

**LAKE SHORE HOSPITAL AUTHORITY
BOARD OF TRUSTEES**

**BUDGET HEARING
MINUTES
September 10, 2012**

Present: Marc Vann
Waseem Khan, M.D.
Stephen Douglas

Lory Chancy
Bruce Naylor

Also Present: Marlin Feagle
Jack Berry, LSHA Staff
Sue Frazee, LSHA Staff
Cynthia Watson, LSHA Staff
Steve Nelson, LCMC
Rhonda Sherrod, Shands
Stephanie Bushart, Shands

Richard Powell
Karl Burkhardt, LC Journal
Hannah Brown, LC Reporter
Linda Silecchia, Shands
Frank Pommert, Shands
Courtney Bryan, LSHA Staff

Public: Barbara Lemley

Vice - Chairman Waseem Khan opened the Public Hearing at 5:16 PM.

Vice - Chairman Waseem Khan announced that the proposed millage rate of 1.500 mills is 49.45% over the rolled back rate for 2012. The purpose of the levy is to fulfill the Authority's obligations under the Indigent Care Agreement and Lease Assignment Agreement with Lake Shore HMA, Inc. (1.500 mills).

Mr. Jack Berry, Executive Director gave an overview of each fund; Operating Fund, Patient Care Funds, and the Capital Improvement Fund.

Vice – Chairman Khan made the Board members aware that there were two budget options; 1.5 mills and .962 mills. Mr. Berry reported that \$1,175,000 would have to come out of reserves if the .962 mills were adopted and he recommended adopting the 1.5 mills. Mr. Richard Powell, Auditor stated that due to the fact that the reserves were on the decline, the revenue generated by 1.5 mills was necessary for stability. There were comments and discussion from Board Members and Mr. Powell.

Ms. Barbara Lemley questioned when the budget materials were made available and stated her opposition to an increased millage rate of 1.5 mills.

Motion: Mrs. Lory Chancy made a motion to adopt the millage rate of 1.5 mills. The motion dies for lack of a second.

Motion: Mr. Marc Vann made a motion to adopt the tentative millage rate of .962 mills for the 2012-2013 fiscal year. Mr. Bruce Naylor seconded the motion. All were in favor except for Mrs. Lory Chancy. Motion carried.

Mr. Berry reminded the Board that the topic of employee pay increases was to be discussed. A handout had been distributed to Board Members in reference to salaries. There were questions from Board Members. Mr. Berry reported that the pay increase could be set for a future date and come from the \$81,970.00 in unbudgeted funds. Mr. Bruce Naylor requested salary ranges for each position and it was decided that at any time pay increases could be given.

Motion: Mr. Marc Vann made a motion to adopt the tentative budgets for the 2012-2013 fiscal year as follows:

	Appropriations & Reserves
Patient Care Fund – Hospital Services	\$ 2,637,370
Patient Care Fund – Clinical Services	\$ 1,555,000
Operating Fund	\$ 3,899,070
Capital Improvements Fund	<u>\$ 524,673</u>
TOTAL	\$ 8,616,113

Mr. Stephen Douglas seconded the motion. All were in favor.
Motion carried.

Vice - Chairman Waseem Khan closed the Budget Hearing at 5:58 PM and announced that the Final Budget Hearing will be held on Monday, September 17, 2012 at 5:15 PM at Lake Shore Hospital Authority Administrative Complex, Conference Room, 259 NE Franklin Street, Lake City, Florida 32055.

Respectfully submitted,

Bruce Naylor, Secretary/Treasurer

Date of Approval