

SIERRA KINGS HEALTH CARE DISTRICT

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

**Report to the
Fresno Local Agency Formation Commission**

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1 . MUNICIPAL SERVICE REVIEW

Description of District

The Sierra-Kings Hospital District was formed in 1962 and operates pursuant to Health and Safety Code, Sections 32000-32492.

The District is in two non-contiguous sections. The western portion encompasses the City of Reedley, the majority of the City of Parlier, and agricultural lands north and west of those cities. The eastern portion primarily includes foothills and mountains from Tulare County on the south to Inyo County on the east. The District Sphere of Influence is not coterminous with its boundaries and includes the intervening territory, as shown on the enclosed map.

The District is governed by a five-member Board of Directors elected by division. A Chief Executive Officer administers the District. It has 166 full-time, 31 part-time and 89 per diem employees.

The District's Mission Statement is:

To provide quality health care for the people we serve.

2 . MSR DETERMINATIONS

This portion of the report addresses the factors specified in the governing statute for Municipal Service Reviews.

Growth and Population Projections

District services do not directly facilitate or affect the rate or location of population development, though the District responds to changes in the population by providing hospital and health care services based on actual needs.

Location and Characteristics of any Disadvantaged Unincorporated Communities

Disadvantaged communities receive services from the district however, district services do not affect or influence these communities in any way.

Infrastructure Needs and Deficiencies

The District utilizes several facilities to provide services. These include a public hospital, separate birthing center, clinics in Carbo, Dinuba, Orange Cove and Parlier, and several medical office buildings. The District also owns nine acres of vacant land with the intent of building a regional hospital. With the approval of Measure G that would allow the District to lease or sell part of or all of its assets, it is unclear how much of the infrastructure is owned by the District.

Financial Ability of Agencies to Provide Services

As a health care agency, District finances are dependent on State and Federal statutes governing distribution of certain types of revenues and services and issues include credit risk, Medicare, Medi-Cal, insurance policies, self-pay and third-party payors.

The District is financed for services through service fees and property tax revenues. There are periodic opportunities to adjust rates and charges to for the use of District facilities and services based on the recovery of the costs involved.

The District did not provide any financial data with which to determine their ability to provide services. However, the district has filed for and was granted Chapter 9 Bankruptcy.

The District is part of a Group Purchasing Organization (GPO) to purchase supplies at lower costs.

Status of, and Opportunities for, Shared Facilities

There are no obvious opportunities for shared facilities in current operations due partly to the distance between the District hospital and other communities.

Governmental Structure and Operational Efficiencies

A five-member Board of Directors elected by division governs the District. The Board meets monthly. Board agendas are posted at the hospital entrance. The District distributes a monthly newsletter to constituents. Its website is www.skdh.org.

3. SPHERE OF INFLUENCE REVIEW AND UPDATE

Government Code Section 56076 defines Sphere of Influence as “A plan for the probable physical boundaries and service area of a local agency, as determined by the commission.”

Description of Current Sphere of Influence

The District’s Sphere of Influence encompasses approximately 375,284 acres.

Proposed Sphere Changes

The District proposes no changes in its Sphere of Influence or boundaries.

Sphere of Influence Recommendations and Determinations

It is recommended the Commission approve the following determinations and affirm the current Sphere of Influence.

1. Present and planned land uses in the area, including agriculture and open-space.

Land uses within the District are a mix of residential, commercial, industrial, public uses, agriculture and open space. Planned uses include similar designations.

2. Present and probable need for public facilities and services in the area.

The mixture of land uses within the District requires a broad array of public services and facilities including hospital and health care services. The probable need for services reflects land use plans of the Cities of Reedley and Parlier and the County.

3. Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide.

The capacity of District facilities is sufficient for services currently provided.

4. Existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

Territory within the District represents a community of interest for District services.

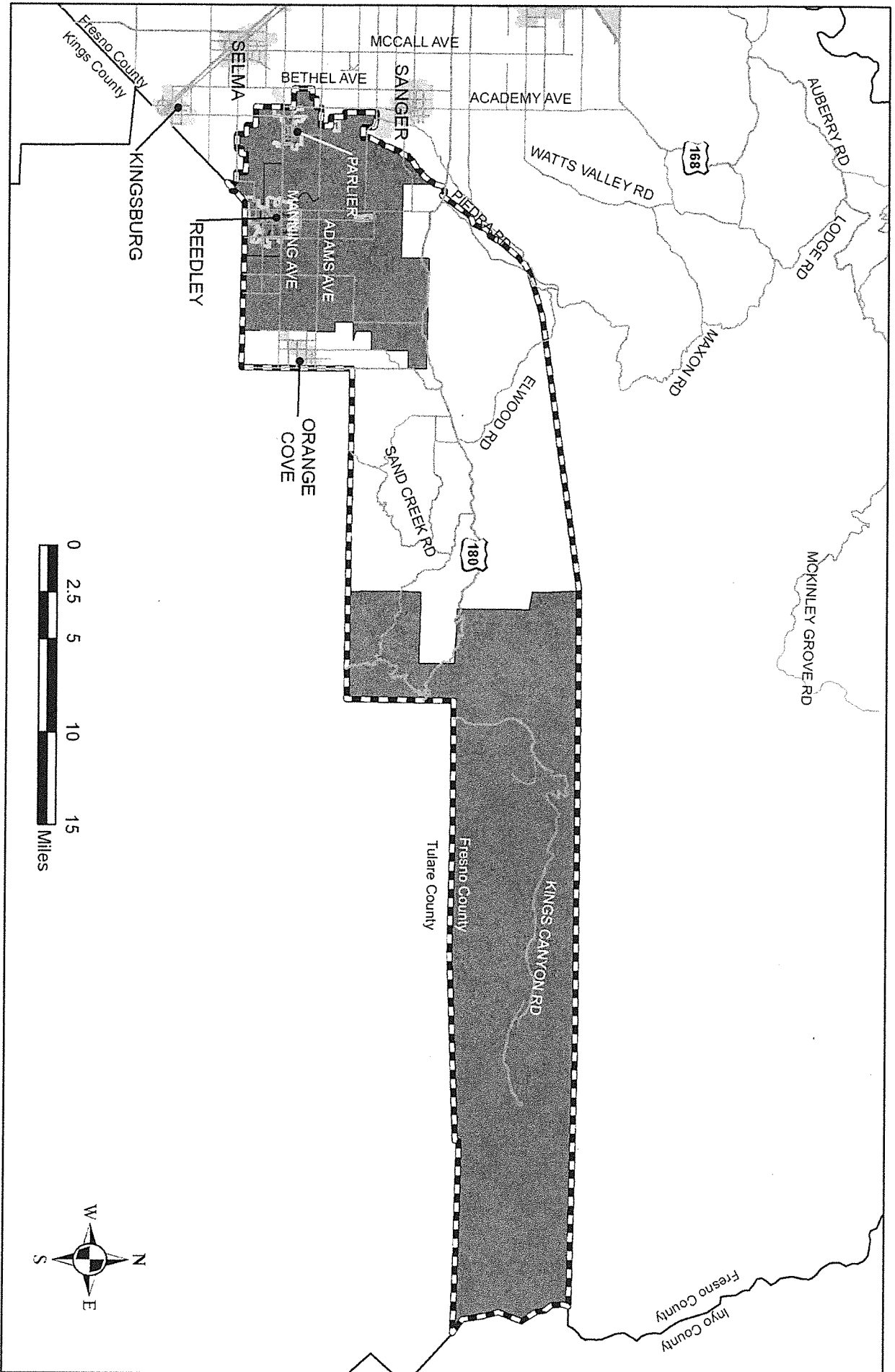
4. ACKNOWLEDGEMENTS & REFERENCES

This draft Municipal Service Review was prepared by Fresno LAFCo staff using information provided by the Sierra-Kings Health Care District. Responsibility for any errors or omissions rests with those who provided information for the report.




5. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review, it is recommended the Commission:

1. Accept public testimony regarding the proposed Municipal Service Review.
2. Approve the recommended Municipal Service Review determinations, together with any changes deemed appropriate.
3. Approve the recommended Sphere of Influence determinations and affirm the current Sphere of Influence.



Legend

-  District SOI
-  District Area
-  City Areas

**Fresno Local Agency Formation Commission
Sierra Kings Hospital District**

District Formed: 1962
 SOI Adopted: 05/19/1976
 Map Date: 10/10/2007

Map Date: November 2007
 District Area: 247,188 Acres
 Sphere Area: 375,284 Acres

