

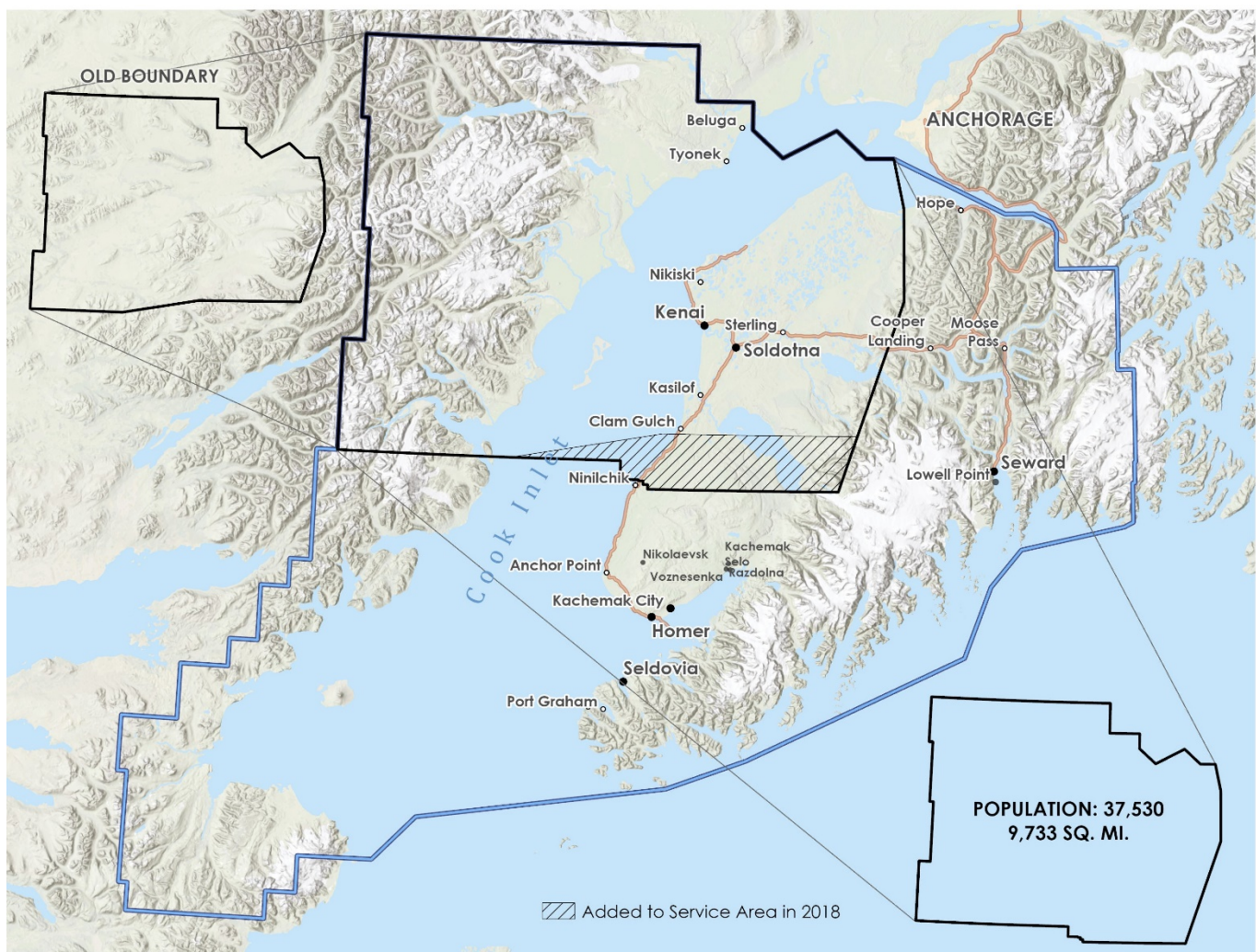
Central Kenai Peninsula Hospital Service Area

Established in April of 1969, this was the first service area in the Borough. Its purpose is to provide a hospitalization facility for residents in the Central Peninsula area. Management of the hospital is contracted out to, CPGH, Inc., a non-profit entity. The CPGH, Inc. board hires an independent CEO to manage its operations.

Effective July 1, 2016 with the enactment of Ordinance 2016-11, the Kenai Peninsula Borough Assembly has oversight of the Service Area.

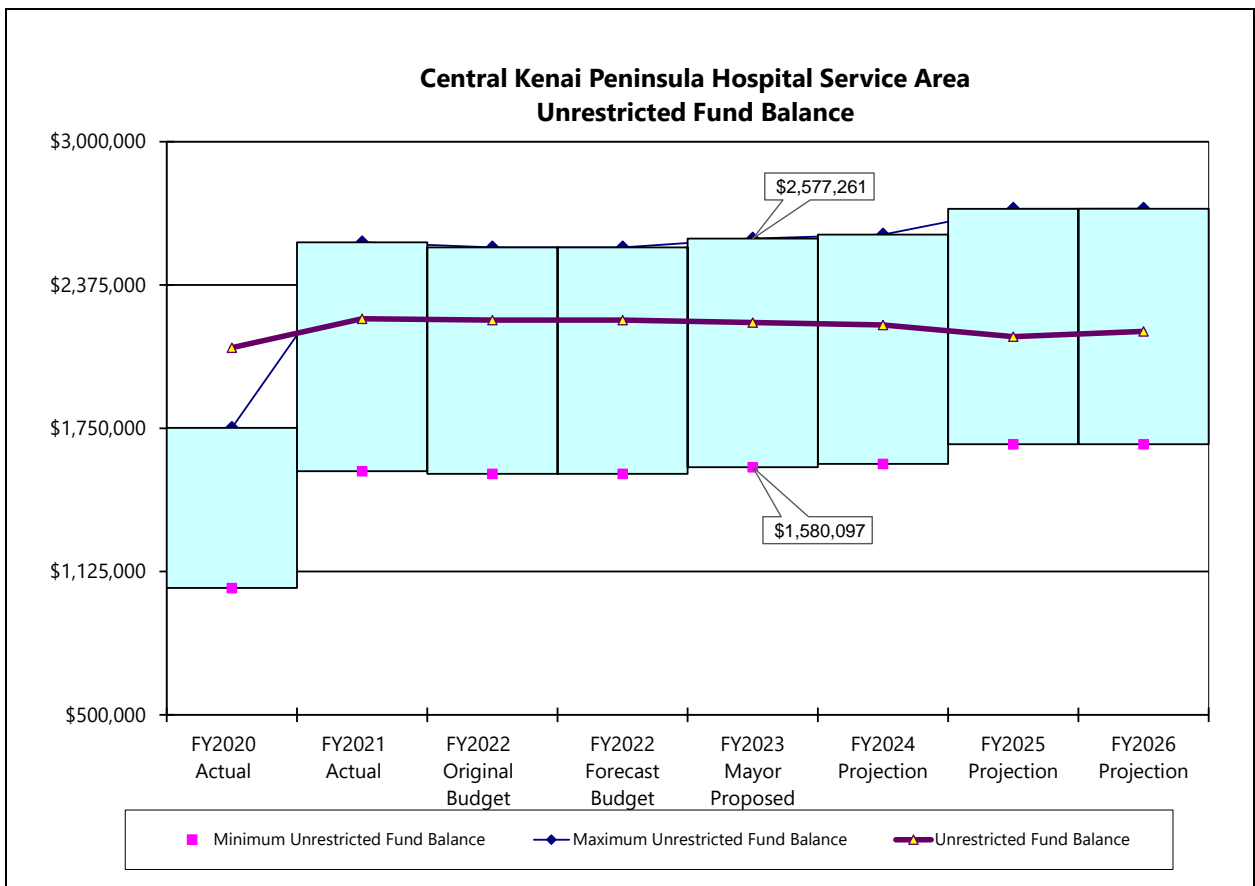
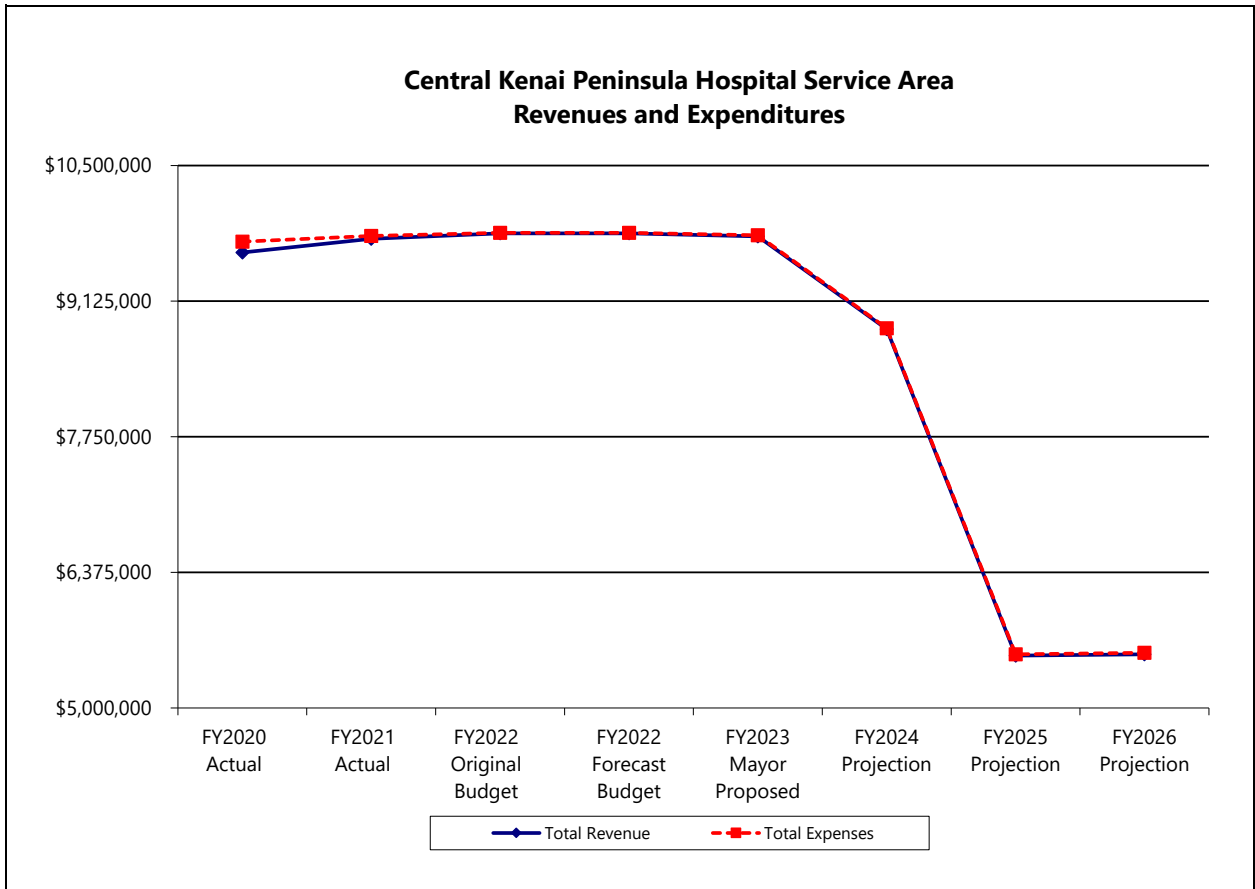
In the October 2018 election, voters from the southern peninsula approved moving the service area boundaries. This created the requirement to continue to assess a mill rate against parcels that were a part of the previous service area boundaries for both the Central Peninsula Hospital Service Area and the South Peninsula Hospital Service Area and no longer a part of the new service area boundaries to pay for bonded indebtedness. Parcels that were a part of the service area at the time of the vote to approve each bond must continue to pay the debt service while it is outstanding. Central Peninsula Hospital Service Area debt service is currently paid for with Hospital operational monies, therefore no mill is currently being levied for debt service.

Service area taxes have provided for debt service requirements, equipment purchases, construction, auditing costs, and board expenses. The mill rate for fiscal year 2023 is 0.01 mills.



Fund: 600 Central Kenai Peninsula Hospital Service Area

Fund Budget:	FY2020	FY2021	FY2022	FY2022	FY2023	FY2024	FY2025	FY2026
	Actual	Actual	Original Budget	Forecast Budget	Mayor Proposed	Projection	Projection	Projection
Taxable Value (000's)								
Real	4,182,224	4,257,969	4,259,162	4,259,162	4,533,895	4,579,234	4,625,026	4,717,527
Personal	192,659	185,399	187,271	187,271	189,144	191,035	192,945	194,874
Oil & Gas (AS 43.56)	1,364,185	1,295,955	1,244,544	1,244,544	1,314,754	1,275,311	1,237,052	1,237,052
Total Taxable Value:	5,739,068	5,739,323	5,690,977	5,690,977	6,037,793	6,045,580	6,055,023	6,149,453
Mill Rate:	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Revenues:								
Property Taxes								
Real	\$ 41,404	\$ 42,215	\$ 42,592	\$ 42,592	\$ 45,339	\$ 45,792	\$ 46,250	\$ 47,175
Personal	2,478	1,916	1,835	1,835	1,854	1,872	1,891	1,910
Oil & Gas (AS 43.56)	13,633	12,970	12,445	12,445	13,148	12,753	12,371	12,371
Interest	176	125	114	114	121	121	121	123
Flat Tax	480	455	1,068	1,068	1,068	1,089	1,111	1,133
Motor Vehicle Tax	867	882	936	936	875	893	911	929
Total Property Taxes	59,038	58,563	58,990	58,990	62,405	62,520	62,655	63,641
Interest Earnings	88,794	6,567	45,305	45,305	44,442	44,231	44,017	43,755
CPH - Bond Payment/Other	9,469,874	9,685,792	9,708,001	9,708,001	9,675,199	8,733,563	5,424,299	5,436,569
Other Revenue	1,481	5,311	-	-	-	-	-	-
Total Revenues	9,619,187	9,756,233	9,812,296	9,812,296	9,782,046	8,840,314	5,530,971	5,543,965
Total Revenues and Operating Transfers	9,619,187	9,756,233	9,812,296	9,812,296	9,782,046	8,840,314	5,530,971	5,543,965
Expenditures:								
Services	257,237	307,446	336,214	336,214	504,112	504,112	514,194	524,478
InterDepartmental Charges	-	7,686	8,405	8,405	12,603	12,603	12,855	13,112
Total Expenditures:	257,237	315,132	344,619	344,619	516,715	516,715	527,049	537,590
Operating Transfers To:								
Debt Service Fund	9,471,999	9,471,850	9,473,351	9,473,351	9,275,924	8,334,288	5,017,038	5,021,163
Total Operating Transfers:	9,471,999	9,471,850	9,473,351	9,473,351	9,275,924	8,334,288	5,017,038	5,021,163
Total Expenditures and Operating Transfers	9,729,236	9,786,982	9,817,970	9,817,970	9,792,639	8,851,003	5,544,087	5,558,753
Net Results From Operations	(110,049)	(30,749)	(5,674)	(5,674)	(10,593)	(10,689)	(13,116)	(14,788)
Beginning Fund Balance	2,368,596	2,258,547	2,227,798	2,227,798	2,222,124	2,211,531	2,200,842	2,187,726
Ending Fund Balance	\$ 2,258,547	\$ 2,227,798	\$ 2,222,124	\$ 2,222,124	\$ 2,211,531	\$ 2,200,842	\$ 2,187,726	\$ 2,172,938



Department Function

Fund 600

Central Kenai Peninsula Hospital Service Area

Dept 81110

Mission

Meet the changing health care needs of the residents of the Service Area.

Program Description

Provide funding for payment of debt service, purchase of capital equipment, operational expenses of a hospital, operating cost of the Service Area and other health care related items within the Service Area.

Major Long Term Issues and Concerns:

- Governance of CPH.

FY2022 Accomplishments:

- Substantially completed the \$1,500,000 Mountain Tower ADA Parking and Access Upgrade Project. This project was funded by the Hospital Plant Replacement and Expansion Fund.

Performance Measures

Priority/Goal: Effective Governance

Goal: Provide funding for payment of debt service, capital expenditures, and other related hospital expenses

Objective: Providing funding as needed to supplement revenue generated from hospital operations for payment of debt service, capital purchases and other related hospital expenses

Measures:

	FY2020 Actual	FY2021 Actual	FY2022 Projected	FY2023 Estimated
Mill rate	.01	.01	.01	.01
Property tax revenue	\$59,038	\$58,563	\$58,990	\$61,700

Priority/Goal: Effective Governance

Goal: Provide funding for payment of debt service, capital expenditures, and other related hospital expenses

Objective: Providing funding as needed to supplement revenue generated from hospital operations for payment of debt service, capital purchases and other related hospital expenses

Measures:

	FY2020 Actual	FY2021 Actual	FY2022 Projected	FY2023 Estimated
Service Area funds used for payment of debt service, capital purchases, and other related hospital expenses	\$0	\$0	\$0	\$0
Hospital funds used for payment of debt service, capital purchases, and other related expenses	\$9,469,874	\$9,685,792	\$9,708,001	\$9,675,199

**Kenai Peninsula Borough
Budget Detail**

Fund 600

Department 81110 - Central Kenai Peninsula Hospital Service Area Administration

		FY2020 Actual	FY2021 Actual	FY2022 Original Budget	FY2022 Forecast Budget	FY2023 Mayor Proposed	Difference Between Mayor Proposed & Original Budget %	
Services								
43011	Contractual Services	\$ -	\$ 6,188	\$ 4,250	\$ 4,250	\$ 4,250	\$ -	0.00%
43012	Audit Services	86,150	87,316	97,314	97,314	100,587	3,273	3.36%
43510	Insurance Premium	171,087	213,942	234,650	234,650	399,275	164,625	70.16%
	Total: Services	257,237	307,446	336,214	336,214	504,112	167,898	49.94%
Transfers								
50360	Debt Service	9,471,999	9,471,850	9,473,351	9,473,351	9,275,924	(197,427)	-2.08%
	Total: Transfers	9,471,999	9,471,850	9,473,351	9,473,351	9,275,924	(197,427)	-2.08%
Interdepartmental Charges								
61990	Administrative Service Fee	-	7,686	8,405	8,405	12,603	4,198	49.95%
	Total: Interdepartmental Charges	-	7,686	8,405	8,405	12,603	4,198	49.95%
Department Total		\$ 9,729,236	\$ 9,786,982	\$ 9,817,970	\$ 9,817,970	\$ 9,792,639	\$ (25,331)	-0.26%

Line-Item Explanations

43011 Contract Services. Annual debt arbitrage calculation fees (\$1,500), and annual debt reserve depository account fees (\$750), and misc. small contracts (\$2,000).

43012 Audit Services. As required by Alaska Administrative Code 45.010 and in conformance with Alaska State Statute 29.35.120. Anticipated contract increase due to contractual increases and anticipated single audit cost associated with receipts of federal coronavirus funding.

43510 Insurance Premium. Premium for property insurance coverage; workman's compensation, liability, and other insurance requirements are required to be met by the Operator (CPGH, Inc.) per the Lease and Operating Agreement.

50360 Debt Service Fund. Debt service on GO bonds issued in the amount of \$49.9 million in FY2004 and revenue bonds issued in the amount of \$41.3 million between FY2014 and FY2016, and \$28.9M in FY2018.

61990 Admin Service Fee. The admin service fee is charged to service areas and departments to cover a portion of costs associated with providing general government services. The amount proposed for FY2023 is 2.5% of the personnel, supplies, services, and capital outlay budgets.

For capital projects information on this department - See the capital projects section - Page 348-349 & 370.