

REPUBLICAN EXECUTIVE COMMITTEE OF LAKE COUNTY, FLORIDA

Resolution No.: LCREC-0021-16

WHEREAS, on November 8, 2016, the voters of the North Lake County Hospital District will vote on whether that special district should continue to exist for another ten years; and

WHEREAS, the North Lake County Hospital District is a special district created by the Florida Legislature and currently has the power to levy an *ad valorem* tax on real property located within the boundaries of the district for up to 1.0 mil of the certified property value; and

WHEREAS, the genesis of the North Lake County Hospital District began in the early 1960's when the Florida Legislature created a special district in northeast Lake County to levy an *ad valorem* tax and use the proceeds to provide financial support to what was then known as Waterman Memorial Hospital; and

WHEREAS, in 1978 the Florida Legislature created another special district in northwest Lake County to levy an *ad valorem* tax and use the proceeds to establish and/or support one or more hospitals within its boundaries, which special district was approved by the voters in 1980; and

WHEREAS, these two special districts were created at a time when Lake County was less populated and more rural, and a government revenue stream to help establish and/or support hospitals in their respective areas of Lake County was arguably justified; and

WHEREAS, in 1995 these two special districts were merged into the current North Lake County Hospital District; and

WHEREAS, in 2012 the North Lake County Hospital District was reformed legislatively to, among other things: (1) restrict use of the revenue collected from the *ad valorem* tax to reimbursement for indigent care; (2) provide greater transparency, oversight, and accountability for the district; and (3) sunset the district in 2017 subject to a 10-year continuation referendum to be held on November 8, 2016; and

WHEREAS, currently, in addition to patients with private insurance and private pay patients, many government programs pay for healthcare, including Medicare, Medicaid, and subsidies under the Affordable Care Act, which sources collectively cover most individuals seen as patients in the hospitals currently receiving taxpayer funds from the North Lake County Hospital District; and

WHEREAS, over fifty Florida counties do not have special districts levying an *ad valorem* tax within their boundaries even though indigent care is provided by hospitals in these counties; and

WHEREAS, the two major hospitals receiving most of the revenue generated by the *ad valorem* tax collected by the North Lake County Hospital District, Florida Hospital Waterman and Leesburg Regional Medical Center, are owned by private, tax-exempt hospital corporations that show positive net cash flows on their annual financial statements filed with government agencies; and

WHEREAS, these private, tax-exempt hospitals pay no property tax, sales tax, or income tax which private, for-profit hospital corporations have to pay, and in exchange for this tax-exempt status these private, tax-exempt hospitals are required to provide charity care; and

WHEREAS, given the population growth that has occurred in Lake County and the available private and public revenues that provide sufficient revenue for these hospitals to operate without the need for subsidization through a government mandated *ad valorem* tax, the continued existence of the North Lake County Hospital District is no longer justified; and

WHEREAS, if a majority of the voters voting on November 8, 2016 vote "No" on the referendum question, the North Lake County Hospital District will terminate at the end of its fiscal year in 2017 without further action by the Florida Legislature; and

WHEREAS, the referendum on November 8, 2016, empowers the voters to continue or eliminate the North Lake County Hospital District and its levy of a 1.0 mil *ad valorem* tax on all property located within its boundaries, and is the first time that the voters of the North Lake County Hospital District will, as a whole, be able to decide whether this special district and its *ad valorem* tax should continue;

NOW THEREFORE, in consideration of the long history of the North Lake County Hospital District, the current programs and resources for the provision of healthcare in the United States, the State of Florida, and Lake County, the tax-exempt status of the hospitals subsidized, the absence of hospital tax districts in over fifty Florida counties, and the lack of justification for continuation of this special district and its *ad valorem* tax, it is hereby

RESOLVED by the Republican Executive Committee of Lake County, Florida that its official position on the continuation vote of the North Lake County Hospital District on the ballot in Lake County, Florida on November 8, 2016 is to recommend a "No" vote; and it is hereby

FURTHER RESOLVED that the position of the Republican Executive Committee of Lake County, Florida, as expressed in this resolution, be disseminated to as wide an audience as possible, and that this recommendation be included on the party's website and on any party palm card or other party literature prepared for distribution to voters for purposes of the general election on November 8, 2016.

APPROVED by the Republican Executive Committee of Lake County, Florida, by a vote of two-thirds of the members present and voting at a duly noticed meeting, at which a quorum was present, on the 27 day of SEPTEMBER, 2016.

**REPUBLICAN EXECUTIVE COMMITTEE OF
LAKE COUNTY, FLORIDA**

By: Walter B. Price, Jr.
Walter Price, Chairman

ATTEST:

I hereby attest that the forgoing Resolution No.: LCREC-0021-16 was approved by the Republican Executive Committee of Lake County, Florida, by a vote of two-thirds of the members present and voting at a duly noticed meeting, at which a quorum was present, on the 27 day of September, 2016.

By: Carole Ligienza
Carole Ligienza, Recording Secretary