

# **Central Peninsula Hospital Service Area**

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## **FY2025 Proposed Budget**

**Pages 321 & 364**

## **Powers 16.08.015**

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The Central Kenai Peninsula Hospital Service Area is **authorized to construct, maintain, and operate a hospital or hospitals**, to establish and to operate, or to participate in the expense of operating, **a center for the treatment of alcoholism and chemical dependency**, and **to provide other health services or health facilities within the service area**, including but not limited to: primary health care, health promotion and chronic disease services (including psychiatric treatment, mental health and rehabilitation services), outpatient services, health education, preventive medical care and wellness programs, home health services, personal care services, long term care, and hospice care, subject to such conditions as may be established by ordinance of the Kenai Peninsula Borough.

## **Background Information**

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Current Mill Rate .01 mills

Provides funding for payment of debt service, purchase of capital equipment, operational expenses of a hospital, operating cost of the Service Area and other health care related items within the Service Area.

Org Chart – In Assembly Chambers



## FY2025 Expenditures

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### Service Area Funded:

- Annual External Audit of CPGH, Inc. \$ 117,030
- Administrative Service Fee 18,086

### Hospital Funded:

- Debt Service \$ 5,017,038
- Debt Arbitrage Compliance 5,250
- Property Insurance on Facility 601,163

## Expenditure Summary

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	FY2024 Original Budget	FY2025 Proposed Budget	Change
Services	\$ 583,534	\$ 723,443	\$ 139,909
Debt Svc Transfer	8,334,288	5,017,038	(3,317,250)
Interdpt'l Charges	14,588	18,086	3,498
Total	\$ 8,932,410	\$ 5,758,567	\$ (3,173,843)
Change			(35.53%)

## Capital Project Fund Summary

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	FY2025 Proposed Budget
Hospital Projects/Equipment (page 364)	\$ 47,590,650
(Information Only, appropriated through Supplementals)	

## Significant Budgetary Items

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- Audit fees are up about 21% since 2022 due to complex accounting changes and reporting requirements.
- Property insurance will continue to increase as the facility is upgraded or expanded and replacement costs escalate.