

RESOLUTION #02-01-16A

A RESOLUTION TO CONTINUE TO FINANCIALLY SUPPORT HIGH QUALITY HEALTHCARE SERVICES IN THE COMMUNITY OF CUSTER.

WHEREAS, the City of Custer has historically provided financial support to Custer Community Health Services, Incorporated to assure the availability of high quality healthcare services in the City of Custer through Resolution 10-20-03A and Resolution 7-19-10A; and

WHEREAS, Custer Community Health Services, Incorporated has for many years contracted with Regional Health Network, Incorporated to operate the hospital, clinic and long-term care facilities located in Custer; and

WHEREAS, the City of Custer has been informed that the challenges inherent in the evolving healthcare environment are having the effect of forcing consolidation among healthcare providers; and

WHEREAS, Regional Health Network, Incorporated has indicated its willingness to construct a new hospital and clinic facility within the City of Custer to replace the outdated hospital and clinic facilities which are currently in place; and

WHEREAS, Custer Community Health Services, Incorporated has determined the continuation of high quality healthcare services, including the construction of new facilities to replace the existing outdated facilities, can best be assured by merging its operations with Regional Health Network, Incorporated; and

WHEREAS, the Custer Common Council has determined that it continues to be in the best interest of the community to continue to support high quality health care services in the City of Custer following the merger of Custer Community Health Services, Incorporated into Regional Health Network, Incorporated.

NOW, THEREFORE, BE IT RESOLVED by the Custer Common Council that the City of Custer supports the merger of Custer Community Health Services, Incorporated into Regional Health Network, Incorporated; and

BE IT FURTHER RESOLVED by the Custer Common Council that the City of Custer supports the construction by Regional Health Network, Incorporated of a new hospital and clinic facility in the City of Custer to replace the existing outdated facilities; and

BE IT FURTHER RESOLVED by the Custer Common Council that the City's previous commitment of financial support to Custer Community Health Services, Incorporated by designating 75% of one penny of the sales tax with an annual maximum of \$347,000.00 shall continue following the merger of Custer Community Health Services, Incorporated into Regional Health Network, Incorporated; and

BE IT FURTHER RESOLVED by the Custer Common Council that the City of Custer shall continue its annual financial support of healthcare facilities in the City of Custer by providing Regional Health Network, Incorporated the revenue generated by 75% of one penny of sales tax with an annual maximum of \$347,000.00 until such time as the total amount of financial support provided by the City of Custer, along with any cash held by Custer Community Health Services, Incorporated at the time of its merger with Regional Health Network, Incorporated and any amounts currently held by the City of Custer and earmarked for the support of Custer Community Health Services, Incorporated shall total, but not exceed, \$4,000,000.00; and

BE IT FURTHER RESOLVED by the Custer Common Council that any amounts currently held by the City of Custer and earmarked for the support of Custer Community Health Services, Incorporated shall be paid to Regional Health Network, Incorporated upon the City being notified of the completion of the merger of Custer Community Health Services, Incorporated, and Regional Health Network, Incorporated; and

BE IT FURTHER RESOLVED by the Custer Common Council that upon the payment of the full amount of support set out in this resolution, the Custer Common Council shall consider whether to continue or discontinue its financial support for healthcare facilities in the City of Custer.

Dated this 1st day of February, 2016.

CITY OF CUSTER

Mayor Jared Carson

ATTEST: _____

Laurie Woodward
Finance Officer

(SEAL)