

## Public Hospital District #2 of Snohomish County

## Balance Sheet

As of September 30, 2011

	<u>Dec 31, 2010</u>	<u>Sept 30, 2011</u>	<u>\$ Change</u>	<u>Comments:</u>	
<b>ASSETS</b>					
<b>Current Assets</b>					
1	Total Cash Balances	1,744,208	1,259,971	(484,237)	
2	Total Accounts Receivable	17,088,177	62,845	(17,025,332)	Swedish/Edmonds settlement payment
<b>Other Current Assets</b>					
3	Total Investments	11,647,481	33,263,943	21,616,463	
4	Total Limited Use Assets	1,580,358	3,136,334	1,555,977	Bond principal payments due December 1
5	Total Other Miscellaneous Receivables	539,935	972,932	432,997	M&O tax levy receivable
6	Total Prepaid Expenses & Other	201,157	56,383	(144,774)	Prepaid insurance & bank fees
	<b>Total Other Current Assets</b>	<u>13,968,931</u>	<u>37,429,593</u>	<u>23,460,662</u>	
7	<b>Total Current Assets</b>	<u>32,801,316</u>	<u>38,752,409</u>	<u>5,951,094</u>	
8	<b>Total Fixed Assets</b>	37,011,601	32,675,067	(4,336,534)	Monthly depreciation expense ~ \$482K
9	<b>Total Financing &amp; Lease Costs</b>	391,074	376,754	(14,320)	
10	<b>Total Other Assets</b>	<u>957,474</u>	<u>961,650</u>	<u>4,176</u>	
	<b>TOTAL ASSETS</b>	<u>71,161,464</u> *	<u>72,765,880</u>	<u>1,604,417</u>	

\*Audited 2010 Financial Statements = \$70,737,185. Moss Adams netted the 3rd Party Payable and Receivable.

## Public Hospital District #2 of Snohomish County

## Balance Sheet

As of September 30, 2011

	<u>Dec 31, 2010</u>	<u>Sept 30, 2011</u>	<u>\$ Change</u>	<u>Comments:</u>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
10	Total Accounts Payable	158,831	205,356	46,525
11	Total Credit Cards	195	616	420
<b>Other Current Liabilities</b>				
12	Total Accrued Salary and Benefits	1,020,229	487,244	(532,985) WC Reserve decreases by \$40K/mo + claims
13	Total Estimated 3rd Party Settlements	752,000	752,000	-
14	Total Interest & Orig Issue Premium	23,692	20,845	(2,847)
15	Total Other Payables and Accruals	699,563	552,633	(146,930) Accrued expenses at year-end
16	Current Portion of L-T Debt	3,428,377	3,372,553	(55,824)
	<b>Total Other Current Liabilities</b>	<u>5,923,861</u>	<u>5,185,275</u>	<u>(738,586)</u>
	<b>Total Current Liabilities</b>	6,082,887	5,391,247	(691,640)
<b>Long Term Liabilities</b>				
17	Total Long Term Debt - Operations	9,010,706	8,113,666	(897,041) Banc of America lease payments - McKesson
18	Total Other Long Term Liabilities	4,041,973	3,154,127	(887,846) Prof Liability Claims and S-H settlement
	<b>Total Long Term Liabilities</b>	<u>13,052,680</u>	<u>11,267,793</u>	<u>(1,784,887)</u>
	<b>Total Liabilities</b>	19,135,567	16,659,039	(2,476,527)
19	<b>Total Equity</b>	<u>52,025,900</u>	<u>56,106,841</u>	<u>4,080,941</u>
	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u>71,161,464</u> *	<u>72,765,880</u>	<u>1,604,416</u>

\*Audited 2010 Financial Statements = \$70,737,185. Moss Adams netted the 3rd Party Payable and Receivable.

**Public Hospital District #2 of Snohomish County**

**Profit Loss**

September 2011

		<u>Aug 2011</u>	<u>Sept 2011</u>	<u>\$ Change</u>	<u>Comments:</u>
<b>Ordinary Income/Expense</b>					
1	<b>Total Income</b>	795,108.29	813,086.67	17,978.38	
<b>Expenses</b>					
<b>Operating Expenses</b>					
2	<b>Total Workers Comp</b>	(71,585.73)	18,351.32	89,937.05	Supplemental Benefit Refund received in Aug
3	<b>Reserve LI Self Insurance</b>	(40,000.00)	(40,000.00)	-	Release of workers comp reserve
4	<b>Total Depreciation</b>	482,155.12	482,155.12	-	
5	<b>Total Insurance</b>	11,467.21	3,859.58	(7,607.63)	New insurance carrier
6	<b>Total Interest Expense</b>	20,787.70	20,344.75	(442.95)	
7	<b>Total Other Amortization</b>	1,316.67	1,316.67	-	
8	<b>Total Other Expenses</b>	724.50	433.96	(290.54)	
9	<b>Total Professional Services</b>	43,652.85	32,482.78	(11,170.07)	Aug includes Marketing services
10	<b>Total Purchased Services</b>	2,788.57	6,399.66	3,611.09	IT setup charges paid in full
11	<b>Total Salaries &amp; Benefits</b>	40,190.20	41,324.25	1,134.05	
12	<b>Rent Expense</b>	2,900.00	2,900.00	-	
13	<b>Total Supplies</b>	1,117.72	410.41	(707.31)	
14	<b>Total Taxes</b>	551.89	-	(551.89)	
15	<b>Total Utilities</b>	991.72	485.79	(505.93)	
16	<b>Total Operating Expenses</b>	<u>497,058.42</u>	<u>570,464.29</u>	<u>73,405.87</u>	
<b>Program Expenses</b>					
17	<b>Total Program Expenses</b>	<u>-</u>	<u>122,188.00</u>	<u>122,188.00</u>	First Program Payouts
18	<b>Total Expense</b>	497,058.42	692,652.29	195,593.87	
19	<b>Net Ordinary Income</b>	298,049.87	120,434.38	(177,615.49)	
<b>Other Income/Expense</b>					
<b>Other Income</b>					
20	<b>Total General Obligation Bonds</b>	100,168.54	100,086.19	(82.35)	
21	<b>Total Non Operating Revenue</b>	<u>467,215.64</u>	<u>33,236.51</u>	<u>(433,979.13)</u>	Large Unrealized Gain in August
22	<b>Total Other Income</b>	<u>567,384.18</u>	<u>133,322.70</u>	<u>(434,061.48)</u>	

**Public Hospital District #2 of Snohomish County**  
**Profit Loss Forecast vs. Actual**  
January through September 2011

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	
	<u>Annual Forecast</u>	<u>YTD Actual</u>	<u>Remaining Forecast</u>	<u>% of Total FCST Used</u>	
<b>Operating Revenues</b>					
1	M&O Tax Levy	2,038,352	1,525,173	513,179	74.8%
2	Rental Income	7,542,844	5,621,134	1,921,710	74.5%
3	Pavilion Ground Lease Income	46,707	35,030	11,677	75.0%
<b>4</b>	<b>Total Operating Revenues</b>	<b>9,627,903</b>	<b>7,181,337</b>	<b>2,446,566</b>	<b>74.6%</b>
<b>Operating Expenses</b>					
5	Salaries	405,346	241,144	164,202	59.5%
6	Benefits (not including WC)	65,098	39,085	26,013	60.0%
7	Workers Comp	(193,417)	(128,518)	(64,899)	66.4%
8	Insurance	109,776	97,565	12,211	88.9%
9	Interest Expense	304,056	238,464	65,592	78.4%
10	Amortization	15,800	11,850	3,950	75.0%
11	Rent Expense	26,100	17,400	8,700	66.7%
12	Consulting	412,270	348,638	63,632	84.6%
13	Legal	59,069	37,052	22,017	62.7%
14	Accounting/Auditing	93,565	86,975	6,590	93.0%
15	Other Professional Services	39,815	24,815	15,000	62.3%
16	Purchased Services	64,142	35,810	28,332	55.8%
17	Supplies	10,706	6,963	3,743	65.0%
18	Taxes	879	879	(0)	100.0%
19	Utilities	6,078	4,694	1,384	77.2%
20	Miscellaneous Expenses	34,377	32,465	1,912	94.4%
<b>21</b>	<b>Total Operating Expenses</b>	<b>1,453,659</b>	<b>1,095,282</b>	<b>358,378</b>	<b>75.3%</b>
22	Community Program Investments	389,491	122,188	267,303	31.4%
<b>23</b>	<b>Net Ordinary Income</b>	<b>7,784,754</b>	<b>5,963,867</b>	<b>1,820,887</b>	<b>76.6%</b>
<b>Other Income/(Expense)</b>					
24	2003 GO Tax Levy	1,231,548	922,583	308,965	74.9%
25	2003 GO Bonds	(34,823)	(26,118)	(8,705)	75.0%
26	Investment Income	934,254	673,140	261,114	72.1%
27	Unrealized G/L on Investment	1,158,433	868,825	289,608	75.0%
28	Other Income (Expense)	17,902	17,906	(4)	100.0%
<b>29</b>	<b>Total Other Income/(Expense)</b>	<b>3,307,313</b>	<b>2,456,336</b>	<b>850,977</b>	<b>74.3%</b>
<b>30</b>	<b>Net Income (Before Depreciation)</b>	<b>11,092,067</b>	<b>8,420,203</b>	<b>2,671,864</b>	<b>75.9%</b>
31	Depreciation	5,785,728	4,339,262	1,446,466	75.0%
<b>32</b>	<b>Net Income (After Depreciation)</b>	<b>5,306,339</b>	<b>4,080,941</b>	<b>1,225,398</b>	<b>76.9%</b>

**Public Hospital District #2 of Snohomish County  
 Summary of Cash Receipts and Disbursements  
 August 2011**

**September 2011  
 Amount**

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**Receipts:**

Other Rental Income	25,468.54	Value Village
Swedish/Edmonds Rental Income	618,000.00	
Snohomish County Tax Levy	14,931.02	
Ground Lease Payments	4,166.67	September Lease Payment
Fidelity	15,000.00	McCary Deferred Compensation
Total Receipts - September 2011	677,566.23	

**Disbursements:**

Debt Payment	114,171.30	August Banc of America
Reissued Warrants	4,486.59	Does not affect Financial Statements
Professional Services:		
Legal Fees	8,413.27	Litigation and Professional Liability Legal Fees
Accounting Fees	6,091.67	Ash Consulting
Consulting Fees		Paid September in October
Financial Statement & State Audits	20,725.13	Moss Adams
Professional Services	495.81	Marketing Consultant, Workers Comp Administrator, IT
Purchased Services	396.16	HR Services, Paychex
Payroll	33,032.07	2 pay periods Plus Benefit Solutions
Payroll Taxes	10,234.68	
Employee Insurance	3,045.80	Regence Medical & Principal Life
Program Expenditures	122,188.00	
Bank Fees and Charges	2,850.00	
Other Miscellaneous Expenses	18,640.81	Supplies, Rent, Interest Expense, Retirement Benefits
Total Disbursements - September 2011	344,771.29	

**Public Hospital District #2****Cash Activity**

<u>Warrant Number</u>	<u>Transaction Date</u>	<u>Payee</u>	<u>Amount</u>	<u>Purpose</u>
<b>Warrant Activity:</b>				
10329	09/06/2011	Evergreen Print Solutions	48.40	Business Cards
10330	09/07/2011	ANDREA BENSIMON	75.00	Replace Warrant 520408 issued 1/8/09
10331	09/07/2011	SUSAN CAPRETTA	25.00	Replace Warrant 519701 issued 12/18/08
10332	09/07/2011	SOUND UROLOGY ASSOCIATES PS	700.00	Replace Warrant 534046 issued 10/8/09
10333	09/07/2011	PREMERA BLUE CROSS	154.40	Replace Warrant 526413 issued 5/14/09
10334	09/07/2011	VIRGIL BAKKEN	5.40	Replace Warrant 513614 issued 8/21/08
10335	09/07/2011	Foster Pepper	1,562.50	Legal
10336	09/07/2011	Moss Adams - Audit	20,725.13	December 31, 2010 Audit
10337	09/12/2011	POSTMASTER	88.00	Postage
10338	09/14/2011	LUTHER , KEITH	105.43	Replace Warrant 45993 issued 7/17/09
10339	09/14/2011	Innovative Employee Solutions	261.00	HR Director Services
10340	09/14/2011	KERRILYNN GILL	174.00	Replace Warrant 527508 issued 6/4/09
10341	09/14/2011	BRUCE JOHNSON	500.00	Replace Warrant 513439 issued 8/21/08
10342	09/14/2011	PESI	299.00	Replace Warrant 514451 issued 9/5/08
10343	09/14/2011	GLENDA SHERWOOD	765.62	Replace Warrant 512472 issued 7/31/08
10344	09/14/2011	PREMERA BLUE CROSS	404.60	Replace Warrants 519815, 513816, 536008, 513819, 516479, 515200, 513619, 516541
10345	09/21/2011	Ash Consulting	6,091.67	August Consulting Fees
10346	09/21/2011	Bank of America Credit Card	3,557.02	Misc charges
10347	09/21/2011	Benefit Solutions	11.50	FSA fee - September 2011
10348	09/21/2011	Berkley Risk Administrators Co	123.50	Workers Comp Administrator
10349	09/21/2011	Regence Blueshield	2,573.64	Medical Insurance
10350	09/21/2011	REGENCE BLUECROSS BLUE SHIELD of UTAH	250.72	Replace Warrant 522688, 513604, 518193
10351	09/21/2011	REGENCE BLUE SHIELD	88.00	Replace Warrant 513812 issued 8/21/08
10352	09/21/2011	REGENCE BLUECROSS BLUE SHIELD of OREGON	30.00	Replace Warrant 549555 issued 8/26/10
10353	09/21/2011	CONNIE BROUSSEAU	10.00	Replace Warrant 513644 issued 8/21/08
10354	09/21/2011	R JEAN BARNETT	10.00	Replace Warrant 532794 issued 9/17/09
10355	09/21/2011	WILLIAM ALBERS	14.52	Replace Warrant 513600 issued 8/21/08
10356	09/21/2011	Laura J. Cryan, M.S.W.	63.00	Replace Warrant 46886 issued 9/11/09
10357	09/21/2011	KIET LY	15.00	Replace Warrant 513639 issued 8/21/08
10358	09/21/2011	JOHN RANLETT	347.09	Replace Warrant 544381 issued 5/7/10
10359	09/21/2011	Philanthropy Northwest	297.50	Annual Membership Fee 2011
10360	09/21/2011	Carney Badley Spellman	4,239.50	Legal

<b>Warrant Number</b>	<b>Transaction Date</b>	<b>Payee</b>	<b>Amount</b>	<b>Purpose</b>
10361	09/28/2011	KRISTI IRONS-CHARTIER	20.00	Replace Warrant 538886 issued 1/14/10
10362	09/28/2011	REGENCE RECOVERY	12.30	Replace Warrant 513593 issued 8/21/08
10363	09/28/2011	MARILYN ANDREWS	124.45	Replace Warrant 534492 issued 10/15/09
10364	09/28/2011	HEALTHCARE MANAGEMENT ADMIN	28.46	Replace Warrant 549538 issued 8/26/10
10365	09/28/2011	Banc of America Leasing	114,171.30	Monthly McKesson Lease Payment
10366	09/28/2011	Comcast	313.96	Internet
10367	09/28/2011	Lynnwood PFD	2,900.00	Rent
10368	09/28/2011	Principal Financial Group	472.16	October Life Insurance
10369	09/28/2011	US Bank	2,850.00	Annual Fee
10370	09/28/2011	CURTIS BRADY	264.60	Replace Warrant 542444 issued 4/8/10
10371	09/28/2011	Canon Financial Services	372.31	Copy Machine Lease Payment and Setup
Total Warrants			<u>165,145.68</u>	

**Wire Activity:**

9/1/2011	Comerica	2,611.27	Octagon Professional liability (Sedgwick)
9/1/2011	US Bank	3,322.33	1999 LTGO interest (LOC)
9/9/2011	Payroll	16,244.25	ACH payroll transfer
9/9/2011	Department of Treasury	5,164.21	Payroll taxes for 9/3/11 payroll period ending
9/9/2011	Paychex	64.98	Fee for payroll processing
9/23/2011	Payroll	16,480.93	ACH payroll transfer
9/23/2011	Paychex	70.18	Fee for payroll processing
9/23/2011	Department of Treasury	5,070.47	Payroll taxes for 9/17/11 payroll period ending
9/16/2011	Benefit Solutions	10.00	FSA Payment
9/19/2011	Benefit Solutions	4.95	FSA Payment
9/20/2011	Benefit Solutions	11.30	FSA Payment
9/21/2011	Benefit Solutions	78.89	FSA Payment
9/29/2011	Benefit Solutions	201.75	FSA Payment
9/26/2011	Valic	8,102.10	July, August, September 401(a)/457 Deposit
9/15/2011	Boys & Girls Club of Snohomish County	22,168.00	Program Payment
9/15/2011	Cascade Bicycle Club Education Foundation	53,045.00	Program Payment
9/15/2011	Edmonds Public School Foundation	7,500.00	Program Payment
9/15/2011	Edmonds School District No. 15	25,475.00	Program Payment
9/15/2011	Edmonds Senior Center	14,000.00	Program Payment
Total Wires/ACH Transactions			<u>179,625.61</u>

**Grand Total -Warrants and Electronic**

**\$ 344,771.29**

	<b>Transaction Date</b>	<b>Payee</b>	<b>Amount</b>	<b>Purpose</b>
<b>Deposits:</b>				
	9/1/2011	Fidelity	15,000.00	McCary Deferred Comp Payment
	9/1/2011	Value Village	25,468.54	Monthly rent
	9/7/2011	Swedish	618,000.00	Monthly payment
	9/9/2011	Snohomish County	14,931.02	Tax levy deposit
	9/26/2011	Healthcare Realty Services, Inc.	4,166.67	Lease payment
		<b>Total Deposits</b>	<b>\$ 677,566.23</b>	

SOUTH SNOHOMISH COUNTY COMMISSION FOR HEALTH  
PUBLIC HOSPITAL DISTRICT #2  
SNOHOMISH COUNTY, WASHINGTON

WARRANT APPROVAL

We, the undersigned Board of Commissioners of Public Hospital District #2 of Snohomish County, Washington, do hereby certify that the merchandise or services hereinafter specified have been received and that Warrant Numbers 10329 through 10371 have been issued for payment in the amount of \$165,145.68. These warrants are hereby approved.

Attest:

\_\_\_\_\_  
Lisa M. King

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

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Commissioner

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Commissioner

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Commissioner

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Payroll:	08-21-11 - 09-03-11	16,244.25	
	09-04-11 - 09-17-11	<u>16,480.93</u>	
			32,725.18
Warrants Processed:	09-01-11 – 09-30-11		165,145.68
Electronic Payments:	Payroll Taxes	10,234.68	
	Comerica Bank – Prof Liability	2,611.27	
	Paychex	135.16	
	Benefit Solutions FSA	306.89	
	Valic Retirement	8,102.10	
	Bond & Interest Payments	3,322.33	
	Program Expenditures	<u>122,188.00</u>	
			<u>146,900.43</u>
	Grand Total		<u>\$344,771.29</u>

PUBLIC HOSPITAL DISTRICT NO. 2  
SNOHOMISH COUNTY, WASHINGTON

RESOLUTION NO. 2011-09

A resolution of the Commission of Public Hospital District No. 2, Snohomish County, Washington (the "District"), approving and adopting the District's budget for calendar year 2012.

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 Commission on or before the first day in November; and

WHEREAS, RCW 70.44.060 further requires the District to publish public notice of the proposed budget and the date and place of a hearing on the budget, which is required to be held on or before the fifteenth day of November, for two consecutive weeks in a newspaper printed and of general circulation in Snohomish 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 2012 budget, which proposed budget is attached hereto as Exhibit A (the "2012 Budget"); and

WHEREAS, the Commission held a public hearing on the 2012 Budget on October 26, 2011, in compliance with the requirements of RCW 70.44.060 and RCW 84.55.120; and

WHEREAS, the Board of Commissioners of the District, in the course of considering the budget for calendar year 2012, reviewed all sources of revenues and examined all anticipated expenses and obligations; and

WHEREAS, the Board of commissioners of the District has met and considered its budget for the calendar year 2012; NOW, THEREFORE,

BE IT RESOLVED by the Commission of Public Hospital District No. 2, Snohomish County, Washington, as follows:

Section 1. The Commission hereby adopts the 2012 Budget as the budget for the District for calendar year 2012.

Section 2. The Superintendent is directed to certify to the County Assessor, no later than November 30, 2011, a copy of this Resolution showing its adoption.

ADOPTED AND APPROVED by the Commission of Public Hospital District No. 2, Snohomish County, Washington, at an open public meeting thereof, held this 26th day of October, 2011.

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President and Commissioner

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Commissioner

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Commissioner

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Commissioner

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Secretary and Commissioner

I, CHARLES DAY, Secretary to the Board of Commissioners of Public Hospital District No. 2, Snohomish County, Washington, certify that the attached copy of Resolution No. 2011-09 is a true and correct copy of the original resolution adopted on October 26, 2011, as that resolution appears on the Minute Book of the District.

DATED this 26<sup>th</sup> day of October, 2011.

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Charles Day  
Secretary to the Board of Commissioners

**EXHIBIT A**  
**Public Hospital District No 2**  
**of Snohomish County, Washington**

Other Operating Revenue	\$ 7,807,711
Maintenance and Operations Levy	<u>2,034,931</u>
Total Revenue	\$ 9,842,642
Expenses (not including depreciation)	5,649,469
Investment Income	1,080,000
Depreciation Expense	<u>5,785,728</u>
Net Income	<u><u>(\$ 512,555)</u></u>

PUBLIC HOSPITAL DISTRICT NO. 2  
SNOHOMISH COUNTY, WASHINGTON

RESOLUTION NO. 2011-10

A resolution of the Commission of Public Hospital District No. 2, Snohomish County, Washington (the "District"), approving the dollar amount and percentage increase in the District's regular property tax levy for calendar year 2012.

WHEREAS, RCW 84.55.120 requires a taxing district, other than the state, that collects regular levies to hold a public hearing on revenue sources for the district's following year's current expense budget; and

WHEREAS, RCW 84.55.120 further requires the hearing to include consideration of possible increases in property tax revenues and requires that the hearing be held prior to the time the taxing district levies the taxes or makes the request to have the taxes levied; and

WHEREAS, RCW 84.55.120 authorizes the taxing district to hold a public hearing in conjunction with its annual budget hearing required by RCW 70.44.060(6); and

WHEREAS, a hearing in compliance with RCW 84.55.120 and RCW 70.44.060(6) was held on October 26, 2011; and

WHEREAS, the Board of Commissioners of the District, after hearing and duly considering all relevant evidence and testimony presented, determined that the District requires an increase in property tax revenue from the previous year, in addition to that resulting from the addition of new construction, increases in assessed value due to construction of electric generation wind turbine facilities classified as personal property, improvements to property and any increase in the value of state-assessed property, in order to discharge the expected expenses and obligations of the District; NOW, THEREFORE,

BE IT RESOLVED by the Commission of Public Hospital District No. 2, Snohomish County, Washington, as follows:

Section 1. The Board of Commissioners hereby determines that the District requires a regular levy in calendar year 2012 of \$2,034,931 which amount is exclusive of the additional tax revenue resulting from the addition of new construction, increases in assessed value due to construction of electric generation wind turbine facilities classified as personal property, improvements to property and any increase in the value of state-assessed property, and amounts authorized by law as a result of any refunds made, in order to discharge the expected expenses and obligations of the District.

Section 2. The Board of Commissioners hereby approves an increase in the District's regular property tax levy for calendar year 2012 in the amount of \$0, which is a percentage increase of 0% from calendar year 2011. This increase shall be in addition to the increase in tax revenue resulting from the addition of new construction, increases in assessed value due to construction of electric generation wind turbine facilities classified as personal property, improvements to property and any increase in the value of state-assessed property.

Section 3. The Superintendent is directed to certify to the County Assessor, no later than November 30, 2011, a copy of this Resolution showing its adoption; and to perform such other duties as are necessary or required by law to the end that the maximum levy capacity available to the District under chapter 84.55 RCW, as determined by the Washington State Supreme Court, is banked for use in future years.

ADOPTED AND APPROVED by the Board of Commissioners of Public Hospital District No. 2, Snohomish County, Washington, at an open public meeting thereof, this 26<sup>th</sup> day of October, 2011, the following commissioners being present and voting in favor of the resolution.

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President and Commissioner

\_\_\_\_\_  
Commissioner

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Commissioner

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Commissioner

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Secretary and Commissioner

I, CHARLES DAY, Secretary to the Board of Commissioners of Public Hospital District No. 2, Snohomish County, Washington, certify that the attached copy of Resolution No. 2011-10 is a true and correct copy of the original resolution adopted on October 26, 2011, as that resolution appears on the Minute Book of the District.

DATED this 26<sup>th</sup> day of October, 2011.

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Charles Day  
Secretary to the Board of Commissioners