

CERTIFICATION

I, the undersigned, Secretary of the Commission of Public Hospital District No. 5, King County, Washington (the "District"), hereby certify as follows:

1. The attached copy of Resolution No. 2021-03 (the "Resolution") is a full, true and correct copy of a resolution duly adopted at an open public meeting of the Commission of the District held on November 17, 2021, as that resolution appears in the minute book of the District; and

2. A quorum of the members of the Commission was present throughout the meeting and a majority of those members present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of November, 2021.

PUBLIC HOSPITAL DISTRICT NO. 5
KING COUNTY, WASHINGTON



Secretary of the Commission

**PUBLIC HOSPITAL DISTRICT NO. 5
KING COUNTY, WASHINGTON
RESOLUTION NO. 2021-03**

A resolution of the Board of Commissioners (the "Board") of Public Hospital District No. 5, King County, Washington (the "District"), approving and adopting the District's budget and tax levy for calendar year 2022.

WHEREAS, RCW 70.44.060 requires the Superintendent of the District to prepare a proposed budget of the contemplated financial transactions of the District for the ensuing year and to file the budget in the records of the Board on or before the first day in November; and

WHEREAS, RCW 70.44.060 further requires the District to hold a public hearing on the proposed budget on or before fifteen day of November and to publish public notice of the proposed budget and the date and place of a hearing on the budget for two consecutive weeks in a newspaper printed and of general circulation in King County; and

WHEREAS, in compliance with the requirements of RCW 70.44.060, the Superintendent has prepared, filed and provided notice of the District's proposed 2021 budget, which proposed budget is attached hereto as Exhibit A (the "2022 Legal Budget"); and

WHEREAS, the Board held a public hearing on the 2022 Legal Budget on November 11, 2021, in compliance with the requirements of RCW 70.44.060 and RCW 84.55.120; and

WHEREAS, RCW 84.55.010 and RCW 84.55.092 provide that the levy for a taxing district in any year must be set so that the regular property taxes payable in the following year do not exceed the "limit factor" multiplied by the amount of regular property taxes lawfully levied for such district in the highest of the three most recent years in which such taxes were levied for such district, or the highest amount that could have been levied in any year since 1985, plus an additional dollar amount calculated by multiplying the regular property tax levy rate of that district for the preceding year by the increase in assessed value in that district resulting from: (i) new construction; (ii) increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere; (iii) improvements to property; and (iv) any increase in the assessed value of state-assessed property; and

WHEREAS, the District was formed by vote of the residents of the District held on November 5, 2019; and

WHEREAS, under RCW 70.44.060(6), the District is authorized to raise revenue by the levy of an annual tax on all taxable property within the District not to exceed fifty cents per thousand dollars of assessed value and an additional annual tax on all taxable property within such public hospital district not to exceed twenty-five cents per thousand dollars of assessed value; and

WHEREAS, the Board, in the course of considering the budget for calendar year 2022, reviewed all sources of revenues and examined all anticipated expenses and obligations; and

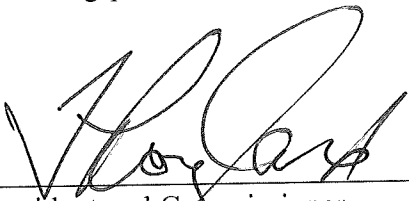
WHEREAS, the Board has met and considered all relevant evidence and testimony presented with respect to its budget for the calendar year 2022; NOW, THEREFORE,

BE IT RESOLVED by the Board of Commissioners of Public Hospital District No. 5, King County, Washington, that:

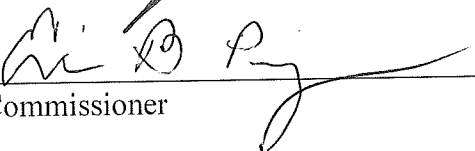
Section 1. The Commission hereby approves and adopts the 2022 Legal Budget as the budget for the District for calendar year 2022, which budget provides for the collection in calendar year 2022 of a regular property tax levy in the amount of \$1,950,000.

Section 2. The Superintendent is directed to certify to the King County legislative authority, no later than November 30, 2021, a copy of this Resolution showing its adoption.

ADOPTED AND APPROVED by the Board of Commissioners of Public Hospital District No. 5, King County, Washington, at an open public regular meeting thereof this 17th day of November, 2021, and the following Commissioners being present and voting in favor of the adoption of the resolution.



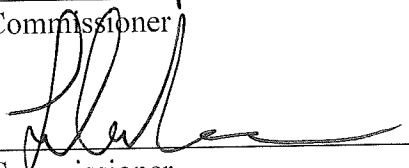
President and Commissioner



Commissioner

Wendy Noble

Commissioner



Commissioner



Secretary and Commissioner

EXHIBIT A
Public Hospital District No. 5
King County, Washington
2022 Legal Budget

Vashon Health Care District 2022 Legal Budget		
Budget Category	2022 Budget \$.50/1000	Assumptions

Revenue

Property Tax Revenue	\$ 1,950,000	Tax Revenue based on AV = \$3,900,000,000 and Levy Rate = .52/1000 and .50/1000
AWPHD Unearned Income	\$ 10,000	Money returned to districts through AWPHD's intergovernmental transfers
Loan	\$ -	All borrowing is through the Line of Credit
Lease Revenue	\$ 90,630	Payments by Sea Mar as sublessor
Investment Interest	\$ (6,400)	Amount by which interest expense exceeds interest earnings
Donations/Grants	\$ -	No donations are assumed
Total Revenue	\$ 2,044,230	

Expenses

Salaries and Benefits		
Superintendent Salary	\$ 82,002	Base salary Increases by 5% in July 2022
Admin Director	\$ 6,150	Reduced based on actual hours plus a 5% increase in July
Commissioner Compensation	\$ -	Commissioner compensation is set at \$128 per day unless the commissioner declines compensation.
Medical Benefit Allowance	\$ 7,800	Allowance for medical insurance and other benefits. Increase due to Superintendent contract change
Employer FICA/Medicare	\$ 7,340	Social Security and Medicare Tax @ 7.65%
FUTA/W L&I/W ES	\$ 1,391	State payroll taxes at 1.45%
Services		
Accounting/Bookkeeping	\$ 6,000	Lake Kennedy McCulloch expenses are higher based on actual experience
Legal	\$ 2,004	Money budgeted for Sea Mar contract modifications
Election Costs	\$ 11,000	Estimate of 2021 costs to be paid in 2022
Website	\$ 3,200	Website hosting is assumed to be \$200. An additional \$3000 is budget for making website improvements
Advertising and Social Media	\$ 1,500	Print ads and legal notices
General Liability/D&O	\$ 3,670	District Insurance through Enduris
AWPHD	\$ 1,250	Association Membership
Travel	\$ 600	
Dues and Subscriptions	\$ 1,978	Gusto, Intuit (QBO), Zoom, Chamber
Office		
Rent	\$ 90,630	Payments to Sunrise Ridge for clinic building lease and allocated utilities (\$7521/Mo/10 Mos.) (\$7710 Nov - Dec.)
Tech support	\$ 1,200	IT support
Bank Service Fees	\$ 372	Unbudgeted for 2021
Office Supplies	\$ 240	
Admin Expense - Total	\$ 228,328	
Clinic services		
Clinic Services Subsidy	\$ 1,500,000	Assumes no reduction in subsidy in 2022
Financing		
Interest Expense	\$ -	Interest expense offsets interest income and is shown under revenue
Total Expenses	\$ 1,728,328	Expenses are budgeted to increase 1.38% over projected 2021 actual
Net Income	\$ 315,902	The Net Income figure is the amount available to pay down the Line of Credit with King County