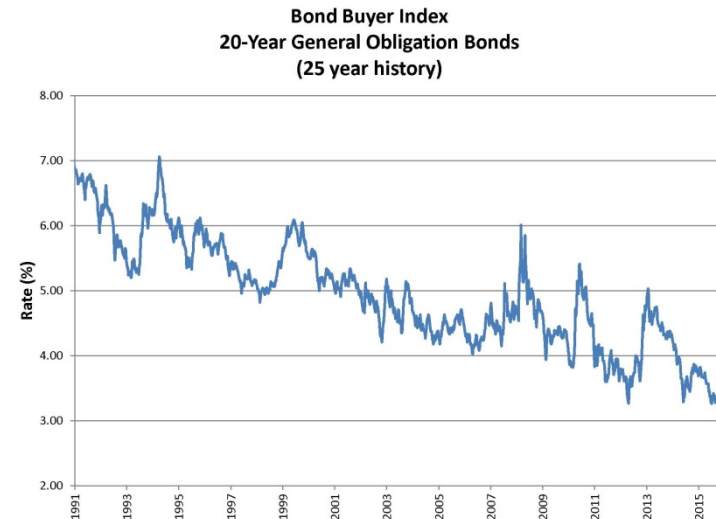
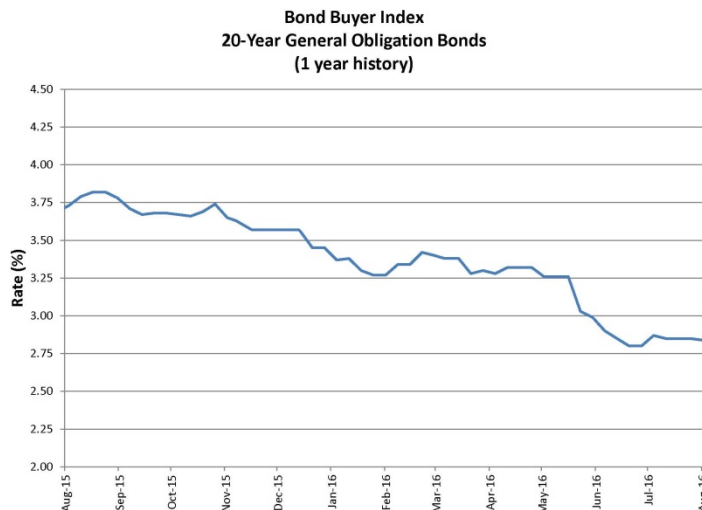
Tax Rate Planning Assumptions

- Interest Rates
- Bond Rating
- Assessed Value
- Bond Structure

Tax Rate Planning

A. Interest Rates

- Lower interest rates result in lower tax rates for bonds.
- Interest rates are determined when bonds are actually sold.
- *Assumption:* 2017 Bond Sale Current rates plus 1.25% (125 basis points)
Future Bond Sales Current rates plus 1.50% (150 basis points).



Tax Rate Planning

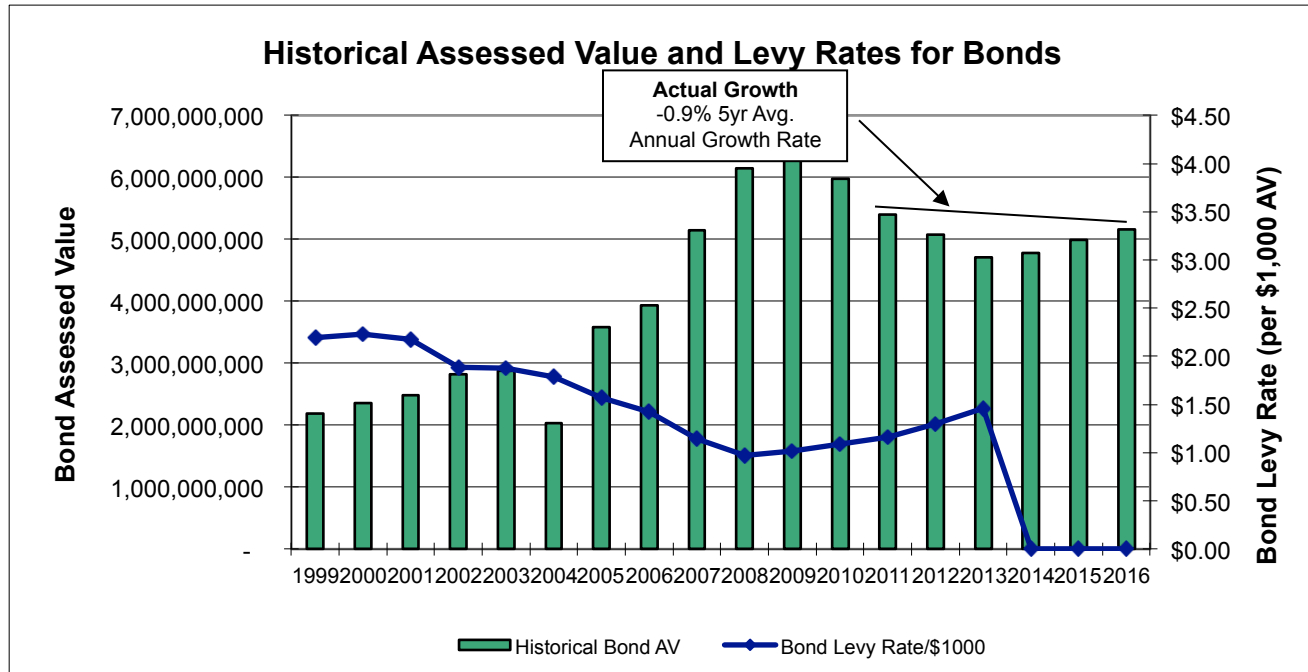
B. Bond Rating

- A higher bond rating results in lower interest rates.
- Assumption: **Aa1** (with State Guarantee)
Aa3 District Rating (Pending)

A Guide to Bond Ratings	
<i>Moody's Investors Service – Founded 1860</i>	
Highest Quality	Aaa
	Aa1, Aa2, Aa3
	A1, A2, A3
	Baa1, Baa2, Baa3
Lowest Quality	NR (Nonrated)

Tax Rate Planning

C. Assessed Value



Tax Rate Planning

C. Assessed Value (continued)

- Projected Assessed Value Growth
 - Final 2016: **3.59%** growth
 - Preliminary 2017: **6.86%** growth
 - Projected 2018 - 2019: **6.00%** growth
 - Projected 2020: **4.25%** growth
 - Projected 2021-2022: **3.00%** annual growth
 - Projected 2023-2040: **2.00%** annual growth
- An individual's taxes will be based on the assessed value for their property
- Higher assessed values will lower the District's tax rates (but not the overall payment)
- New construction vs. increase in value of existing property

Bond Tax Rate Summary

Interest Rates: 2017 Bond Sale current rates plus 125 basis points; future bond sales current plus 150 basis points

Bond Rating: Aa1 State Guarantee

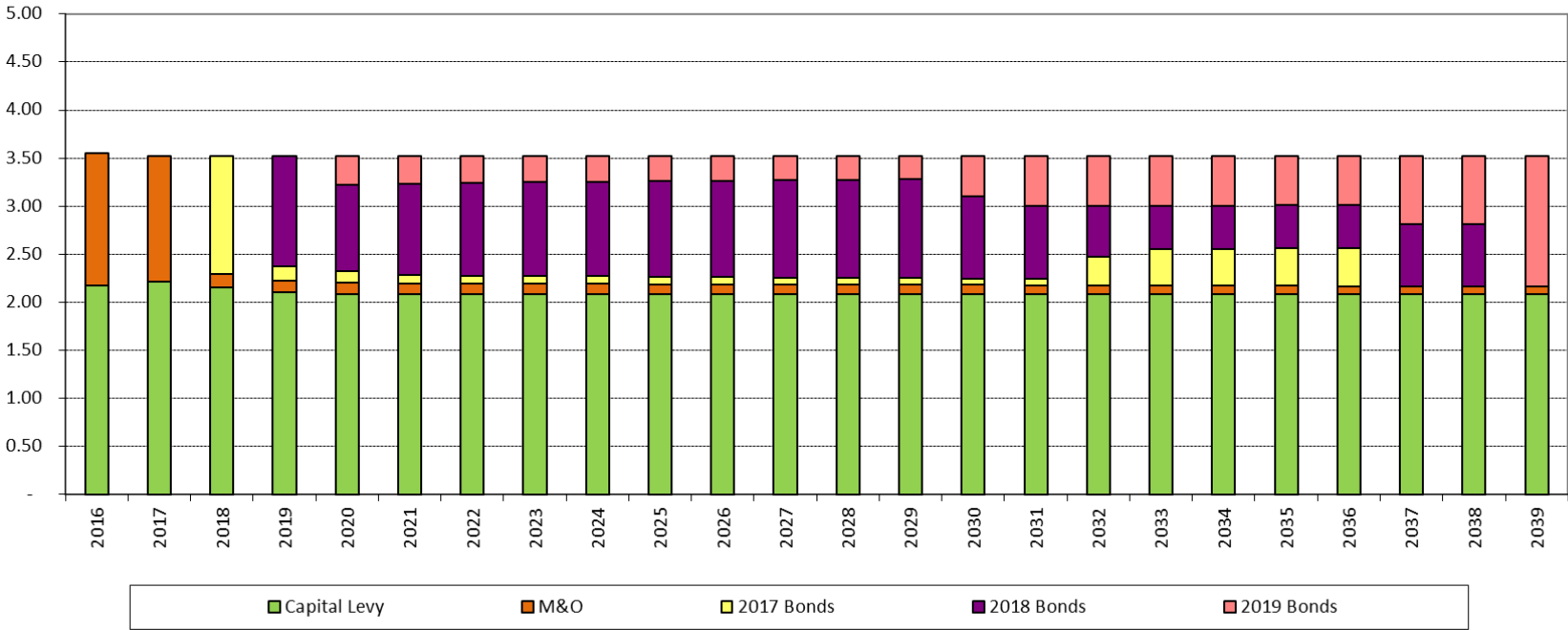
District Rating: Aa3 (pending)

Assessed Value Growth: Final 2016: **3.59%** growth;
 Preliminary 2017: **6.86%** growth;
 Projected 2018 - 2019: **6.00%** growth
 Projected 2020: **4.25%** growth
 Projected 2021-2022: **3.00%** annual growth
 Projected 2023-2039: **2.00%** annual growth

Scenario	#15
Authorization Amount	\$147,500,000
Bond Sale Dates and Amounts	
June 1, 2017	\$20,000,000
December 1, 2018	\$85,000,000
December 1, 2019	\$42,500,000
Total Tax Rates	
Actual 2015	\$3.66
2016	3.55
Projected 2017	3.52
2018	3.52
2020	3.52
2025	3.52
2030	3.52
2035	3.52
Total Interest Cost	\$81,398,000
Final Maturity	2039
Term	20 years

Stanwood-Camano School District No. 401

Scenario 15: \$147.5 million February 2017 Election, 20 yr Term
Projected Tax Rates
Levy / \$1000 Assessed Value



Snohomish County and Island County School Districts						
2016 Total Tax Rates ⁽¹⁾						
District	Assessed Value(\$)	Bonds (\$)	M&O (\$)	Capital Projects (\$)	Trans. (\$)	Total (\$)
Snohomish School District No. 201 ⁽²⁾	7,118,948,830	3.2139	3.3849	0.4786	-	7.0773
Granite Falls School District No. 332 ⁽²⁾	1,276,049,624	2.4244	3.4317	0.4865	-	6.3427
Marysville School District No. 25 ⁽²⁾	6,607,898,549	1.1956	3.9443	0.4541	-	5.5940
Darrington School District No. 330 ⁽²⁾	236,460,974	1.1549	4.1476	-	-	5.3025
Lakewood School District No. 306 ⁽²⁾	1,970,685,138	2.1309	3.1298	-	-	5.2607
Everett School District No. 2 ⁽²⁾	15,870,882,304	1.5602	3.1139	0.5088	-	5.1829
Arlington School District No. 16 ⁽²⁾	3,516,806,206	1.5845	3.5846	-	-	5.1691
Monroe School District No. 103 ⁽²⁾	4,810,995,358	1.3666	3.3242	0.2596	-	4.9504
Edmonds School District No. 15 ⁽²⁾	22,646,596,781	1.8325	2.4797	0.3538	-	4.6660
Lake Stevens School District No. 4 ⁽²⁾	4,448,367,126	1.2739	2.9586	0.3381	-	4.5706
Oak Harbor School District No. 201 ⁽³⁾	3,375,157,001	1.9243	2.3043	-	-	4.2286
Northshore School District No. 417 ⁽²⁾	8,535,243,729	1.8725	2.0193	0.3263	-	4.2182
Sultan School District No. 311 ⁽²⁾	1,128,398,559	0.2404	3.8656	-	-	4.1061
Mukilteo School District No. 6 ⁽²⁾	15,078,554,943	0.6101	2.8038	0.2661	-	3.6800
Stanwood-Camano School District No. 401⁽²⁾⁽³⁾	2,943,461,984	-	2.1757	1.3756	-	3.5513
Coupeville School District No. 204 ⁽³⁾	1,984,221,897	0.9998	1.1357	0.8383	-	2.9738
Index School District No. 63 ⁽²⁾	79,962,055	-	2.2216	-	-	2.2216
South Whidbey School District No. 206 ⁽³⁾	3,932,518,840	-	0.9949	0.5089	-	1.5038

(1) 2016 Bond Assessed Value does not include TAV

(2) Snohomish County values only

(3) Island County values only

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