

1 WAIVER OF THE READING OF THE ENTIRE PROPOSED RESOLUTIONS

2 On a motion by Ms. Huey, seconded by Ms. Price and carried unanimously by a vote of 4-
3 0, the NLCHD board approved waiving the reading of the entire proposed Resolutions
4 2019-01 and 2019-02.

5
6 PUBLIC COMMENT – RESOLUTION 2019-01 FOR SETTING THE MILLAGE

7 Ms. Kirste read the title of Resolution 2019-01 as follows: “RESOLUTION OF THE
8 NORTH LAKE COUNTY HOSPITAL DISTRICT PROVIDING FOR THE ADOPTION
9 OF THE MILLAGE RATE FOR THE 2019-2020 FISCAL YEAR.”

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11 Ms. Sykes-Amos recalled that the previous week the NLCHD Board had approved a
12 preliminary millage of 0.95 mills; therefore, the worksheet provided in their packet for this
13 meeting showed the 0.95 mills and the rollback millage since once a certain millage was
14 approved, the Board could not approve a higher rate.

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16 The Chairman opened the floor for public comment but no one wished to address the Board
17 regarding this matter.

18
19 Ms. Mary Kay Rosinski reiterated her support of the 0.95 millage rate since it reduced taxes
20 for the taxpayer yet provided enough support for the clinics and hospitals to serve the
21 indigent population.

22
23 Ms. Barbara Price remarked that while she asked for the rollback rate to be approved the
24 previous week, she wanted to clarify that she knew there was the need for the services for
25 the indigent population and she applauded the hospitals and clinics for providing it. She
26 explained that the reason she had asked for the rollback rate was due to situations she had
27 recently encountered. She gave the example of an elderly lady at the grocery store who
28 could not afford to pay for her groceries and was barely able to pay her bills due to being
29 on a fixed income. She also shared a situation with a younger couple with children who
30 were homeowners but were barely making ends meet even though they carried insurance.
31 She said that these were examples of two people who were paying this tax and were
32 struggling financially. She said that she understood the facilities’ needs, but also knew the
33 need of the taxpayers. She thanked the facilities for what they do provide care for the
34 community.

35
36 Ms. Rosinski opined that without the tax then the clinics and hospitals would not be able
37 to cover the cost for the services they provide to the indigent population and the facilities
38 would have to raise their rates which meant that the rest of the population would be paying
39 in order to cover these services. She said that she would rather have a tax every month
40 than be concerned about medical costs rising in the future. She said that the 0.95 millage
41 rate was a reduction in taxes and she supported it.

42
43 On a motion by Ms. Rosinski, seconded by Ms. Huey and carried by a roll-call vote of 3-
44 1, the NLCHD Board approved Resolution No. 2019-01 setting the millage rate for the FY
45 2019-2020 budget year at 0.95 mills. Ms. Price voted no.

1 PUBLIC COMMENT – RESOLUTION 2019-02 FOR ADOPTION OF THE BUDGET

2 Ms. Kirste read the title of Resolution 2019-02 as follows: “RESOLUTION OF THE
3 NORTH LAKE COUNTY HOSPITAL DISTRICT PROVIDING FOR THE ADOPTION
4 OF THE PROPOSED BUDGET FOR THE 2019-2020 FISCAL YEAR.”

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6 Ms. Sykes-Amos remarked that the budget for the 0.95 millage was on the Board’s
7 worksheet, noting that at this millage rate all submissions would be fully funded with some
8 extra funding available to cover additional submissions if needed.

9
10 The Chairman opened the floor for public comment.

11
12 Mr. Phil Braun, Vice President and Chief Council for Leesburg Regional Medical Center,
13 shared some history of the tax district, noting that it was developed to support the indigent
14 care provided by the hospitals in the community with the later addition of the clinics. He
15 believed that the district historically split funding between the hospitals; however, he said
16 that he noticed the previous year that based on submissions, the hospitals seemed to be
17 capped and addressed separately, noting that AdventHealth Waterman had more
18 submissions the last couple of years. He relayed that was not always the situation through
19 the years. He understood that the clinics were always fully funded and he opined that any
20 remaining funding should be initially allocated evenly between the two hospitals since the
21 indigent population could go to either hospital and the number of submissions were not
22 known until the end of the year. He remarked that the budget amendment process was a
23 way to true up at the end of the year to ensure that initially there would be an even amount
24 of funding even if there was not enough funding to cover everyone due to possible revenue
25 changes. He opined that the extra approximate \$400,000 in funding to AdventHealth
26 Waterman prior to the final submissions for the year was a disadvantage to Leesburg
27 Regional Medical Center; additionally, he believed that it was not a disadvantage to anyone
28 if the funding allocation was split evenly among the acute care hospitals. He felt that the
29 hospitals were the hardest to budget for and that the only reason they did budget was due
30 to the letters of intent which required a knowledge of funding needed and also so that the
31 two providers were not competing to gain the funding. He requested for the remaining
32 funding over the budget amount to be split evenly between the hospitals rather than base
33 in on requests. He indicated that Leesburg Regional Medical Center should have probably
34 amended their request to \$4.2 million since that was about what they submitted last year;
35 however, he felt that it was important to not have the hospitals competing but to utilize the
36 revenues to fund the clinics and split the remainder among the acute care hospitals with the
37 option of a true up at the end of the year.

38
39 Ms. Terri Warren, Chief Financial Officer for AdventHealth Waterman, mentioned that
40 she lived in Lake County, paid the district tax, and understood Mr. Braun’s concerns;
41 however, she believed that the records reflected that AdventHealth Waterman had always
42 utilized the funding received and actually submitted more than what they were allocated.
43 She relayed that they requested a three percent increase for this year and that the NLCHD
44 budget reflected the approximate \$4.5 million request. She opined that Leesburg Regional
45 Medical Center possibly should have thought through their request, and that AdventHealth
46 Waterman truly needed their requested funds.

1 Mr. Braun implied that three years prior AdventHealth Waterman had requested more than
2 what they submitted at the end of the year, noting that it was difficult to predict the needs
3 and that Leesburg Regional Medical Center had just as much of a need for the funding as
4 AdventHealth Waterman. He commented that acute care was the hardest and most
5 expensive type of care and that both hospitals needed the funding. He understood that there
6 was only a certain amount of revenue and that taxes could not be raised to match the
7 indigent care; furthermore, he remarked that the money spent for indigent care was much
8 higher than what was reflected in submissions since they only represented the population
9 for which information could be obtained and then qualified for reimbursement. He opined
10 that all facilities spent more than what the community resources could truly repay. He
11 asked for the NLCHD Board to consider splitting the funding.

12
13 There being no one else who wished to address the Board regarding this matter, the
14 Chairman brought it back to the Board for discussion.

15
16 Ms. Sykes-Amos explained that since the budget was passed at the fund level of
17 \$11,657,464 then the Board was not approving line items; therefore, they could approve
18 the budget and then at the January 2020 meeting, the Board could consider allocation of
19 the funding.

20
21 Mr. Davis Talmadge clarified that the Board was simply approving the budget.

22
23 Ms. Sykes-Amos replied that was correct and explained that governmental accounting
24 allowed for approval of the full funding budget and not a line item budget since that would
25 not allow any of the line items to ever be over budget. She elaborated that since the Board
26 passed a fund level budget, they simply needed to remain within the \$11,657,464 amount
27 for expenditures. She reiterated that Resolution 2019-02 was for the fund level of
28 \$11,657,464, and that after the first quarter in January 2020, the actual line item amounts
29 could be addressed.

30
31 Mr. Braun thanked Ms. Sykes-Amos for the explanation but inquired about the letters of
32 agreement which he thought needed to have an actual funding amount. He asked how and
33 when those amounts would be decided as he thought it was based on the amounts in the
34 budget and had to be done prior to submissions.

35
36 Ms. Kirste stated that what is requested was the amount that went on the funding
37 agreement.

38
39 Mr. Braun then requested that the Board use an even amount and not the requested amount;
40 otherwise, his hospital would ask for more the following year although he desired not to
41 approach it in that manner. He indicated that in previous years, it had always been split
42 among the hospitals and that the NLCHD was created to split the revenues between the
43 hospitals; furthermore, he implied that it was not until the submissions started to change in
44 recent years that there was a need to request more. He added that his hospital did not feel
45 that it should request more than what it had in the past, that it did not add five percent to
46 their numbers, and that their requested amount was less than what they actually submitted.
47 He understood that there was usually enough funding at the end of the year; however, his

1 concern was that if for some reason there was not enough funding, then his hospital did not
2 want to be capped at its requested amount. He asked if both hospitals submitted \$4.5
3 million but the district did not have enough revenue to cover that, then would AdventHealth
4 Waterman be the only entity to receive \$4.5 million, noting that he thought that was not
5 the intent of the legislation.

6
7 Mr. Talmadge noted that historically the district had split and trued up at the end of the
8 year. He thought both sides had made good points and that they could both request more;
9 however, he said that requesting more than what they could actually receive would not
10 make good sense.

11
12 Ms. Sykes-Amos asked for the budget amount of \$11,657,464 to be approved prior to the
13 Board discussing how the medical amounts should be allocated.

14
15 On a motion by Ms. Huey, seconded by Ms. Rosinski and carried by a roll-call vote of 3-
16 1, the NLCHD Board approved Resolution No. 2019-02 adopting the proposed budget for
17 FY 2019-2020 at the funded level of \$11,657,464. Ms. Price voted no.

18
19 Ms. Sykes-Amos indicated that between the two hospitals, the total requested amount was
20 \$8,647,732. She stated that if the Board equally allocated then each would receive
21 \$4,323,866. She added that if at the end of the year there was leftover funding and
22 additional submissions, then the Board could fund more to each; additionally, if they did
23 not meet their submission amounts, then there would be money available to fund another
24 facility.

25
26 Ms. Warren responded that this proposed amount would be less than the \$4.4 million
27 submitted this year by AdventHealth Waterman and far less than what they had requested
28 for the next year.

29
30 Ms. Sykes-Amos commented that if the funding was split, it would be \$70,000 less than
31 what AdventHealth Waterman submitted this year and \$220,000 less than what they were
32 requesting for the next year.

33
34 Mr. Talmadge shared that historically, Leesburg Regional Medical Center used to submit
35 higher numbers than AdventHealth Waterman which was why the district started to split
36 the amount equally and then true it up at the end of the year.

37
38 Ms. Price expressed support of splitting it as she believed there was an equal number of
39 the indigent population being serviced by both hospitals.

40
41 Ms. Rosinski remarked that which hospital had the highest need could change from each
42 year. She suggested discussing it in January 2020.

43
44 Ms. Sykes-Amos relayed that the district would true up the funding in August 2020 once
45 the outcome of the year was determined.

1 Mr. Talmadge indicated that he needed an amount at this point so that he could sign the
2 letters of agreement to know the amount they would receive.

3
4 Ms. Sykes-Amos confirmed that amounts for the letters of agreement were needed. She
5 indicated that there was \$76,139 of extra funding being held in case an entity over
6 submitted. She explained that if the Board wanted to split funding among the hospitals,
7 then she would take this \$76,139 in extra funding, add the two requested amounts from
8 each hospital (about \$4.5 million for AdventHealth Waterman and \$4.1 million for
9 Leesburg Regional Medical Center) and then divide the total of all these amounts equally
10 which meant that each hospital would receive an approximate \$4.3 million.

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12 On a motion by Ms. Price, seconded by Ms. Huey and carried by a vote of 4-0, the NLCHD
13 Board approved to fund the clinics 100 percent and then equally distribute funding between
14 the two hospitals.

15
16 OTHER MATTERS

17 Ms. Kirste reminded the Board that the next meeting would be on January 23, 2020 at
18 5:30 p.m.

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21 ADJOURNMENT

22 The meeting adjourned at 5:30 p.m.

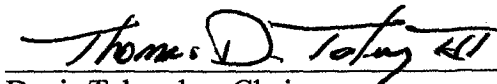
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Davis Talmadge, Chairman