Assumptions
1) $9.8m GF to bring FY18 reserve to 5%
2) Income sensitivity changes
   <$90k value cap drop from $500k to $400k
   >$90k value cap drop from $250k to $225k
3) EF/GF restructure as in H.911& H.13

<table>
<thead>
<tr>
<th>Scenario 1</th>
<th>Scenario 2</th>
<th>Scenario 3</th>
<th>Gov</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg rate both</td>
<td>Homestead is</td>
<td>Rates at the</td>
<td>Flat avg</td>
</tr>
<tr>
<td>increase by</td>
<td>Flat - NR rate</td>
<td>level needed</td>
<td>rates</td>
</tr>
<tr>
<td>ed spend</td>
<td>reduced 1 cent</td>
<td>EF fully stable</td>
<td></td>
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<tr>
<td>of 1.78% from statute</td>
<td>no added GF</td>
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</tbody>
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**FY19**
- Avg Homestead Rate: 1.526
- Avg Household Income Rate: 2.53%
- Non-Residential Rate: 1.563

- FY19 Onetime Funds for EF Balance: $17.20
- Gov: 1.500%

**FY20 Projected EF Gap Range**
- With >$90k step down to $200k value cap: $29.90
- No step down- value cap remains at $225k: $35.50

(assumes 2.63% growth and Jan. 2018 EF forecast)

Savings ($7.7M) from income sensitivity changes are split between HS and NR rates.