

LAKE SHORE HOSPITAL AUTHORITY

AGENDA
FIRST BUDGET HEARING

September 12, 2016
5:15 p.m.

1. Open Public Hearing

Chair announces that the proposed millage rate of 0.962 mills is 0.41% over the rolled back rate for 2016. 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. As discussed previously, there are sufficient reserve funds to utilize a millage rate of 0.962 mills for the coming year.

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 and millage rate, if any.

6. Motion: To adopt tentative millage rate of 0.962 mills for the 2016-17 fiscal year.

7. Motion: To adopt tentative budgets for the 2016-2017 fiscal year as follows:

	Appropriations & Reserves
Patient Care Fund - Hospital Services	\$ 4,526,476
Patient Care Fund - Clinical Services	1,208,000
Operating Fund	3,577,312
Capital Improvement Fund	<u>1,461,200</u>
Total	\$ 10,772,988

8. Close Public Hearing and announce:

The Final Budget Hearing will be held Tuesday, September 19, 2016 at 5:15 p.m. at Lake Shore Hospital Authority, Administrative Complex, 259 NE Franklin St., Suite 102, Lake City, FL 32055.

LAKE SHORE HOSPITAL AUTHORITY
PROPOSED BUDGET HIGHLIGHTS
Fiscal Year 2016-17
September 12, 2016

The proposed budget for Lake Shore Hospital Authority for the 2016-17 fiscal year is attached. Significant highlights of the budget are as follows:

Ad valorem Taxes - The Hospital lease requires the Authority to levy or provide equivalent indigent care funds equal to 1.5 mills or \$3,475,066 for the next fiscal year. Due to available reserves these funds will be comprised of a millage rate of 0.962 plus reserves of \$1,246,390.

It is important to note that although the budget reflects full allocation of these funds for indigent healthcare it is only anticipated that approximately \$1,500,000 will actually be needed. The unused funds will return to reserves for future use.

Operating Fund - The Operating Fund budget totals \$411,301 which is \$14,303 or 3.6% more than the current year budget. This increase is primarily due to an increase in building maintenance (\$10,000) and public education (\$5,100).

Overall Budget - The overall budget of \$3,986,301 is \$329,303 or 9% more than the current year budget. Due to the combination of reserves, the prevailing level of reduced indigent care expenditures, and the prepaid patient care balance with the Hospital; it is probable that the current reduced millage rate can be maintained for several years in the future.

Budget Hearings - As provided by **Florida Statutes**, we will have two budget hearings on September 12 and 19, each at 5:15 p.m. Our ads will reflect a 0.41% increase in taxes.

There were no raises provided in the tentative budget.

LAKE SHORE HOSPITAL AUTHORITY

TENTATIVE BUDGET

Fiscal Year 2016-2017

September 12, 2016

		Patient Care Funds		Operating Improvement		Total
		Reference Hospital	Services Clinical Services Fund	Fund	Fund	
ESTIMATED REVENUES						
Ad valorem taxes - 0.962 mills	A	\$ 2,218,476	\$ -	\$ -	\$ 10,200	\$ 2,228,676
		2,218,476	-	-	10,200	2,228,676
	A	2,218,476	-	-	10,200	2,228,676
Lease income	B	-	-	552,312	-	552,312
Interest	C	8,000	8,000	25,000	1,000	42,000
Total revenues		2,226,476	8,000	577,312	11,200	2,822,988
ESTIMATED BEGINNING CASH						
Cash and investments		2,300,000	1,200,000	3,000,000	1,450,000	7,950,000
Total revenues and balances		\$ 4,526,476	\$ 1,208,000	\$3,577,312	\$1,461,200	\$ 10,772,988
APPROPRIATIONS						
Administration						
Personnel services:						
Salaries • 3	D	\$ -	\$ -	\$ 183,825	\$ -	\$ 183,825
FICA		-	-	14,062	-	14,062
Retirement		-	-	26,871	-	26,871
Workers Compensation/bond		-	-	1,343	-	1,343
		-	-	226,101	-	226,101
Operating expenses:						
Property Appraiser fees	E	70,000	-	-	-	70,000
Tax Collector fees	E	45,000	-	-	-	45,000
Legal services	F	-	-	35,000	-	35,000
Accounting and auditing	F	-	-	25,000	-	25,000
Office cleaning and supplies	G	-	-	11,000	-	11,000
Telephone	G	-	-	8,100	-	8,100
Security service	G	-	-	2,000	-	2,000
IT consulting	G	-	-	12,000	-	12,000
Office supplies and expenses	G	-	-	10,000	-	10,000
Lawn maintenance	G	-	-	9,000	-	9,000
Board training	-	-	-	5,000	-	5,000
Utilities	G	-	-	13,000	-	13,000
Insurance	G	-	-	15,000	-	15,000
Building maintenance	G	-	-	25,000	-	25,000
		115,000	-	170,100	-	285,100
Capital outlay- equipment	M	-	-	-	-	-
Total administration		115,000	-	396,201	-	511,201
Health care services						
Current expenses:						
Indigent patients care						
Shands at Lake Shore						
Emergency indigent patient services	H	2,700,000	-	-	-	2,700,000
On-call physician pay	I	160,000	-	-	-	160,000
		2,860,000	-	-	-	2,860,000
Indigent patient care at clinics						
Indigent patients services	J	-	550,000	-	-	550,000
Pharmacy	K	-	50,000	-	-	50,000
Public education	L	-	-	15,100	-	15,100
		-	600,000	15,100	-	615,100
Total health care services		2,860,000	600,000	15,100	-	3,475,100
Transfer to Hospital Services Fund		-	-	-	-	-
Total appropriations		2,975,000	600,000	411,301	-	3,986,301
ESTIMATED ENDING CASH						
Total appropriations and balances		\$ 4,526,476	\$ 1,208,000	\$3,577,312	\$1,461,200	\$ 10,772,988

**LAKE SHORE HOSPITAL AUTHORITY
BUDGETARY FUNDS
PROPOSED BUDGET EXPLANATIONS
Fiscal Year 2016 - 17
September 12,2016**

Reference

- A** **Ad valorem Taxes - 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:**
- | | |
|---------------------------------|---------------------|
| Ad valorem taxes | \$ 2,228,676 |
| Projected Reserves: | |
| Hospital Services Fund | <u>1,246,390</u> |
| Funds equivalent to 1.500 mills | <u>\$ 3,475,066</u> |
- B** **Lease Income ■** **Regular: 12 monthly payments of \$45,026 from Hospital tenant. Payment of \$12,000 from Columbia County.**
- C** **Interest-** **Estimated interest to be earned on funds based upon anticipated rates.**
- D** **Personnel Services -** **Equalization of salary between two administrative positions. Continuation of taxable health insurance incentive for all employees. Salary increase of 0% for all employees.**

LAKE SHORE HOSPITAL AUTHORITY
PERSONNEL SERVICES
FISCAL YEAR 2016-17

	Executive Director	Administrative Assistant	Financial Assistance Counselor	Total
Salary	\$ 91,551	\$ 46,137	\$ 46,137	\$ 183,825
Health insurance	-	-	-	-
FICA	7,004	3,529	3,529	14,062
Retirement	19,931	3,470	3,470	26,871
Bond	313	313	313	939
Workers' Comp.	200	102	102	404
	<u>\$ 118,999</u>	<u>\$ 53,551</u>	<u>\$ 53,551</u>	<u>\$ 226,101</u>
Total hourly rate	<u>\$ 57.24</u>	<u>25.75</u>	<u>25.75</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. Same as current year.
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	Authority sponsored public education program in support of healthcare services sponsored by LSHA
M Capital outlay	No capital outlay is requested for this budget