

1 MINUTES OF REGULAR MEETING OF NORTH LAKE COUNTY
2 HOSPITAL DISTRICT OF JANUARY 23, 2014
3

4 A regular meeting of the North Lake County Hospital District (the "District") was held
5 on January 23, 2014 at 5:30 p.m. in County Commission Chambers, Administration
6 Building, 315 W. Main Street, Tavares, Florida.
7

8 Ms. Catherine C. Hanson, Chairman, called the meeting to order and led the Pledge of
9 Allegiance and a moment of silence. M. Meredith Kirste, attorney for the North Lake
10 County Hospital District, called the roll to ascertain the trustees present for the meeting,
11 with the following members in attendance: Catherine C. Hanson, Chairman; Robert
12 Bone; Jerry Brown; Frances Grossi, Vice Chairman; Elizabeth Kallop; and Davis
13 Talmadge.
14

15 ADMINISTRATION OF OATH TO ELIZABETH KALLOP
16

17 Ms. Kirste gave the administration of oath to Ms. Elizabeth Kallop as a new member of
18 the North Lake County Hospital District board, replacing the late Mr. Paul Soulé, who
19 was killed in a plane crash last year.
20

21 APPROVAL OF MINUTES
22

23 On a motion by Ms. Grossi, seconded by Mr. Talmadge and carried unanimously by a
24 vote of 5-0, the NLCHD board approved the Minutes of September 19, 2013.
25

26 On a motion by Ms. Grossi, seconded by Mr. Talmadge and carried unanimously by a
27 vote of 5-0, the NLCHD board approved the Minutes of September 26, 2013.
28

29 FINANCIAL REPORT – AUDIT PRESENTATION
30

31 Mr. Chet Ross from Shumacker, Johnston & Ross PA presented the annual financial
32 report and audited financial statements for the North Lake County Hospital District for
33 the year ended September 30, 2013, and he noted that each of the board members has
34 received the financial statements by email as well as a hard copy of the report. He stated
35 that he also presented communication required under generally accepted auditing
36 standards to explain what was found in the audit. He pointed out that page 2 reflects a
37 decision to make an adjustment for the \$542,600 that is due to LRMC which the board
38 approved at their September 19 meeting, noting that they decided to record that as an
39 expenditure this fiscal year rather than waiting until it is paid, since LRMC will get that
40 money whether they need it to be sent to the state under the letters of agreement or not.
41 He pointed out that the Board will have to take action to make a budget adjustment for
42 this current fiscal year to account for that. He further noted that in this audited financial
43 statement, the payment of health claims is a little bit over budget, but the entire fund is
44 not over budget, so there are no issues with that. He requested that the board approve the
45 audited financial statement for distribution.
46

1 The Chairman asked for public comment at this time regarding the financial report, but
2 there were no questions or comments from anyone regarding the report.
3

4 On a motion by Mr. Bone, seconded by Ms. Grossi and carried unanimously by a vote of
5 5-0, the NLCHD board approved the audited financial report, as presented.
6

7 PRESENTATION OF THE ANNUAL REPORT OF BOARD OF TRUSTEES
8

9 Ms. Kirste related that pursuant to Chapter 2012-258, Section 4, Paragraph C, the agenda
10 for the annual meeting of the Board of Trustees shall include but not be limited to Items
11 1, 4, 5, 6, 7, and 8 on the agenda, with one of those items a presentation of the annual
12 report of the Board of Trustees, which is made up of the presentation of any minutes of
13 this meeting that have been held since the last annual meeting and everything that has
14 been approved up to this time.
15

16 The Chairman opened the floor for any public comments, but no one wished to address
17 the board at this time.
18

19 Ms. Kirste explained that since all of the minutes have already been approved, she did not
20 think a motion needs to be made to approve this report.
21

22 REAFFIRMATION OF RESOLUTION 98-1
23

24 Ms. Hanson explained that Resolution 98-1 was passed back in 1998 and asked for a
25 motion to reaffirm this resolution.
26

27 Ms. Pat Sykes Amos, the District's accountant, explained that this is the same one they
28 do every year that allows her to sign the public deposit report with the State of Florida.
29

30 On a motion by Mr. Bone, seconded by Ms. Grossi and carried unanimously by a vote of
31 5-0, the NLCHD board waived the reading of the resolution.
32

33 On a motion by Mr. Bone, seconded by Ms. Grossi and carried unanimously by a vote of
34 5-0, the NLCHD board approved the reaffirmation of Resolution 98-1.
35

36 ELECTION OF OFFICERS OF BOARD OF TRUSTEES
37

38 On a motion by Mr. Bone, seconded by Ms. Grossi and carried unanimously by a vote of
39 5-0, with Ms. Hanson passing the gavel to Ms. Kirste, the NLCHD board moved for Ms.
40 Hanson to continue to serve as Chairman.
41

42 On a motion by Mr. Bone, seconded by Mr. Talmadge and carried unanimously by a vote
43 of 5-0, the NLCHD moved for Ms. Grossi to continue to serve as Vice Chairman.
44

45 On a motion by Mr. Bone, seconded by Ms. Grossi and carried unanimously by a vote of
46 5-0, the NLCHD board appointed Mr. Talmadge as Treasurer.
47

1 PRESENTATION OF THE QUARTERLY AUDITS
2

3 Mr. Farlen Halikman, CPA with Moore Stephens Lovelace, related that the procedures
4 for the quarter ended September 30, 2013 are complete and that their audit has been
5 finalized. He noted that the summary of the results begin on page 3 of the report
6 provided in the backup, which contains a table indicating the final amounts that each of
7 the providers have earned for the quarter. He pointed out that the providers have been
8 under this audit process for a year and commented that they are getting good at
9 documenting their care, resulting in the pace of submissions picking up. He specified
10 that St. Lukes have already spent more than half of their allotment in the first quarter, and
11 they have made adjustments to their processes and have been collecting the information
12 necessary to make valid submissions. He opined that some of the providers might be in a
13 situation where they will be able to spend and document their spending in excess of their
14 allotments.
15

16 Ms. Hanson commented that there was a learning curve in the beginning for providers to
17 learn how to document the care they were giving to indigent patients.
18

19 Ms. Kallop asked if there was any information available regarding the cost of inpatient
20 vs. outpatient care for the hospitals.
21

22 Mr. Halikman responded that they do not have that broken out separately, but they have
23 that information in their files and could distribute that via email.
24

25 Ms. Kallop commented that it looks like they will be coming in short by about \$4 million
26 by the end of the fiscal year, and she wanted to see if there was a move towards the less
27 expensive outpatient facilities in order to keep the cost of care as low as possible.
28

29 Mr. Halikman assured the board that he will break out that information of inpatient vs.
30 outpatient costs for future quarters for each of the two hospitals.
31

32 The Chairman asked for public comment regarding the audit report.
33

34 Ms. Karen Berry from St. Lukes Free Medical Clinic in Eustis recapped that she had
35 asked for a little over \$100,000 this year, since she anticipated the growth mentioned by
36 Mr. Halikman, and they would be spending the \$50,000 allotted to them within the first
37 half of the year. She asked whether there was a way they could ask for more funding if
38 there is another provider who does not spend the money allocated in the overall budget.
39 She also noted that their allocation this year was based upon last year's figures, but they
40 would be doubling that this year.
41

42 Ms. Sykes-Amos answered that there is flexibility to do that, which was already done this
43 year when the board approved some line item movements. She explained that it did not
44 affect their whole budget, but the excess was spent on those that had the service;
45 however, she pointed out that if everyone meets their goal, there will not be funds left
46 over.
47

1 Ms. Berry commented that she believes the hospitals will document more than what they
2 were allotted, since their need is huge, but she asked about the process for that to be done.
3

4 Ms. Sykes-Amos responded that she had worked out several spreadsheets the last time,
5 some of which were allocations based on the original budget to see where it fell, and she
6 suggested that Ms. Berry make a request for a reallocation once all of the figures are in at
7 year end.
8

9 Ms. Hanson clarified that Ms. Berry would have to wait until year end rather than
10 midyear.
11

12 Ms. Sykes-Amos elaborated that they will know the allocations after the June 30 numbers
13 are turned in, and she stated that this could be put on the agenda at that time, although
14 they may or may not be able to look at a reallocation.
15

16 Ms. Berry commented that she is happy that they are getting some of those funds from
17 the District, but she was worried that she will use up those funds early this year.
18

19 Mr. Phil Braun, General Counsel for Healthcare Alliance of Central Florida, stated that
20 the ongoing challenge for this board is that there is only one mil in tax dollars, and they
21 would probably be more than \$4 million short of the need. He noted that there were
22 agreed upon procedures that Ms. Kirste can provide about how to allocate the funds at the
23 end of the year and about how it is audited.
24

25 Mr. Vance Jochim, a resident of Tavares and a writer of a blog about fiscal issues called
26 fiscalrangers.com, stated that he agrees with the request to have a midyear review, which
27 he deems is appropriate, since the whole idea of the legislation was to make funds
28 available for clinics because they operate at a lower cost. He opined that waiting until the
29 end of the year is not appropriate, because it would not give enough time to review
30 whether the providers were spending what they were supposed to be spending and correct
31 any problems in that regard.
32

33 On a motion by Ms. Grossi, seconded by Mr. Bone and carried unanimously by a vote of
34 5-0, the NLCHD board approved the quarterly audits for the quarter ended September 30,
35 2013.
36

37 SCHEDULING OF BUDGET AND SPECIAL MEETINGS 38

39 Ms. Sykes-Amos pointed out that there was a list in the packet of the scheduled meetings
40 and noted that they were already cleared with the Clerk's Office. She pointed out that the
41 funding request will be made on August 21, which would give her time to work up the
42 preliminary budget rather than be done the night of the budget.
43

44 Ms. Kirste announced that they will be reviewing the December audit on March 20 at
45 5:30; they will review the March audit on May 22 at 5:30; they will be reviewing the
46 June audit and the presentation of the funding requests on August 21; the preliminary
47 budget meeting will be on September 18 at 5:30; the final budget meeting will be on

1 September 25; and the annual meeting is scheduled for January 22, 2015. She related
2 that those dates were already posted on the website, but they had to be approved by the
3 board.

4
5 On a motion by Ms. Grossi, seconded by Mr. Bones and carried unanimously by a vote of
6 5-0, the NLCHD board approved the meeting dates as presented.

7
8 OTHER BUSINESS

9
10 Ms. Sykes-Amos reported that they had written the checks for the first two quarters for
11 the letters of agreement, and they will go out next week. She elaborated that she wrote
12 separate checks for each letter and quarter.

13
14 STATUTE REGARDING PUBLIC MEETINGS

15
16 Ms. Kirste asked if the board wished to discuss Statute 286.0114 which invites public
17 input, and she noted that everyone had a copy of that statute in their packet.

18
19 Ms. Hanson pointed out that they have been already allowing public comment at the
20 NLCHD meetings, but they have not specifically made that a policy or put that on the
21 agenda.

22
23 Ms. Kirste explained that this legislation was recently passed in 2013, and the County
24 passed an ordinance in October that created a public participation requirement for the
25 County Commission meetings. She recommended that this board pass something similar
26 to what the County has followed in accordance with the Statute that requires that the
27 public be given the opportunity to be heard, but she added that there were certain times
28 when this would not be necessary, such as for ministerial acts or ceremonial
29 proclamations. She mentioned that the County also has limited public input to three
30 minutes per speaker and to limit input to a representative of a group rather than have all
31 members of the group speak individually.

32
33 Ms. Hanson requested that Ms. Kirste bring that back for approval at the next meeting,
34 and she opined that three minutes is generally plenty of time to make a point, although
35 they could occasionally adjust the time limit for an item that may take longer. She
36 recommended that they have public comment after particular items within the agenda as
37 they had done during this meeting as well as have an item at the end of the meeting for
38 public comments which may not be regarding anything that they have discussed during
39 the meeting or have been on the agenda earlier.

40
41 EMAILS FOR BOARD MEMBERS

42
43 Ms. Kirste pointed out that each of the NLCHD board members have email addresses
44 which are listed on the website consisting of their first initial and last name
45 @northlakecountyhospitaldistrict.org. She explained that in order to access that, they
46 have to go to the website, click on their name, and then create their own personal
47 password. She mentioned that she has been sending out some of the information to the

1 board members at their private email address, and those emails are subject to public
2 record requests, so they will be receiving information from now on through the website
3 address. She indicated that she will send out a reminder to the board members and that
4 there was a copy in the packet which contained their email addresses.

5
6 SUNSHINE LAW

7
8 Ms. Hanson related that an item that has been brought up concerns Sunshine Laws, and
9 she noted that Ms. Kirste provides a booklet regarding Sunshine Laws for each new
10 member.

11
12 Ms. Kirste went over a few principles of the law, including a reminder that when two or
13 more board members are at any formal or casual gathering where there is a discussion of
14 anything that could even potentially become before the board, that could be a violation.
15 She explained that they were allowed to be at public gatherings as long as they do not
16 discuss anything that could potentially come before this board.

17
18 Ms. Hanson cautioned the board members about not becoming a conduit by discussing an
19 issue with a friend who then discusses that issue with someone else on the board, which
20 would create a violation. She advised anyone with any questions regarding this law to
21 call Ms. Kirste.

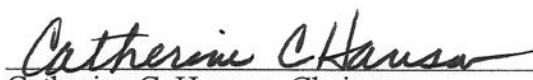
22
23 PUBLIC COMMENT

24
25 Mr. Jochim thanked the board for discussing the transparency issue and for putting all of
26 the documents on the website. He related that when the state legislators had their forum
27 last year, Mr. Braun appeared before them and proposed that they consider delaying the
28 vote date that is specified in HB1299, and he commented that the issue needs to be
29 discussed by the public. He cautioned the board against getting involved in any process
30 that initiates a delay or elimination of that 2016 voting date or anything related to setting
31 it up.

32
33 Ms. Hanson responded that she does not see this board taking an initiative in that
34 direction, and she pointed out that they do not control any comments people in the
35 community make.

36
37 ADJOURNMENT

38
39 There being no further business to be brought before the board, the meeting was
40 adjourned at 6:05 p.m.

41
42
43
44 
45 Catherine C. Hanson, Chairman