



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Blaine Gilman, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Kenai Peninsula Borough Mayor *MN*

FROM: Craig Chapman, Finance Director *C Chapman*

DATE: June 9, 2016

SUBJECT: Ordinance 2015-19-35, An Ordinance Appropriating \$3,050,000 in Revenue Bond Proceeds and Reimbursing the Central Peninsula Hospital Plant Replacement and Expansion Funds for the Purchase of Equipment at the Specialty Clinic Building as Authorized by Ordinance 2015-19-09 (Mayor)

The assembly through resolution 2013-072, as amended by resolution 2014-008, authorized the issuance of revenue bonds in the not to exceed amount of \$43,000,000 for the construction of a Specialty Clinic Building (SCB) at Central Peninsula Hospital.

The borough elected to issue the debt in multiple phases. Proceeds from the first phase of the debt issuance were received on February 20, 2014 in the amount of \$34,999,563.45 and were appropriated through ordinance 2013-19-30. Proceeds from the second phase of the debt issuance in the amount of \$3,200,000 were received on June 4, 2015 and appropriated through ordinance 2014-19-59.

Because bond proceeds were not going to be available at the time needed to purchase and install the equipment needed for the SCB, ordinance 2015-19-09 was passed appropriating \$3,050,000 from the Central Peninsula Hospital Plant Replacement and Expansion Funds for the purchase of the needed equipment. It also stated the intent to reimburse the Central Peninsula Hospital Plant Replacement and Expansion Fund with bond proceeds.

The bond proceeds were received June 9, 2016 and this ordinance will reimburse the Central Peninsula Hospital Plant Replacement and Expansion Fund.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>490.20602</u>
Amount	<u>N/A</u>
By:	<u>pp</u> Date: <u>6/9/16</u>