

NOV 27 2017

Exhibit A

EXPLANATORY STATEMENT FOR PROPOSITION 3 – BONDS TO CONSTRUCT NEW SCHOOLS AND RENOVATE DETERIORATING SCHOOLS

Passage of this proposition would authorize Bethel School District to issue \$443,000,000 of bonds to: construct one new high school and two new elementary schools, replace Challenger High, renovate Bethel High, renovate and expand Cedarcrest Middle, Evergreen Elementary, Naches Trail Elementary and Elk Plain K-8; and make District-wide health, safety, security and other capital improvements. The School Board determined overcrowding, deteriorating and educationally outdated schools and student safety and security made these projects necessary. Approximately \$127,100,000 in State match is anticipated to help complete these projects.

The bonds will be repaid from annual excess property taxes over a period of 21 years. The District estimates a tax rate for this bond of approximately \$1.54 per \$1,000 of assessed value, or \$12.83 per month for a \$100,000 home.

Based on recent changes to state law that reduce the District's educational programs and operations levy, overall tax rates for combined District levies will decrease starting in 2019. Even with passage of this new bond proposition, the District anticipates a combined tax rate decrease from \$5.92 in 2018 to \$4.89 in 2019. Exemptions from taxes may be available to certain homeowners. To determine if you qualify, call the Pierce County Assessor at 253.798.2169.

(200 words – 200 allowed)