

Kenai Peninsula Borough

South Kenai Peninsula Hospital Service Area

MEMORANDUM

TO: Brent Johnson, Assembly President
Members, KPB Assembly

THRU: Peter A. Micciche, Mayor *PM*

FROM: Sean Kelley, Borough Attorney *SK*

DATE: September 30, 2024

RE: Update Regarding Ordinance 2024-16, Approving the Use of Funds for the Costs of Distributing Promotional Information about Ballot Proposition No. 1 Seeking Voter Approval for the Issuance of Bonds to Pay for the South Peninsula Hospital and Campus Expansion, Renovation, and Acquisition Projects to Ensure Compliance with Legal Restrictions on the Use of Borough Funds and Assets Related to Ballot Propositions (Mayor)

Ordinance 2024-16 approved the use of South Peninsula Hospital operating funds to distribute promotional information regarding Ballot Proposition No. 1 for voters within the South Kenai Peninsula Hospital Service Area.

Following discussions with SPH Administration, and in the interests of full transparency, this update is provided to clarify that the Prop No. 1. informational and promotional campaign was supported entirely by South Peninsula Hospital, Inc. operating and non-operating expenditures, including individual contributions and interest earning expenditure funds. Funds of the South Peninsula Hospital Foundation, a nonprofit organization, were not used. A summary of funds used for this purpose is as follow: South Peninsula Hospital utilized \$50,000 of operating funds and also utilized \$50,000 of non-operating expenditures, including interest income and individual contributions, for the purpose of promoting information about Ballot Proposition No. 1.

End of update. Thank you.