

Introduced by: Mayor
Date: 04/03/18
Hearing: 04/17/18
Action: Enacted as Amended
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2017-19-23**

AN ORDINANCE APPROPRIATING \$599,102.29 FROM THE CPGH, INC. PLANT REPLACEMENT AND EXPANSION FUND FOR THE FISCAL YEAR 2018 SEMI-ANNUAL DEBT PAYMENT ON THE 2017 CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA REVENUE BONDS

WHEREAS, the Kenai Peninsula Borough (“borough”) has entered into an Operating Agreement with Central Peninsula General Hospital, Inc. (“CPGH, Inc.”) for the operation of the Central Peninsula Hospital (“CPH”) and other medical facilities, to operate these medical facilities on a nonprofit basis in order to ensure the continued availability of the medical facilities to the service area residents and visitors; and

WHEREAS, Section 16, Finances, paragraph (b), Plant Replacement and Expansion Fund (“PREF”), of the agreement requires that any transfer in or out of the PREF shall first be considered by the CPGH, Inc. board and its recommendation shall be forwarded to the assembly; and

WHEREAS, in the fall of 2017, \$28,955,000 of Central Kenai Peninsula Hospital Service Area (“CKPHSA”) revenue bonds were issued; and

WHEREAS, with the timing of the bond sale, a debt payment of \$599,102.29 would become due in June 2018; and

WHEREAS, it was not originally anticipated that the bonds would be sold prior to January 2018 and therefore an anticipated debt payment was not appropriated in the CKPHSA Debt Service Fund; and

WHEREAS, it is being proposed that the debt payment of \$599,102.29 be appropriated from the CPGH, Inc. PREF to be paid out of the CKPHSA Debt Service Fund in June 2018; and

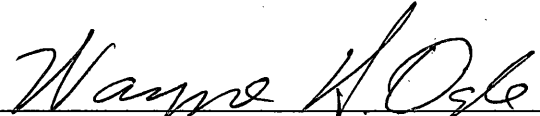
WHEREAS, at its meeting of March 29, 2018, the CPGH, Inc. Board of Directors considered CPGH, Inc. Resolution 2018-09 and voted to approve the use of PREF funds for the purpose of paying the fiscal year 2018 semi-annual debt payment on the 2017 CKPHSA revenue bonds and appropriating these funds to be paid out of the CKPHSA Debt Service Fund;

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:


SECTION 1. That \$599,102.29 is appropriated from the CPH Plant Replacement and Expansion Fund to account no. 490.81110.00000.50360 for payment of the semi-annual debt service on the 2017 CKPHSA revenue bonds to be paid from account 360.81110.18CPH.44020.

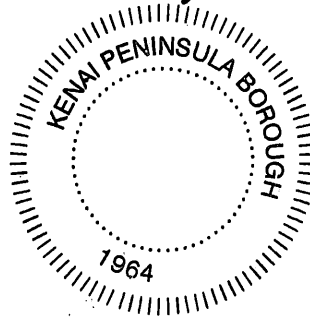
SECTION 2. That this ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 17TH DAY OF APRIL, 2018.


Wayne H. Ogle, Assembly President

ATTEST:


John Blankenship, MMC, Borough Clerk



Yes: Bagley, Blakeley, Carpenter, Cooper, Dunne, Fischer, Hibbert, Smalley, Ogle
No: None
Absent: None