

**SOUTH PENINSULA HOSPITAL  
BOARD RESOLUTION  
2022-06**

**A RESOLUTION APPROVING THE REQUEST OF CASH FROM THE  
PLANT/EQUIPMENT REPLACEMENT AND EXPANSION FUND TO SUPPLEMENT  
OPERATING CASH ON HAND AS OF FEBRUARY 28, 2022**

**WHEREAS**, the Kenai Peninsula Borough has entered into an Operating Agreement with South Peninsula Hospital Inc. ("SPH, Inc.") for the management and operation of South Peninsula Hospital and other Medical Facilities, and to provide other healthcare programs and services, on a nonprofit basis to ensure continued availability to the Service Area residents; and

**WHEREAS**, Section 16, Finances, Paragraph (a) Operating Revenue, SPHI shall maintain an operating reserve of not more than ninety (90) days "cash on hand", and "If the cash on hand is less than ninety (90) days at any time, then SPHI may request that the Borough authorize the transfer of an amount from PREF to its operating reserve to maintain the operating reserve amount, by SPHI Board action", and

**WHEREAS**, SPH has determined that the operating reserve as of February 28, 2022 is less than 90 days with (70) days "cash on hand". In order to reach 90 days, South Peninsula Hospital may request up to **\$5,161,198 (20 days)** in order to supplement operating reserves in accordance with the Operating Agreement; and

**WHEREAS**, SPH Board of Directors requests that PREF funds in the amount of \$5,161,198 be paid from KPB Borough Investment funds as an appropriation to South Peninsula Hospital operating reserve via check or ACH transfer; and

**WHEREAS**, this resolution was reviewed and approved at the Board Finance Committee meeting held on March 17, 2022.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF  
SOUTH PENINSULA HOSPITAL:**

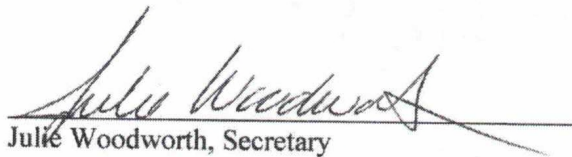
1. That SPHI Board of Directors requests a transfer of **\$5,161,198 (20 days)** from the South Peninsula Hospital Plant/Equipment Replacement and Expansion Fund (PREF), in order to restore SPHI operating reserve to 90 days cash on hand, in accordance with Section 16, Finances, Paragraph (b) Plant/Equipment Replacement and Expansion Fund.
2. That SKPHSAB is hereby requested to support this operating transfer to South Peninsula Hospital Inc.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA  
AT ITS MEETING HELD ON THIS 23rd DAY OF MARCH, 2022.**

ATTEST:



Kelly Cooper, Board President



Julie Woodworth, Secretary