

Presented by: Assemblyman Champion
Introduced: 08/04/86
Drafted by: B.J.B.

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 1186

A RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA,
RECONFIRMING ITS COMMITMENT TO THE EXPANSION PROJECT FOR
BARTLETT MEMORIAL HOSPITAL.

WHEREAS, Ordinance Serial No. 85-69 authorized the city and borough to issue general obligation bonds in the principal amount of not to exceed \$9,000,000.00 to acquire property, construct, remodel, and equip the facilities of the Bartlett Memorial Hospital, and called for an election on the proposition as to whether or not the city and borough should incur such indebtedness and issue such bonds for such purposes, and

WHEREAS, the qualified voters of the city and borough approved of the issuance of said general obligation bonds for hospital purposes authorized pursuant to Ordinance Serial No. 85-69 at the regular election held on October 1, 1985, and

WHEREAS, said general obligation bonds for hospital purposes were issued as variable rate general obligation bonds in December 1985, and

WHEREAS, due to the recent decline in oil revenues, the State of Alaska has announced substantial budget reductions which have a significant effect on the budget of the city and borough, and

WHEREAS, due to such budget reductions, the city and borough has considered whether to delay the expansion project for Bartlett Memorial Hospital, and

WHEREAS, the Assembly has heard and has carefully considered presentations by city and borough staff, the HCA Management Company, Inc., the firm which has undertaken the management of Bartlett Memorial Hospital, and the Hospital Board, as to the present status of the expansion project and the pros and cons of proceeding at this time with the hospital expansion, and

WHEREAS, the Assembly, based upon such presentations and its thorough review of the matter, has determined that it is in the best interests of the community to proceed at this time with the expansion project for Bartlett Memorial Hospital;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

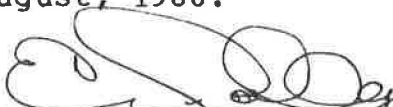
1. That the Assembly hereby reconfirms its commitment to proceed with the project for the expansion of Bartlett Memorial Hospital which project is funded by the variable rate general obligation bonds for hospital purposes authorized and issued pursuant to Ordinance Serial No. 85-69 and approved by the qualified voters of the city and borough at the regular election held on October 1, 1985.

2. That, as an Assembly budget policy, the full bond debt retirement for the variable rate general obligation bonds for hospital purposes, including the principal, the interest, and the costs and expenses of administration, will be paid by the Hospital Enterprise Fund for at least three years beginning July 1, 1987. The interest earned on the arbitrage of the bond proceeds will be credited to the Hospital Capital Project Fund. Funds will be transferred from the Hospital Capital Project Fund to the Hospital Enterprise Fund to cover debt retirement as the principal, interest, and administrative costs and expenses become due.

3. That, as an Assembly budget policy, the Hospital Enterprise Fund will be credited annually beginning July 1, 1987, with interest proceeds, which will be calculated by using the average annual Hospital Enterprise Fund balance. The interest rate applied to said balance will be the average of the interest rate received on all city and borough investments.

Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this 4th day of August, 1986.



Mayor

Attest:



Clerk