

LAKE SHORE HOSPITAL AUTHORITY

**AGENDA
FINAL BUDGET HEARING**

**September 24, 2018
5:15 p.m.**

1. Open Public Hearing

Chair announces that the proposed millage rate of 0.962 mills is 3.47 % over the rolled back rate for 2018. 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.

2. Overview of budget.

3. Comments on the budget by the Authority members and staff.

4. Public input on the budget and millage rate.

5. Amendments to the proposed budget, if any.

6. Motion: To adopt millage rate of 0.962 mills for the 2018-19 fiscal year. (Resolution 2018-006)

**7. Motion: To adopt tentative budgets for the 2018-2019 fiscal year as follows:
(Resolution 2018-007)**

	<u>Appropriations & Reserves</u>
Patient Care Fund - Hospital Services	\$ 7,433,382
Patient Care Fund - Clinical Services	1,308,000
Operating Fund	3,879,092
Capital Improvement Fund	1,011,200
Total	<u>\$ 13,631,674</u>

8. Close Public Hearing

LAKE SHORE HOSPITAL AUTHORITY

FY 2018 -2019 FINAL Budget Highlights

- The budget is for the period beginning October 1, 2018 and ending September 30, 2019.
- The budget requires two (2) public hearings to adopt. The first public hearing was held on September 10, 2018. September 24, 2018 is the second and FINAL hearing.
- All procedures (advertisements, motions, and announcements) to adopt the budget are prescribed by Florida law.
- The millage rate levied by Lake Shore Hospital Authority for the current fiscal year (FY2017-2018) is .962 mills. The “rolled-back” millage rate for FY 2018-2019 is .9297 mills. The millage rate proposed and advertised for the FINAL FY 2018-2019 Budget Hearing is .962 mills.
- The proposed millage levy may be reduced; however, it may not be increased.
- Based on historical precedent, all millage revenue received by Lake Shore Hospital Authority is allocated to 1.) Indigent care, and/or 2.) Hospital improvements.
- All revenue to be received from the proposed millage levy has been allocated in the proposed FINAL budget to “Emergency indigent patient services”.
- The proposed FINAL budget provides \$3,500,000 in Capital Outlay. The allocation is based on the estimated cost to replace all roofs on Lake Shore Hospital. The estimate is a staff estimate. Engineering estimates have yet to be provided; however, all work is expected to be completed within the next fiscal year.
- The proposed FINAL budget does not contain any employee pay raises. It does contain the required adjustment in retirement contributions as mandated by the Florida Retirement System.

LAKE SHORE HOSPITAL AUTHORITY
TENTATIVE BUDGET
Fiscal Year 2018-2019
September 24, 2018

	Reference	Patient Care Funds		Operating Fund	Capital	Total
		Hospital Services	Clinical Services		Improvement Fund	
ESTIMATED REVENUES						
Ad valorem taxes - 0.962 mills	A	\$ 2,408,382	\$ -	\$ -	\$ 10,200	\$ 2,418,582
		2,408,382	-	-	10,200	2,418,582
		2,408,382	-	-	10,200	2,418,582
Lease income	B	-	-	544,092	-	544,092
Interest	C	25,000	8,000	35,000	1,000	69,000
Total revenues		2,433,382	8,000	579,092	11,200	3,031,674
ESTIMATED BEGINNING CASH						
Cash and Investments		5,000,000	1,300,000	3,300,000	1,000,000	10,600,000
Total revenues and balances		\$ 7,433,382	\$ 1,308,000	\$3,879,092	\$1,011,200	\$ 13,631,674
APPROPRIATIONS						
Administration						
Personnel services:						
Salaries - 3	D	\$ -	\$ -	\$ 166,744	\$ -	\$ 166,744
Medical assistance plan		-	-	5,000	-	5,000
FICA		-	-	12,890	-	12,890
Retirement		-	-	13,774	-	13,774
Workers Compensation/bond		-	-	1,343	-	1,343
		-	-	199,751	-	199,751
Operating expenses:						
Property Appraiser fees	E	75,000	-	-	-	75,000
Tax Collector fees	E	70,000	-	-	-	70,000
Legal services	F	-	-	25,000	-	25,000
Accounting and auditing	F	-	-	20,000	-	20,000
Advertising	G	-	-	6,000	-	6,000
Office cleaning and supplies	G	-	-	14,000	-	14,000
Telephone	G	-	-	7,600	-	7,600
Security service	G	-	-	2,000	-	2,000
IT consulting	G	-	-	11,000	-	11,000
Office supplies and expenses	G	-	-	10,000	-	10,000
Lawn maintenance	G	-	-	8,000	-	8,000
Board training	-	-	-	5,000	-	5,000
Utilities	G	-	-	13,000	-	13,000
Insurance	G	-	-	10,000	-	10,000
Building maintenance	G	-	-	23,000	-	23,000
		145,000	-	154,600	-	299,600
Capital outlay	M	-	-	-	3,500,000	3,500,000
Total administration		145,000	-	354,351	3,500,000	3,999,351
Health care services						
Current expenses:						
Indigent patients care						
Shands at Lake Shore						
Emergency Indigent patient services	H	3,025,000	-	-	-	3,025,000
On-call physician pay	I	160,000	-	-	-	160,000
Indigent burials		5,000	-	-	-	5,000
		3,190,000	-	-	-	3,190,000
Indigent patient care at clinics						
Indigent patients services	J	-	600,000	-	-	600,000
Pharmacy	K	-	50,000	-	-	50,000
Public education	L	-	-	15,100	-	15,100
		-	650,000	15,100	-	665,100
Total health care services		3,190,000	650,000	15,100	-	3,855,100
Total appropriations		3,335,000	650,000	369,451	3,500,000	7,854,451
Interfund transfers						
Transfer to Capital Projects Fund		(2,500,000)	-	-	-	(2,500,000)
Transfer from Hospital Svs. Fund		-	-	-	2,500,000	2,500,000
		(2,500,000)	-	-	2,500,000	-
ESTIMATED ENDING CASH- RESERVES N		1,598,382	658,000	3,509,641	11,200	5,777,223
Total appropriations and balances		\$ 7,433,382	\$ 1,308,000	\$3,879,092	\$1,011,200	\$ 13,631,674

**LAKE SHORE HOSPITAL AUTHORITY
BUDGETARY FUNDS
TENTATIVE BUDGET EXPLANATIONS
Fiscal Year 2018- 19
September 24, 2018**

<u>Reference</u>										
A	Ad valorem Taxes -	<p>Under the terms of the lease with Shands HMA, the Authority is required to levy or otherwise provide equivalent funds equal to 1.500 mills for indigent care at the Hospital and Clinics. Due to availability of unused funds in the current year, the indigent care funds will be provided as follows:</p> <table border="0" style="margin-left: 20px;"> <tr> <td>Ad valorem taxes</td> <td style="text-align: right;">\$ 2,418,582</td> </tr> <tr> <td>Projected Reserves:</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Hospital and Clinical Services Funds</td> <td style="text-align: right;"><u>1,362,796</u></td> </tr> <tr> <td>Funds equivalent to 1.500 mills</td> <td style="text-align: right;"><u><u>\$ 3,781,378</u></u></td> </tr> </table>	Ad valorem taxes	\$ 2,418,582	Projected Reserves:		Hospital and Clinical Services Funds	<u>1,362,796</u>	Funds equivalent to 1.500 mills	<u><u>\$ 3,781,378</u></u>
Ad valorem taxes	\$ 2,418,582									
Projected Reserves:										
Hospital and Clinical Services Funds	<u>1,362,796</u>									
Funds equivalent to 1.500 mills	<u><u>\$ 3,781,378</u></u>									
B	Lease income -	Regular: 12 monthly payments of \$45,341 from Hospital tenant.								
C	Interest -	Estimated interest to be earned on funds based upon anticipated rates.								
D	Personnel Services -	. Continuation of taxable health insurance incentive for all employees. Salary increase of 0% for all employees.								

**LAKE SHORE HOSPITAL AUTHORITY
PERSONNEL SERVICES
FISCAL YEAR 2017-18**

	<u>Executive Director</u>	<u>Administrative Assistant</u>	<u>Financial Assistance Counselor</u>	<u>Total</u>
Salary	\$ 71,350 (Maximum)	\$ 48,444	\$ 46,950	\$ 166,744
Medical assistance plan	-	2,500	2,500	5,000
FICA	5,459	3,706	3,725	12,890
Retirement	5,894	4,002	3,878	13,774
Bond	313	313	313	939
Workers' Comp.	200	102	102	404
	<u>\$ 83,216</u>	<u>\$ 59,067</u>	<u>\$ 57,468</u>	<u>\$ 199,751</u>
 Total hourly rate	 <u>\$ 57.15</u>	 <u>\$ 28.40</u>	 <u>\$ 27.63</u>	

E	Property Appraiser & Tax Collector fees -	Pursuant to <i>Florida Statutes</i> for ad valorem tax services.								
F	Legal, accounting and auditing services	Budgeted at current usage levels. Paid in accordance with existing contracts (no rate increases)								
G	Administrative Complex expense	<ol style="list-style-type: none"> 1. Office cleaning-based on current usage 2. Telephone-based on current and anticipated usage 3. Security-current monitoring cost of system 4. IT consulting-maintenance of computer network 5. Office supplies expense-based upon current and projected usage 6. Lawn maintenance-based on current contract. 7. Utilities-based on current usage. 8. Insurance-based upon current rates. 9. Building maintenance-based on current usage. 								
H	Indigent care, hospital	Obligation under Indigent Care Agreement at Shands Lake Shore Hospital, at current reimbursement rates.								
I	On-call physician pay	Authority administered on-call compensation for physicians at Shands at Lake Shore								
J	Indigent care; primary care facilities	Funding for clinical sites based upon current and estimated usage rates.								
K	Pharmacy	Funding for limited pharmacy program, based upon current and anticipated usage for clinics.								
L	Public education	<p>Authority sponsored public education program in support of healthcare services sponsored by LSHA:</p> <table border="0" style="width: 100%;"> <tr> <td>Sponsor Shands Women's Health Lectures</td> <td style="text-align: right;">\$ 3,000</td> </tr> <tr> <td>Lake City Reporter Community Information Guide</td> <td style="text-align: right;">1,000</td> </tr> <tr> <td>Other health outreach projects</td> <td style="text-align: right;"><u>11,100</u></td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$15,100</u></td> </tr> </table>	Sponsor Shands Women's Health Lectures	\$ 3,000	Lake City Reporter Community Information Guide	1,000	Other health outreach projects	<u>11,100</u>		<u>\$15,100</u>
Sponsor Shands Women's Health Lectures	\$ 3,000									
Lake City Reporter Community Information Guide	1,000									
Other health outreach projects	<u>11,100</u>									
	<u>\$15,100</u>									
M	Capital outlay	Roof replacement project to be completed; appropriation subject to change based on actual specifications and bids.								

N. Estimated ending cash Authority restricted reserves:

Legal liability	\$ 400,000
Cashflow/Contingency	1,000,000
Millage "buy back"	1,200,000
Lease negotiations	600,000
Equipment replacement reserve	2,000,000
(Depreciation)	<u>577,223</u>
	<u>\$5,777,223</u>

**LAKE SHORE HOSPITAL AUTHORITY
RESOLUTION NO. 2018-006**

WHEREAS, the **BOARD OF TRUSTEES OF LAKE SHORE HOSPITAL AUTHORITY** has tentatively adopted its 2018-2019 Appropriations and Reserves Budget of \$13,631,674; and

WHEREAS, in order to adequately fund the Appropriations and Reserves Budget it is necessary to adopt the millage rate of 0.962 mills, which is 3.47% over the rolled back rate of 0.9297 for the 2018-2019 budget year.

NOW, THEREFORE, BE IT RESOLVED by the **BOARD OF TRUSTEES OF LAKE SHORE HOSPITAL AUTHORITY** that the Board shall and does hereby adopt and set the millage rate of 0.962 mills to be levied for property taxes for its Patient Care and Improvements Funds for the 2018-2019 budget year.

Upon Motion duly made, seconded and carried, the foregoing Resolution was adopted at a meeting of the **BOARD OF TRUSTEES OF LAKE SHORE HOSPITAL AUTHORITY** on September 24, 2018
This final millage resolution is adopted prior to the final budget resolution.

**BOARD OF TRUSTEES OF
LAKE SHORE HOSPITAL AUTHORITY**

By: _____
Brandon Beil, Chairman

ATTEST: _____
Loretta Chancy, Secretary

**LAKE SHORE HOSPITAL AUTHORITY
RESOLUTION NO. 2018-007**

WHEREAS, the **BOARD OF TRUSTEES OF LAKE SHORE HOSPITAL AUTHORITY** has tentatively adopted its 2018-2019 Appropriations and Reserves Budget of \$13,631,674; and

WHEREAS, in order to adequately fund the Appropriations and Reserves Budget it is necessary to adopt the millage rate of 0.962 mills, which is 3.47% over the rolled back rate of 0.9297 for the 2018-2019 budget year.

NOW, THEREFORE, BE IT RESOLVED by the **BOARD OF TRUSTEES OF LAKE SHORE HOSPITAL AUTHORITY** that the Board shall and does hereby adopt its 2018-2019 Operating Funds Appropriations and Reserves Budget in the amount of \$13,631,674.

Upon Motion duly made, seconded and carried, the foregoing Resolution was adopted at a meeting of the **BOARD OF TRUSTEES OF LAKE SHORE HOSPITAL AUTHORITY** on September 24, 2018. This budget resolution being adopted by a separate vote from the millage levy resolution in accordance with Florida Law, and the final millage resolution being adopted prior to this final budget resolution.

**BOARD OF TRUSTEES OF
LAKE SHORE HOSPITAL AUTHORITY**

By: _____
Brandon Bell, Chairman

ATTEST: _____
Loretta Chancy, Secretary