

**VASHON PARK DISTRICT,
KING COUNTY, WASHINGTON**

NOT TO EXCEED \$200,000
TAX ANTICIPATION NOTE, 2016 (TAXABLE)
(REVOLVING LINE OF CREDIT)

INDEX OF PROCEEDINGS

<u>Document</u>	<u>Tab</u>
Notice Letter to County Treasurer	1
Resolution No. R1-16-25 (Note Resolution).....	2
Note Purchase Offer.....	3
Certificates Relating to Debt Capacity	4
Calculation of Debt Limit	
Certificate of Assessed Valuation	
Certificate of General Obligation Debt Outstanding	
Closing Certificate	5
Signature Identification Certificate.....	6
State Bond Report Form	7
Specimen Note and Note Register	8
Purchaser's Receipt and Certificate	9
Legal Opinion and Reliance Letter.....	10

CLOSING CERTIFICATE

I, Elaine Ott, certify that I am the Executive Director of Vashon Park District, King County, Washington (the "District"), authorized to execute and deliver this certificate and further certify on behalf of the District as follows:

1. This certificate is delivered in connection with the issuance of the not to exceed \$200,000 par value Tax Anticipation Note, 2016 (Taxable) (Revolving Line of Credit) (the "Note"), of the District.

2. No litigation of any nature is now pending or, to my knowledge, threatened, seeking to restrain or enjoin the issuance and delivery of the Note or the levy and collection of taxes pledged to pay the principal of and interest on the Note, or in any manner questioning the proceedings and authority under which the Note is issued or the validity of the Note thereunder; neither the corporate existence or boundaries of the District nor the title of the present officers to their respective offices is being contested; and no authority or proceeding for the issuance of the Note has been repealed, revoked or rescinded.

3. Resolution No. R1-16-25 of the District, the resolution authorizing the issuance and sale of the Note, has not been modified or repealed.

DATED as of August 16, 2016.

VASHON PARK DISTRICT,
KING COUNTY, WASHINGTON

Elaine Ott, Executive Director

SIGNATURE IDENTIFICATION CERTIFICATE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I, Robert T. McMahon, certify that I am the Secretary of the Board of Commissioners of Vashon Park District, King County, Washington (the "District"), and that Karen M. Gardner is the Chair of the District.

I further certify that the not to exceed \$200,000 par value Tax Anticipation Note, 2016 (Taxable) (Revolving Line of Credit), of the District dated August 16, 2016, bears my signature as Secretary of the Board of Commissioners of the District and the signature of Karen M. Gardner as Chair of the Board of Commissioners of the District.

VASHON PARK DISTRICT, KING COUNTY,
WASHINGTON

Robert T. McMahon,
Secretary of the Board of Commissioners

SUBSCRIBED AND SWORN TO before me this ____ day of _____, 2016.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington,
residing at _____
My appointment expires _____

PURCHASER'S RECEIPT AND CERTIFICATE

I, David S. McRae, Vice President and Relationship Manager of Banner Bank (the "Purchaser"), do hereby acknowledge and certify as follows with regard to the not to exceed \$200,000 par value Tax Anticipation Note, 2016 (Taxable) (Revolving Line of Credit) (the "Note"), of the Vashon Park District, King County, Washington (the "District"), dated the date hereof, authorized pursuant to Resolution No. R1-16-25, approved by the Board of Commissioners on July 26, 2016 (the "Resolution"):

1. I acknowledge receipt of the Note.
2. The Purchaser hereby certifies that it is a bank as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), or a savings and loan association or other institution as defined in Section 3(a)(5)(a) of the Securities Act whether acting in its individual or fiduciary capacity.
3. The Purchaser is sufficiently knowledgeable and experienced in financial and business matters, including the purchase and ownership of debt securities, to be able to evaluate the risks and merits of the investment represented by the purchase of the Note, and it is capable of and has made its own investigation of the District and the use of Note proceeds in connection with its decision to purchase the Note. The Note is being acquired by the Purchaser for investment and not with a view to, or for resale in connection with, any distribution of the Note, and the Purchaser intends to hold the Note for its own account and for an indefinite period of time, and does not intend at this time to dispose of all or any part of the Note. The Purchaser understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.
4. The Purchaser acknowledges that (i) it has received a copy of the Resolution and all other documents, certificates and instruments with respect to the Note and the transactions contemplated thereby that it deems necessary to make a decision with respect to an investment in the Note and (ii) it is familiar with the conditions, financial and otherwise, of the District and understands the security pledged for payment of the Note. Further, the Purchaser understands and acknowledges that, among other risks, principal of and interest on the Note is payable solely from the sources described in the Resolution. The Purchaser has made such inquiry with respect to all of the foregoing as it believed to be desirable for its purposes.
5. It is acknowledged that no official statement, offering circular or other securities disclosure document has been provided by the District, and that any written information furnished by the District or any other party to the transaction does not purport to fully disclose all information pertinent to the Note. In entering into this transaction, the Purchaser has not relied upon any representations or opinions made by the District relating to the legal consequences or other aspects of the transaction, nor has it looked to, nor expected, the District to undertake or require any credit investigation or due diligence reviews relating to the District, its financial condition or business operations, the use of Note proceeds, or any other matter pertaining to the merits or risks of the transaction, or the adequacy of the funds pledged to secure repayment of the Note.

6. The Purchaser has independently evaluated the factors associated with its investment decision. The Purchaser has been given full and complete access to and has been furnished with all information requested by the Purchaser regarding the District and the use of Note proceeds, and has conducted such other investigations relating to the District, the use of Note proceeds and the Note, as in the opinion of the Purchaser was necessary in connection with its purchase of the Note.

7. The Note may be transferred only in whole and only if endorsed in the manner provided thereon and surrendered to the Registrar. The Purchaser will not transfer the Note to a subsequent investor unless the Purchaser causes such investor to receive such information regarding the District and the Note as is necessary to comply with Rule 10b-5 of the Securities and Exchange Commission.

8. The Purchaser agrees to indemnify the District and all of its agents and attorneys, with respect to any claim asserted against the District or any of its agents or attorneys that is based on or related to the Purchaser's sale, transfer or other disposition of the Note, other than any claim that is based upon the willful misconduct of the District or any of its agents or attorneys.

9. All representations of the Purchaser contained herein shall survive the sale and delivery of the Note to the Purchaser as representations of fact existing as of the date of execution and delivery of this certificate.

DATED as of August 16, 2016.

BANNER BANK

David S. McRae,
Vice President and Relationship Manager

CERTIFICATE OF OUTSTANDING GENERAL OBLIGATION DEBT

I, Elaine Ott, as the Executive Director of Vashon Park District, King County, Washington (the "District"), HEREBY CERTIFY that the outstanding general obligation debt of the District, as of June 30, 2016, is as follows:

- (1) Nonvoted Debt:
 - (a) The nonvoted debt of the District (including, but not limited to, nonvoted general obligation bonds, long-term leases and other contracts) is \$168,463.70.
- (2) Voted Debt:
 - (a) The District has no outstanding voted debt.

Except for draws, if any, under the the District's not to exceed \$200,000 par value Tax Anticipation Note, 2016 (Taxable) (Revolving Line of Credit), dated August 16, 2016, I further certify that the District has not incurred additional nonvoted or voted debt since June 30, 2016.

Dated August 16, 2016.

VASHON PARK DISTRICT, KING COUNTY,
WASHINGTON

Elaine Ott, Executive Director

**VASHON PARK DISTRICT
KING COUNTY, WASHINGTON**

**Not to Exceed \$200,000
Tax Anticipation Note, 2016 (Taxable)
(Revolving Line Of Credit)**

Calculation of Debt Limit

Value of taxable property within Vashon Park District, King County, Washington (the "District"), as fixed in 2015 for purpose of 2016 regular tax levies, per the Certificate of the King County Assessor, dated as of _____, 2016 (the "AV Certificate"):

	\$2,485,609,697
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NONVOTED DEBT CAPACITY	
(per RCW 36.69.140) 3/8 of 1% of the value of taxable property:	\$9,321,036
Less: Nonvoted Debt Outstanding as of June 30, 2016, per the District's Certificate of Outstanding General Obligation Debt (the "Debt Certificate"):	(168,464)
Less: The maximum par value of the Note	<u>(200,000)</u>
REMAINING NONVOTED DEBT CAPACITY of the District:	\$8,952,572

TOTAL DEBT CAPACITY (Nonvoted and Voted)	
(per RCW 35.69.140) 1¼ % of the value of taxable property:	\$31,070,121
Less: Voted Debt Outstanding as of June 30, 2016 (per the Debt Certificate):	0
Less: Nonvoted Debt Outstanding as of June 30, 2016 (per the Debt Certificate) plus the maximum par value of the Note:	(168,464)
Less: The maximum par value of the Note	<u>(200,000)</u>
REMAINING DEBT CAPACITY of the District:	\$30,701,657

Based upon the AV Certificate and the Debt Certificate, the issuance of the Note is within the applicable constitutional and statutory debt capacity of the District.

DATED as of August 16, 2016.

NOTE REGISTER
VASHON PARK DISTRICT
KING COUNTY, WASHINGTON

NOT TO EXCEED \$200,000
TAX ANTICIPATION NOTE, 2016 (TAXABLE)
(REVOLVING LINE OF CREDIT)

Name of Registered Owner: BANNER BANK
Address of Registered Owner: 54 Rainier Avenue South
Renton, Washington 98057
Note No. R-1
Tax ID No. 91-1645638

Dated: August 16, 2016

Treasury Operations Section, Finance and Business
Operations Division, Department of Executive
Services, King County, Washington and *ex officio*
Treasurer of the District, as Note Registrar