

Central Kenai Peninsula Hospital Service Area

FY2021 Proposed Budget

April 21, 2020

Background information

- The service area is authorized to construct, maintain, and operate a hospital or hospitals, to establish and to operate, or to participate in the expense of operating, a center for the treatment of alcoholism and chemical dependency, and to provide other health services or health facilities within the service area, including but not limited to: primary health care, health promotion and chronic disease services (including psychiatric treatment, mental health and rehabilitation services), outpatient services, health education, preventive medical care and wellness programs, home health services, personal care services, long term care, and hospice care, subject to such conditions as may be established by ordinance of the Kenai Peninsula Borough.
- Serves a population of approximately 37,196 within a 9,733 square mile area
- Management of the hospital is contracted out to CPGH Inc. Current contract expires 12/31/2028.
- Mill rate .01 mills (since FY2015)
- Current Unobligated PREF Balance \$39.4 million

FY2020 Key Accomplishments

- Completed CPH OB CAT Lab project, started in FY2018, the project is funding of with bonds of \$28,955,000 and local funding of \$13,200,000.
- Debt Service of \$9,474,875 funded by CPGH
- Funding for:
 - Audit Services
 - Insurance Premium

FY2021 Key Objectives & Budget Highlights

- Debt Service of 9,475,980 funded by CPGH
- \$21.8 million in capital appropriations planned for (not appropriated through annual budgetary process)
- Funding for:
 - Audit Services
 - Insurance Premium

Expenditure summary – CKPHSA

| | FY2020 Approved Budget | FY2021 Proposed Budget | Change |
|-------------------|------------------------------|------------------------------|---------------|
| Services | 262,195 | 306,256 | 44,061 |
| Debt Transfers | 9,474,875 | 9,475,980 | 1,105 |
| Admin Service Fee | <u>6,555</u> | <u>7,656</u> | <u>1,101</u> |
| Total | <u>9,743,625</u> | <u>9,789,892</u> | <u>46,267</u> |
| Increase of | | | .47% |