



Updated Bond Tax Rate Projections

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Tax Rate Planning

Assumptions for Tax Rate Planning

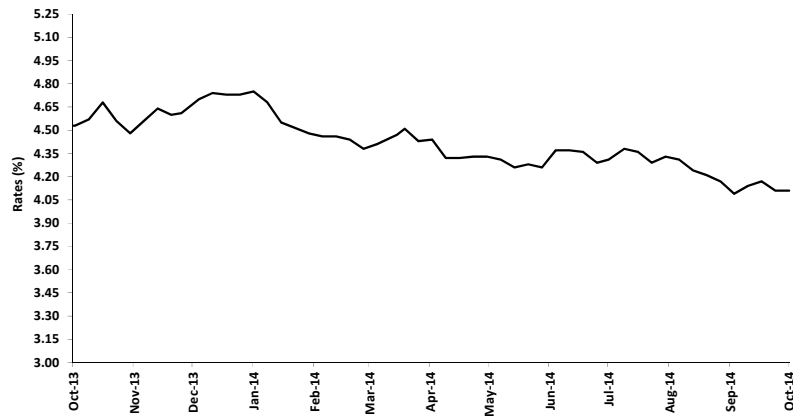
- Interest Rates
- Bond Rating
- Assessed Value
- Bond Structure

Tax Rate Planning

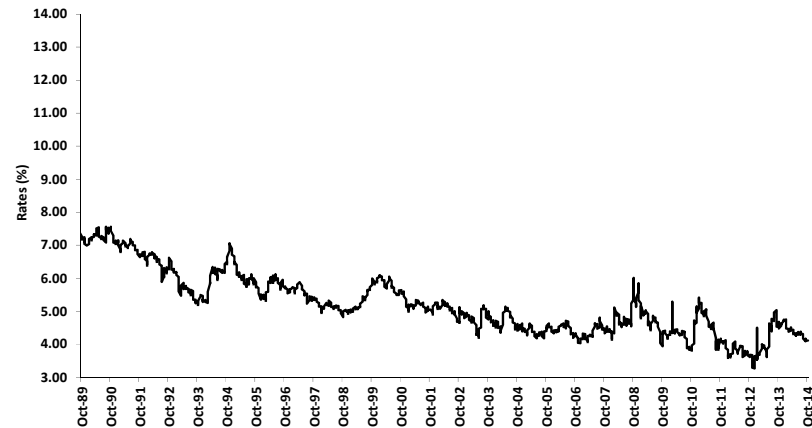
A. Interest Rates

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

Bond Buyer Index
20-Year General Obligation Bond
(1 year history)



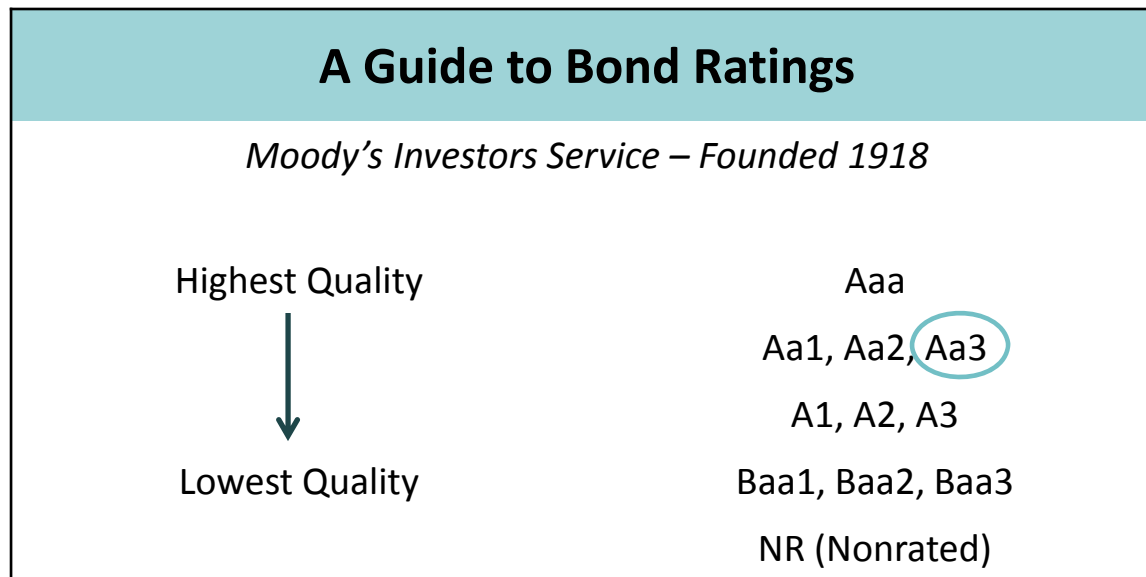
Bond Buyer Index
20-Year General Obligation Bond
(25 year history)



Tax Rate Planning

B. Bond Rating

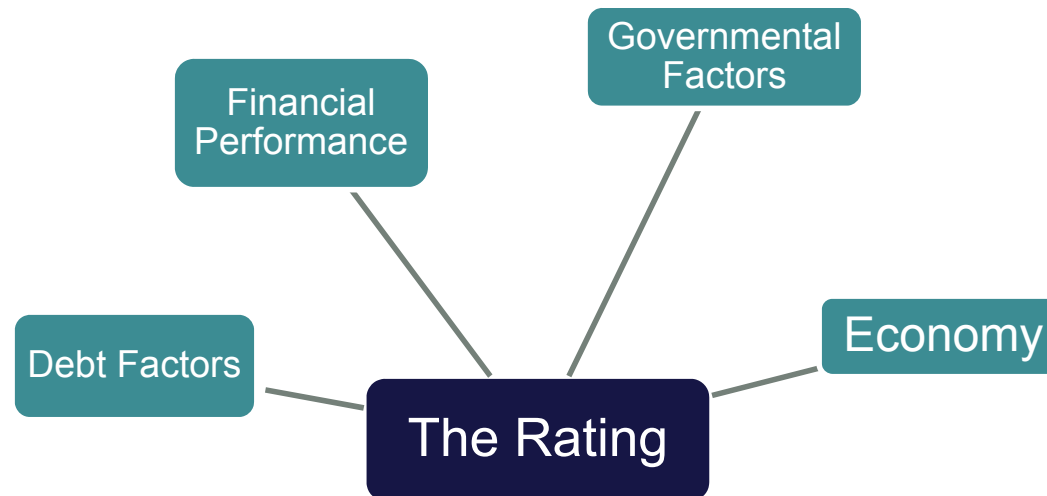
- A higher bond rating results in lower interest rates.
- Assumption: **Aa1** (with State Guaranty)
Aa3 District Rating (Pending)



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B. Bond Rating (continued)

- Bond raters consider the local economy, District finances, and other factors
- *Assumption: **Aa1** (State Guarantee)*
***Aa3** (District Rating, Pending)*



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C. Assessed Value

Year	Historical Bond AV	New Construction	Bond Levy Rate/\$1000	% change
2000	1,625,150,152	46,880,666	\$0.49	2.4%
2001	1,697,897,007	35,790,365	\$0.47	4.5%
2002	1,777,474,901	32,162,045	\$0.81	4.7%
2003	1,762,215,257	17,848,900	\$0.84	-0.9%
2004	1,814,080,476	22,317,677	\$0.84	2.9%
2005	1,989,647,582	51,140,915	\$0.79	9.7%
2006	2,280,959,262	53,888,163	\$0.69	14.6%
2007	2,935,816,554	105,139,873	\$0.43	28.7%
2008	3,343,185,447	66,251,245	\$0.37	13.9%
2009	3,431,548,280	45,673,590	\$0.36	2.6%
2010	3,143,665,976	22,422,853	\$0.38	-8.4%
2011	3,062,560,009	22,497,987	\$0.39	-2.6%
2012	2,849,222,008	23,193,974	\$0.42	-7.0%
2013	2,701,957,346	38,013,473	\$0.44	-5.2%
2014	2,623,132,336	10,240,838	\$0.46	-2.9%
2015 *	2,611,366,506	12,209,956	\$0.53	-0.4%

*Does not include TAV

5 year Compound Annual Growth Rate (2010-2015): **-3.6%**
 10 year Compound Annual Growth Rate (2002-2012): **2.8%**

Tax Rate Planning

D. Assessed Value

- Projected Assessed Value Growth
 - Final 2014: **-2.92%** annual growth
 - *Preliminary 2015: **-.07%** growth
 - Projected 2016: **0%** growth
 - 2017-2021: **1%** annual growth
 - 2022-2048: **2%** annual growth
- Higher assessed values will lower the District's tax rates (but not the overall payment)
- An individual's taxes will be based on the assessed value for their property
- New construction vs. increase in value of existing property

Tax Rate Planning

E. Bond Structure

- State law gives Districts great flexibility in determining bond structures
- Options:
 - Level Debt
 - Level Tax Rate
 - Stepped Level Tax Rate

Bond Tax Rate Summary

Interest Rates: Future bond sales current plus 150 basis points

Bond Rating: Aa1 State Guarantee

District Rating: Aa3 (Pending)

Assessed Value Growth: Final 2014: -2.92% growth;

Preliminary 2015: -.07% growth*;

2016: 0% growth;

2017-2021: 1% annual growth;

2022-2048: 2% annual growth

Scenario	73	74
Bond Structure	Level	Level
Authorization Amount	\$98,253,031	\$98,253,031
Bond Sale Dates and Amounts		
June 2015	\$20,003,000	\$20,003,000
Dec 2016	\$49,000,000	\$49,000,000
Dec 2017	\$29,250,000	\$29,250,000
Bond Tax Rates		
Actual 2014	\$0.46	\$0.46
Projected 2015	0.53	0.53
2016	2.30	2.07
2020	2.30	2.06
2025	2.30	2.06
2030	2.30	2.06
Total Interest Cost	\$58,774,000	\$83,471,000
Final Maturity	2037	2042
Term	20 Year	25 Year
2016 Bond tax rate increase over 2014 Bond tax rate	\$1.84	\$1.61

*5 year average TAV

Port Angeles School District No. 121

TAX IMPACT ANALYSIS

Scenario 73: \$98,253,031, 3 Bond sales starting in 2015, 20 yr Term

Total Project Cost:

State Funding Assistance:

Bond Authorization Amount:

\$98,253,031.00

Estimated 2016 Bond Tax Rate

Increase over 2014 Bond Tax Rate

(per \$1,000 assessed value): 1.84

Assessed Value of Property	Gross Property Tax Increase for Bonds	Monthly Gross Increase	Net Tax Increase from Bonds After Allowing for Income Tax Deduction			
			Federal Income Tax Bracket			
			25%	28%	33%	39.6%
\$75,000	\$138.00	\$11.50	\$103.50	\$99.36	\$92.46	\$83.35
100,000	184.00	15.33	138.00	132.48	123.28	111.14
125,000	230.00	19.17	172.50	165.60	154.10	138.92
172,250 *	316.94	26.41	237.71	228.20	212.35	191.43
200,000	368.00	30.67	276.00	264.96	246.56	222.27
250,000	460.00	38.33	345.00	331.20	308.20	277.84

* Median Sold Price - Source: Zillow.com

NOTE: Qualified homeowners may apply for a senior exemption. Please contact your County Assessor for details.

Port Angeles School District No. 121

TAX IMPACT ANALYSIS

Scenario 74: \$98,253,031, 3 Bond sales starting in 2015, 25 yr Term

Total Project Cost:	
State Funding Assistance:	
Bond Authorization Amount:	\$98,253,031.00

Estimated 2016 Bond Tax Rate Increase over 2014 Bond Tax Rate (per \$1,000 assessed value):	1.60
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Assessed Value of Property	Gross Property Tax Increase for Bonds	Monthly Gross Increase	Net Tax Increase from Bonds After Allowing for Income Tax Deduction			
			Federal Income Tax Bracket			
			25%	28%	33%	39.6%
\$75,000	\$120.00	\$10.00	\$90.00	\$86.40	\$80.40	\$72.48
100,000	160.00	13.33	120.00	115.20	107.20	96.64
125,000	200.00	16.67	150.00	144.00	134.00	120.80
172,250 *	275.60	22.97	206.70	198.43	184.65	166.46
200,000	320.00	26.67	240.00	230.40	214.40	193.28
250,000	400.00	33.33	300.00	288.00	268.00	241.60

** Median Sold Price - Source: Zillow.com*

NOTE: Qualified homeowners may apply for a senior exemption. Please contact your County Assessor for details.

Total Tax Rate Comparison

Clallam County School Districts 2014 Total Tax Rates						
District	Assessed Value ⁽¹⁾ (\$)	Bonds (\$)	M&O (\$)	Capital Projects (\$)	Trans. (\$)	Total (\$)
Crescent School District No. 313	274,815,577	--	1.72468	--	--	1.72468
Sequim School District No. 323	3,516,266,244	0.09701	1.61597	--	0.44351	2.15650
Quillayute Valley School District No. 402	351,232,786	2.08286	1.43095	--	--	3.51381
Port Angeles School District No. 121	2,608,555,558	0.45915	3.22766	--	--	3.68681
Cape Flattery School District No. 401	82,257,821	1.41242	2.79911	--	--	4.21153

Clallam County Values only

⁽¹⁾ Bond Assessed Value does not include TAV.

2015 Special Election and Resolution Filing Dates

The 2015 special election dates and ballot resolution filing deadlines pursuant to the Revised Code of Washington (“RCW”) are listed below for your information.⁽¹⁾ These are the dates permitted under current law, which are subject to change by the Legislature.

2015 ELECTION DATE	RESOLUTION FILING DEADLINE ⁽²⁾	APPROXIMATE DATE BALLOTS ARE MAILED ⁽³⁾
February 10, 2015	December 26, 2014	January 23, 2015
April 28, 2015	March 13, 2015	April 10, 2015
August 4, 2015 (Primary)	May 8, 2015	July 17, 2015
November 3, 2015 (General)	August 4, 2015	October 16, 2015

(1) This data is for informational purposes only and does not take the place of local, state or federal laws. Specific RCW information can be found at: http://www.secstate.wa.gov/elections/election_laws.aspx.

(2) Some dates may have been adjusted to reflect the business day prior to actual resolution filing date, according to RCW 29A.04.330, if falling on a weekend.

(3) Applies to both mail and absentee ballots. Absentee ballots are required to be mailed no later than 18 days prior to the election date. RCW 29A.40.070

Source: Washington Secretary of State’s Office, Elections and Voting website.

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