

1 Mr. Braun replied that intergovernmental funds could be sent to the State for the LIP
2 program, which allowed them to receive federal funds for the State and the hospital for
3 Medicaid reimbursement. He opined that there used to be a good match, noting that
4 currently, the match was much smaller; however, less funds were requested from them in
5 order to receive a match. He added that it was a way to maximize the funds that were
6 raised.

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8 Mr. Dunstan stated that in an article he had read, the LIP program provided a significant
9 portion of the funding.

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11 Mr. Braun commented that in past years, there had been better matching, and that
12 throughout the state, all hospitals, counties, and taxing districts were encouraged to utilize
13 the federal funds that were available. He opined that because Lake County was a smaller
14 area, the formula did not put as much back into the county as they would like.

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16 Mr. Dunstan inquired how much effort was being put forward to obtain this funding from
17 the CMS.

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19 Mr. Braun explained that the funds had already been set aside by the CMS at the State
20 level.

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22 Mr. Dunstan opined that seeking funding from the taxpayers was easier, and that there was
23 not much incentive to seek other funding.

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25 Mr. Braun commented that from a local perspective, they had no control over it, noting that
26 it was a State program that they utilized in order to maximize funds.

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28 Mr. Dunstan asked how much funding was expected to come from the LIP program in the
29 2022-2023 budget.

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31 Mr. Braun relayed his understanding that the State had not yet released the LIP schedule
32 for the coming year.

33
34 Mr. Dunstan questioned how this Board could approve a budget for a millage rate without
35 that information.

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37 Mr. Braun opined that the millage rate and the reason for this funding had nothing to do
38 with the LIP program, and that the LIP program matched funding.

39
40 Mr. Dunstan remarked that they were both sources of funding for the issues that this Board
41 addressed.

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43 Mr. Braun explained that the LIP program was between the State and the Federal
44 Government, and that procured funding could only be received with intergovernmental
45 transfer funds.

46

1 Mr. Tim Sullivan relayed his understanding that the funds had to be spent locally in order
2 to receive the match for the LIP program, and that the hospitals spent funds for
3 reimbursement on Medicaid and Medicare. He elaborated that because of this hospital
4 district, they were able to receive funding to help pay for some of that care, which made
5 the hospitals and others eligible to receive that funding, noting that LIP was a State and
6 federal program that they would not be eligible for if they did not have a local match.

7
8 Mr. Braun pointed out that their hospital had never been fully funded, and that the LIP
9 program did not provide a significant amount, noting that they would still be short funding.

10
11 Mr. Dunstan opined that for those taxpayers who were retired and living on Social Security,
12 the charge on their property tax bill for hospital and indigent care was significant, and that
13 with the recent economic changes, it was more difficult.

14
15 Ms. Price commented that the hospitals and clinics could go to their legislatures and ask
16 for appropriations funding, noting that UF Health Leesburg had received some funding
17 there, and that she encouraged it.

18
19 Mr. Dunstan opined that it was difficult for taxpayers to pay taxes, especially when
20 combined with the other taxes they were required to pay.

21
22 Mr. Braun remarked that this system was established and approved by the voters, and that
23 it was important to have good healthcare for everyone. He related that there were issues
24 with labor and the cost of equipment and supplies, opining that if the entire burden was
25 placed on the hospitals, the healthcare systems and hospitals would not be satisfactory.

26
27 Mr. Dunstan pointed out that according to the National Center for Health Statistics,
28 administrator positions had grown much more than physicians.

29
30 Mr. Braun opined that this was a statistic for the entire country, but not for Lake County,
31 and said that their hospitals provided 80 percent of their care to government pay, which
32 was below cost. He opined that Lake County wanted good healthcare and good employers
33 as economic drivers, and that because they were a not-for-profit entity, their funds went
34 directly to their employees and not to shareholders. He opined that they created good jobs,
35 and that if a community did not have good jobs, then it would not grow. He mentioned
36 that even though taxes were difficult, it was an investment into the community as well as
37 other services, such as roads, fire, and paramedics, opining that residents wanted quality
38 services. He commented that there should be oversight on the millage, and that this Board
39 had been careful about setting the millage at a reasonable rate.

40
41 Mr. Dunstan expressed appreciation for the quality services and the control over the
42 millage.

43
44 Ms. Laurie Stoiter, a concerned citizen, commented that the State of Florida did not have
45 a state income tax, and that they already paid federal income tax, which the State was trying
46 to get back to help fund programs, opining that they should not be taxed more.

47

1 Ms. Charlie Sanz, a resident of the City of Mount Dora, opined that many residents of Lake
2 County were suffering from COVID-19, underemployment, high costs, and taxes, which
3 could cause them to become indigent, in order to pay for someone else who could not pay.
4 She asked the Board to carefully consider the impact of the millage rate on residents who
5 could not afford it in order to provide for hospital care.

6
7 There being no one else who wished to address the Board regarding this matter, the
8 Chairman closed the floor for public comment.

9
10 Ms. Price made a motion to not adopt the millage rate of 0.75 mills that was stated on the
11 form currently, and it was seconded by Ms. Huey.

12
13 Ms. Price said that she wanted to have a discussion on the motion, and proposed that the
14 millage rate be no more than 0.50 mills, which would fully fund the clinics and LifeStream
15 Behavioral Center and provide \$2.7 million to both hospitals, leaving enough for
16 administrative costs. She stated that this was to lower the millage rate, and she asked the
17 clinics and hospitals for more transparency by bringing the Board itemized accounts. She
18 inquired if the clinics and hospitals kept funds from the NLCHD in a separate account,
19 opining that if they did not, they were in violation of House Bill 1299.

20
21 Mr. Braun mentioned that they were audited, and opined that this was the most transparent
22 taxing district in the State. He related that when they had gathered the documents necessary
23 to qualify a patient to receive funds, they were submitted, and that those were all audited
24 and reviewed. He commented that they did not receive any funds until they provided a
25 service, and that they were reimbursed less than what it cost to provide the care. He opined
26 that it was a good public/private partnership, and that the clinics and hospitals provided the
27 necessary services to keep residents from having to travel to the City of Orlando or
28 elsewhere for care. He relayed his understanding that they were not in violation of
29 anything.

30
31 Ms. Price reiterated that they must keep the funds received from the NLCHD in a separate
32 account, and opined that they should supply information to the taxpayers about what funds
33 they received from the NLCHD and what services they were reimbursed for; additionally,
34 she wanted to know what they were using these funds for, such as buildings, beds, and
35 wages.

36
37 Mr. Braun remarked that they did a presentation every year showing how much funding
38 was spent on the care of indigent patients, and that they were reimbursed for the cost of
39 that care.

40
41 Ms. Price asked for a breakdown of services, noting that the auditors did a sample audit,
42 and that she wanted a schedule of services of each quarter.

43
44 Mr. Braun commented that the line items were submitted to the auditors.

45
46 Mr. Sullivan pointed out that the audit did exactly what she was requesting.

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1 Ms. Price opined that there needed to be more transparency, and that with rising costs, the
2 Board should not approve 0.75 mills until they saw what conditions would be like for the
3 following year. She commented that the needs of all residents should be met, ensuring they
4 received medical treatment, and opined that 0.50 mills would be adequate. She said that
5 she did not know how much had been used thus far, opining that there could be an overage,
6 and that since the books closed, they still had adequate funds. She opined that residents
7 should have a relief on this tax, and that the Board should approve 0.50 mills.

8
9 Mr. Ken Bragg, a resident of the City of Fruitland Park, mentioned that the clinics were
10 providing what she was asking for already, and pointed out that the funds they received
11 from the NLCHD were not to provide specific services because they had already provided
12 the services and were only seeking reimbursement. He explained that they were only
13 entitled to what was spent according to an itemized reimbursement form, and that those
14 reimbursements were sent to the NLCHD's auditor, opining that Ms. Price should ask the
15 auditor to provide that information. He expressed concern that the meeting was not being
16 run according to Robert's Rules of Order, and remarked that the taxpayers had voted for
17 this Board to adequately provide funds to meet these needs for 10 years. He mentioned
18 that Ms. Price had properly identified how to keep funds at a minimum; however, even
19 though the economy was facing difficulties, there were also difficulties providing for
20 medical needs. He related that their clinic had several patients with cancer, and that without
21 the partnership they had with the hospital, they could not serve a cancer patient, noting that
22 the funds were provided for these residents to receive care.

23
24 Ms. Price stated that according to the statutes, she could make a motion, and that she had
25 checked that in the previous year. She opined that the Board should give the taxpayers
26 some relief and set the millage at 0.50 mills.

27
28 Mr. Rick Harper, a concerned citizen, relayed his understanding that the Board paid for the
29 audit, and said that the graphs from a presentation at the prior meeting showed that the
30 hospitals were already absorbing a large amount of indigent care, opining that it was 80
31 percent. He opined that the Board should not withhold funds to provide for the care of
32 others, and that reducing the millage just to make a point would not help the program,
33 noting that the taxpayers had voted to have it in place at one percent. He suggested that if
34 the Board did not know what funds had been spent, then they should ask their auditors
35 before coming to the meeting.

36
37 Mr. Sullivan stated that he did not support the motion because of the needs that had been
38 identified, and that if 0.75 was not the desired millage rate, the Board had been provided
39 with two lower millage rates by staff that would still meet the needs of the district.

40
41 Ms. Kirste mentioned that she would have to take a roll call vote by name. She explained
42 that the Board had a motion and a second on the floor, and that they had their discussion;
43 therefore, she now had to do the roll call of the Board members to see if they voted for or
44 against the motion.

45
46 Ms. Huey asked to clarify the motion.

47

1 Ms. Kirste clarified that the motion by the Chairman was to have a millage rate of 0.50
2 mills.

3

4 On a motion by Ms. Price, seconded by Ms. Huey which failed by a roll-call vote of 2-2,
5 the NLCHD Board did not approve Resolution 2021-01 setting the tentative millage rate
6 for the FY 2022-2023 budget year at 0.50 mills.

7

8 Ms. Huey and Mr. Sullivan voted no.

9

10 Mr. Sullivan proposed a motion to set the millage at 0.66 mills, noting that it would fund
11 the requests the Board had received, and that it would also provide for administration with
12 a reserve of about \$275,000, depending on the amount of reimbursements; additionally, the
13 millage rate could be reduced in the following year. He opined that this was a prudent way
14 to move forward, and that it was less than the millage rate from two or three years prior,
15 which was 0.89 mills. He explained that he had previously voted against the zero mill
16 decision because of the position the Board was currently in, opining that any millage rate
17 from the previous year would have placed the district in a better financial position than it
18 was currently.

19

20 Ms. Huey seconded the motion.

21

22 Ms. Price remarked that she was not in favor of 0.66 mills, opining that too many residents
23 were struggling, and that the Board should be aware of the whole community.

24

25 Mr. Harper commented that it seemed that his taxes were increasing; however, this was
26 because there was a zero millage the year before. He mentioned that if there had been some
27 millage in place, it would not have been a 100 percent gain, and that it would have only
28 been a 25 or 50 percent gain. He opined that it looked worse than it really was, and that
29 those funds had already been spent by a hospital or a clinic; furthermore, if there was
30 money left over, it would be spent in the following year.

31

32 Ms. Price explained that in the previous year, there was a surplus of about \$5 million, and
33 she opined that the Board should not charge a tax if there was a large surplus.

34

35 Mr. Harper opined that the surplus was gone.

36

37 Ms. Sanz opined that some taxpayers could not afford the increase in taxes, and that they
38 could not afford to pay for others when they could not afford to pay for themselves. She
39 asked Mr. Sullivan to reconsider his position.

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41 Ms. Melissa Martin, a concerned citizen, commented that she worked at the Community
42 Medical Care Center in the City of Leesburg, and that they had a large volunteer base,
43 adding that they had a small core of compensated staff. She mentioned that there were
44 medical providers volunteering, and that funding was needed for them to pay for services
45 for their patients, such as labs, X-rays, and magnetic resonance imaging (MRIs); however,
46 if these services were not funded, they could not help their patients. She opined that if this

1 system was eroded, then damage could be done that may not be remedied, and she asked
2 the Board to use caution even though it was a difficult decision.

3
4 Ms. Price remarked that her proposal would fully fund the clinics.

5
6 Ms. Carol Dozier, with LifeStream Behavioral Center, expressed appreciation for the
7 efforts to support LifeStream, and she mentioned that other businesses were not required
8 to give their services to others at no cost as they were. She related that residents were
9 brought to them under the Baker Act and the Marchman Act often involving law
10 enforcement, and that they were provided with care; however, if that care went unfunded,
11 there would eventually be less care. She opined that this was a good public/private
12 partnership, and she hoped that it would continue.

13
14 Ms. Price commented that there were not many hospital districts funded by ad valorem
15 taxes, relaying her understanding that there were only 11.

16
17 On a motion by Mr. Sullivan, seconded by Ms. Huey which failed by a roll-call vote of 2-
18 2, the NLCHD Board did not approve the Resolution 2022-01 setting the tentative millage
19 rate for the FY 2022-2023 budget year at 0.66 mills.

20
21 Ms. Hooper and Ms. Price voted no.

22
23 Mr. Braun relayed his understanding that the Board was required to have two public
24 readings, and opined that they could set the millage rate at the second meeting, having met
25 the requirements of having the first reading.

26
27 Ms. Kirste stated that they would proceed to the tentative budget portion of the meeting.

28
29 Ms. Price asked if the accounting staff could compare the 0.50 mills to the other millage
30 rates, and Mr. Matt White, with Crippen & Co, indicated that they could.

31
32 Mr. Sullivan asked if the Board could pass a budget without setting a millage rate, and Ms.
33 Price indicated that they could not.

34
35 Ms. Kirste mentioned that Resolution 2022-2 could be addressed as a tentative budget.

36
37 Ms. Price asked if the Board could make an adjustment for 0.50 mills in the reading of the
38 resolution, noting that the budget would not be set at the current meeting.

39
40 Mr. Sullivan relayed his understanding that if the budget was set at the current meeting, it
41 could not go up, but it could go down. He commented that if the Board used the 0.66
42 millage rate at about \$10.6 million, it could be reduced if desired.

43
44 Mr. White indicated that this was his understanding as well.

45
46 Ms. Price mentioned that if the Board set a tentative millage at 0.66 mills and presented
47 0.50 mills or less at the next meeting, the 0.75 mills would not be needed.

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Mr. White commented that they could change the tentative resolution to reflect 0.66 mills without causing any issues, and that they would include updated budget information in the packet showing the three different millage rates in discussion, noting that they would need a final vote at the following meeting to fulfill the statutory requirement, which included having the form signed immediately after the meeting.

Ms. Kirste relayed her understanding that Resolution 2022-02 that was presented to the Board was not a viable option, and she inquired if the Board could submit the amended version with an amended carryforward percentage, noting that this figure needed to be changed before the Board could tentatively adopt a new resolution.

Mr. White replied that this would change bullet point one to be about \$10,574,583, and that the percentage change would be about 120.05 percent.

WAIVER OF THE READING OF THE ENTIRE PROPOSED RESOLUTIONS

On a motion by Mr. Sullivan, seconded by Ms. Huey and carried unanimously by a vote of 4-0, the NLCHD Board approved waiving the reading of the entire proposed Resolution 2022-02 as amended.

PUBLIC COMMENT – RESOLUTION 2022-02 FOR ADOPTION OF THE BUDGET

Ms. Kirste read the title of Resolution 2022-02, providing for the adoption of the proposed budget for the 2022-2023 FY, with the expenditures and carryforward of \$10,574,583 and an increase in expenditures and carryforward of 120.05 percent from the previous year’s budget.

On a motion by Mr. Sullivan, seconded by Ms. Huey and carried unanimously by a roll-call vote of 4-0, the NLCHD Board approved Resolution 2022-02 as amended.

Ms. Kirste noted that the following meeting was on September 29, 2022, and she hoped all the Board members would attend that meeting.

Mr. Bragg asked if the 0.66 mills would provide 100 percent funding as requested by the clinics and the hospitals, and Ms. Price indicated that it would. Mr. Bragg then commented that this amount would allow them to ask for reimbursement for appropriate expenditures, and that the auditor had previously reviewed those expenditures and concurred that they were accurate and within the guidelines, adding that the Board would authorize reimbursement.

Mr. Sullivan indicated that this was correct, and added that it was contingent upon the passing of the 0.66 mills resolution.

Mr. Bragg inquired what the carryforward amount was.

Mr. Sullivan relayed his understanding that at a millage rate of 0.66, the carryforward would be about \$274,000 for the following year.

1 Mr. White explained that the \$10.6 million included a projected surplus carryforward from
2 the 2021-2022 FY, and that it would be the total available funds to fund clinics, hospitals,
3 and the operations of the district. He pointed out that they were an accounting firm
4 supporting the district, and that they were not the audit firm for the financial statement
5 audit or the audit of patient billing records required prior to reimbursement.
6

7 Mr. Bragg questioned if the Board had the authority to vote to request the information that
8 Ms. Price wanted from the auditors, suggesting that the Board could ask for a larger sample
9 audit, noting that all the paperwork was there.
10

11 Ms. Price replied that they could explore that in the January 2023 meeting, and opined that
12 it would make it easier on the taxpayers if the Board had more information to answer
13 taxpayer questions, noting that she trusted that the auditors were thorough.
14

15 Ms. Huey opined that the Board was very transparent, and that the Board members should
16 have access to the audit.
17

18 Mr. White pointed out that the CPA firm that performed the procedures quarterly,
19 according to their March 31, 2022 report, had procedures agreed upon by both the district
20 and the CPA firm, which allowed for changes to the procedures, and that their statistical
21 sample size provided a 95 percent confidence level, which was high.
22

23 Ms. Kirste commented that the request for proposal (RFP) had been drafted for auditing
24 services, which would be in the newspaper, and that this item would be presented to the
25 Board in the January 2023 meeting, adding that the audits were not due until May 2023.
26

27 ADJOURNMENT

28 The meeting adjourned at 6:42 p.m.
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Barbara Price, Chairman