By Jan Rahn
Managing Editor

A 40-year-old building that requires a major overhaul was a frustration in preparing this year's capital budget at Perkins County Health Services, said PCHS Administrator Pam Holm.

The Board of Directors for the Perkins County Hospital District approved a $16 million budget the first part of September for the 2009-10 fiscal year.

A feasibility study done in the spring identified several areas that need to be focused on, said Tiffany Weber, chief financial officer who prepared the budget.

Weber said the main areas that surfaced that need attention are the electrical system and the back-up generator. Another is a new heating/cooling system.

The current system is either on heating or on cooling, with no variation, and it takes a full 24 hours to switch it over.

The current generator is 39 years old.

"We load test the generator system monthly, but we exercise it weekly," said Weber.

"This is something that we want to fix before it becomes an issue. Our goal is to be able to provide 100 percent back-up power in case of an emergency."

In addition to building maintenance updates, all hospitals are being required to implement electronic medical records.

This implementation is required to be in place and show "meaningful use" by 2015.

Weber said the price tag on the electronic medical records is estimated at $1.5 million, so some of the capital budget was designated to this project.

"We are trying purchase it in phases over the next few years so that we don't disrupt our hospital," she said.

Administrator Holm said the budget preparation has taken a toll on the directors who needed to figure out what is not important and what they can go without for a year or two.

"The biggest frustration and most challenging is what we need to do first, second and third to update the building and not break the bank doing it," she said.

A grant writer has been hired to help with some of the funding.

"We are holding our breath to see if we get grant money," said Holm.

A tax rate of 2.69 per $100 of valuation is set for the new budget year with a tax request of Perkins County hospital of $147,690. Tax asking in last year's fiscal year budget was $123,187.

The newly adopted 2009-10 budget includes $9,821,110 in operating expenses for the upcoming year. This amount pays for salaries, benefits, supplies, contracts/leases, and small equipment purchases.

A necessary cash reserve built in to the 2009-10 budget of $1.5 million brings the total resources available to $17.5 million for the Perkins County Hospital District.

A Business Improvement Committee consisting of 15 personnel including directors, board members, employees, supervisors and Dr. Cliff Colglazier looks at strategic planning over a period of several years to update the facility in the future.