



April 11, 2016

Dear Community Taxpayer,

There is very good news about a substantial property tax savings to you from the Measure C General Obligation (GO) hospital tax bonds, and I'd like to share it with you. On April 7, 2016, we were able to refinance the GO bonds for a net savings benefitting District taxpayers of \$10.6 million dollars, or approximately \$424,000 annually over the next 25 years. This savings is passed on to every taxpayer in our District through lower annual property tax assessments.

In March of 2015, the District also completed an additional (Series A) bond refinancing that resulted in a net savings of \$5.1 million dollars. These two refinancings have generated a net savings benefitting every District taxpayer of \$15,801,923 for much needed hospital projects. This represents a cumulative savings of 12% or \$600,000 annually to property tax payers on a dollar for dollar basis over the next 23-25 years. The refinancing does not extend the length of the original bond term.

I felt it was important to share this information personally with you, and to sincerely thank you for your clear direction to the Hospital District about local healthcare priorities. The Measure C bond measure was passed by a supermajority (72%) of voters for improvements to hospital services.

The Measure C bonds support vital services deemed important to all residents of the District including an improved emergency department, expanded and upgraded cancer care, modernized maternity and women's health care, improved long term care facility, and making sure our hospital campus is seismically earthquake compliant as directed from the mandated California State Senate Bill 1953. All of the Measure C projects are near completion, and you'll be invited to come tour the improvements later this fall.

The cost of health care in our country is a topic that's important to all of us. Tahoe Forest Hospital District operates as a public/private partnership with all residents and guests in the region, with less than 8% of our total operating funds coming from any tax source, in this case, from property taxes. Our depreciation, interest expense and principle payments on debt far exceed the total of all property taxes we receive.

We thank every property tax payer in our District for your support in our journey to provide each of you with the highest quality, sustainable health care.

I'm honored to have recently joined Tahoe Forest Health System last December, and look forward to engaging in an ongoing dialogue with you about healthcare issues in our region.

Respectfully,

A handwritten signature in black ink, appearing to read "Harry Weis". The signature is fluid and cursive, with a prominent initial "H".

Harry Weis
Chief Executive Officer
Tahoe Forest Hospital District
Email: information@tfhd.com