

AGENDA



Committee on Administration and Committee on Finance & Budget
Monday, May 5, 2025, at 1:05 p.m.

Government Center (721 Oxford Ave, Eau Claire, WI)
Room 1301/1302

Join by Phone:

Dial in Number: 415.655.0001
Access Code: 2537 039 5522

Join by Meeting Number:

Meeting Number: 2533 426 9216
Meeting Password: pSitHb2gR72

Join from Meeting Link:

<https://eauclairecounty.webex.com/eauclairecounty/j.php?MTID=m0030f02b85cfafe91dd6f62a46344be5>

For those wishing to make public comment, you can submit your request to speak and/or written comment to Leah Simington at leah.simington@eauclairecounty.gov at least 60 minutes prior to the start of the meeting.

1. Call meeting to order and confirm meeting notice
2. Roll Call (Committee on Finance & Budget)
3. Roll Call (Committee on Administration)
4. Public Comment
5. Presentation by Community Hospital Foundation – **Information/Discussion**
6. Funding request for the Sojourner House – Wes Escondo, Eau Claire Community Foundation – **Discussion/Action**
7. Community Agency Funding - **Discussion**
8. Adjournment

Prepared by: Samantha Kraegenbrink – Executive Office Administrator

PLEASE NOTE: Upon reasonable notice, efforts will be made to accommodate the needs of individuals with disabilities through sign language, interpreters, remote access, or other auxiliary aids. Contact the clerk of the committee or Administration for assistance at (715) 839-5106. For additional information on ADA requests, contact the County ADA Coordinator at (715) 839-7335, (FAX) (715) 839-1669, TTY: use Relay (711) or by writing to the ADA Coordinator, Human Resources, Eau Claire County Courthouse, 721 Oxford Avenue, Eau Claire, WI 54703.

Raising Capital for the Chippewa Valley Health Cooperative

Chippewa Valley Health Cooperative

Mickey Judkins, Board Member

The CVHC "Capital Stack"

Chippewa Valley Health Cooperative needs to raise \$30-\$40 million in equity capital to borrow the remainder of the total \$170 million project cost

Philanthropy

Federal earmarks

Federal grants

State appropriations

Corporate contributions

Revenue Bonds

Appeal to community benefactors

Members (currently ~\$8.5M)

Ask Counties to partner....

Wipfli Financial Proforma Demonstrates CVHC's Financial Feasibility/Sustainability

- Wipfli Financial Proforma
 - Nationally Recognized Healthcare Financial experts
 - Conducted detailed study analyzing:
 - Local healthcare market needs
 - Financial performance of comparable hospitals
 - Potential staffing availability
 - Demonstrates CVHC's proposed hospital with 48 beds is financially feasible after one year of operation
 - Interim hospital impact
 - Serve a vitally important community healthcare need
 - Employ 400+ medical professionals and supporting staff at estimated annual payroll of \$40 million
 - Create CVHC financial performance history for new hospital in Lake Hallie



Types of Debt tools for Local Governments

GENERAL OBLIGATION DEBT

- Used for general municipal borrowing
- Maximum debt capacity is 5% municipal/county equalized value
- Debt default risk shared by county taxpayer

REVENUE-BACKED DEBT INSTRUMENT

- Used for enterprise funding, utility or revenue-backed project funding (Ex. landfill, nursing home, civic center, etc)
- ***Need history of revenue to show ability to generate revenue, risk potential***
- Higher interest rate than G.O debt
- Risk default only carried by enterprise fund/utility, not county taxpayer

BCPL STATE TRUST FUND LOAN PROGRAM

Within our diversified investment portfolio, the BCPL State Trust Fund Loan Program provides an important amount of distributable income for our beneficiaries. The program allows us to invest our Trust Funds in direct loans to municipalities and school districts throughout the State. These loans provide the Trust Funds with a good rate of return at a very low risk. Since 1871, throughout the ebbs and flows of economic cycles and the course of history, we have been investing in these loans and have never had a default. We are proud to be able to contribute to building Wisconsin's public infrastructure by financing community and school projects as one of the largest government lenders in Wisconsin.

BCPL State Trust Fund loans can be used by local governments, school districts, and special districts to finance virtually any project in the State of Wisconsin. While these loans can be used for any public purpose, they are typically used for financing:

- Economic Development – Loans to fund acquisition and development of land for business and industrial parks, provide incentives to private companies, fund municipal TIF District projects including street and utility work, and environmental remediation.
- Local Infrastructure – Loans to fund construction or repair of municipal buildings, schools, streets, and utilities.
- Capital Equipment and Vehicles – Loans to fund the purchase of capital assets including public safety vehicles, telephone and computer systems, and road and snow equipment.

Borrowers appreciate that the BCPL application process is extremely simple and there are no application fees, prepayment penalties, or any other fees. Our interest rates are competitive with the bond market and other financial institutions. But what really makes our program special is that all of the interest paid on State Trust Fund loans is returned to Wisconsin communities in the form of aid to public school libraries. That's why we like to think of ourselves as **'The Statewide Lender That Pays Local Dividends!'**

During the 2021-23 biennium, BCPL disbursed a total of 229 loans totaling more than \$151million.

A complete listing of BCPL State Trust Fund Loan activity during the biennium is included in the appendix.



crucial community and **economic development** projects.

BCPL loaned
\$182M+

to invest in

We offer a simple application process, competitive fixed interest rates, payment flexibility, and \$0 fees.

Act
Go

Fact Sheet - General Obligation Loans

Eligible Borrowers:	Wisconsin towns, villages, cities, counties, school districts, technical college districts, public inland lake protection and rehabilitation districts, town sanitary districts, metropolitan sewerage districts, metropolitan sewerage systems, joint sewerage systems, consortiums, cooperative educational service agencies (CESAs), federated public library systems, and drainage districts.												
Loan Process:	Simple and transparent, with funds available 30-45 days from initial application request.												
Loan Security:	Loans become a general obligation of the borrower and require the borrower to levy a tax sufficient to make annual principal and interest payments when due.												
Loan Purpose:	Loans of 10 years or less may be made to facilitate the performance of any power or duty of the borrowing municipality, including operations and maintenance. Loans greater than 10 years are restricted to the financing or refinancing of public purpose projects including "the acquisition, leasing, planning, design, construction, development, extension, enlargement, renovation, rebuilding, repair or improvement of land, waters, property, highways, buildings, equipment, or facilities", or any purpose otherwise allowed by law.												
Economic Development Lending:	BCPL is a major source of funding for economic development projects including pass-through loans or grants made for private development, funding development incentives, TID infrastructure loans, land acquisition and development of business parks, and similar projects. Upon request, BCPL is able to provide critical flexibility in the repayment schedule if and when expected revenues are delayed.												
Payments:	Annual payments are due March 15 each year and are exempt from State of Wisconsin municipal levy limit calculations. Loans funded between September 1 and March 14 do not have a required payment the following March 15. BCPL can provide custom amortization schedules to coordinate payments with future budgeted items. Upon request, we can allow a few years of interest-only payments to provide sufficient time for the project to generate expected revenues.												
Prepayment:	Prepayments are allowed without penalty between January 1 and August 31 each year, upon 30 days prior written notice. This flexibility can be extremely valuable for our customers when compared to the rigid payment structure required after selling bonds. Tired of waiting for a call date? Call BCPL!												
Terms:	2-year to 20-year fixed rate loans.												
Current Rates:	<table> <tr> <td>Loan Term</td> <td>2 years</td> <td>5.75%</td> </tr> <tr> <td></td> <td>3-5 years</td> <td>5.75%</td> </tr> <tr> <td></td> <td>6-10 years</td> <td>5.75%</td> </tr> <tr> <td></td> <td>11-20 years</td> <td>5.75%</td> </tr> </table>	Loan Term	2 years	5.75%		3-5 years	5.75%		6-10 years	5.75%		11-20 years	5.75%
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	3-5 years	5.75%											
	6-10 years	5.75%											
	11-20 years	5.75%											
Rate Lock:	Market-based interest rates are locked for 60 days following BCPL receipt of the loan application request form. If the completed application is received by BCPL within 60 days, the rate lock remains in place through final loan approval, the 4-month draw period, and the full term of the loan.												
Fees:	No application fees, origination fees or prepayment fees. No fees period!												
Best Part:	100% of interest earned by BCPL is distributed to provide the sole state aid for public school library media and resources. This payment effectively reduces local real estate taxes by providing schools with another source of funding. See our website for the annual contribution BCPL made to your local school district. You might be surprised!												

Board of Commissioners of Public Lands:

https://bcpl.wisconsin.gov/bcpl.wisconsin.gov%20Shared%20Documents/Loans/FactSheet_GOLoans.pdf

Efficient source for G.O. debt access

Quick (30-45 day turn around)

No application fees

Levy requirements for repayment are not subject to Levy Limits

Interest revenues BCPL receives goes to fund public school library resources



Extension

UNIVERSITY OF WISCONSIN-MADISON
LOCAL GOVERNMENT EDUCATION PROGRAM

Debt capacity of Eau Claire County

County	Full Value (2023)	Allowable Debt	Actual Debt	Margin (add. debt capacity)
Eau Claire	\$13,435,817,700	\$671,790,885	\$83,765,000	\$588,025,885

- **Chippewa Valley Health Cooperative would pay 100% of principal and interest !!!**
- \$10 Million loan request still provides Eau Claire County plenty of G.O. debt capacity for future debt needs

Example: La Crosse County

- La Crosse County
 - City Brewery following closure of G.Heilemen/Strohs brewery
 - Since 1999 La Crosse County has used STFL in 9 separate occasions

LA CROSSE COUNTY'S USE OF THE BCPL STATE TRUST FUND LOAN PROGRAM

-Steve O'Malley, La Crosse County Administrator

My responsibilities as county administrator includes working with the finance department and an independent financial advisor to evaluate the most advantageous method for financing long-term debt. In my experience, the most appropriate means for debt financing is the sale of promissory notes or bonds in a competitive sale. Bonds or notes sold in this manner for a term of 10 or 20 years, likely provides a lower true interest cost than can be realized by using the BCPL State Trust Fund Loan (STFL) Program.

However, depending upon the circumstances, there can be advantages to using STFL, including a simplified application process, no pre-payment penalty, and no cost of issuance. Since 1999, La Crosse County has used the STFL program on nine different occasions.

In 1999, La Crosse County borrowed \$1.5 million to assist a group of local investors to purchase the assets of Heileman Brewery – one of the area's iconic employers – in order to create the City Brewery Company. At the time, it seemed unlikely that the bond market would offer a favorable rate for such a venture and the debt might require a penalty for early payment. As it turned out, the county only needed to lend \$616,000 to the brewery and the entire loan was fully repaid by 2003 without risk to the county. This employer is still in business today.

In 2004, the county chose to use STFL to refinance its outstanding pension liability to the Wisconsin Retirement System at a 5.25% instead

The most innovative use of the STFL program was in 2015 and 2016 when La Crosse County converted two General Obligation debt issues to Revenue Debt (\$7.8 million and \$5.475 million)

for the county's solid waste enterprise. The debt was originally incurred mainly to install environmental improvements to reduce air pollution from the Waste-To-Energy plant operated by Xcel energy. The plant burns refuse-derived fuel (municipal solid waste) generating electricity for about 20% of the homes in the City of La Crosse, while reducing the amount of waste buried in the landfill.

The original debt was required to be a taxable issue with much higher rates of up to 4.5% and 5.95% as General Obligation Debt. BCPL agreed to refinance these two issues as Revenue Debt at a fixed rate of 3.75% and 4%, lowering the cost of debt service. Because the solid waste enterprise has always been able to cover debt obligations from tipping fees, the county felt this use of Revenue Debt presented a better picture to Moody's Investor Service when conducting their annual rating review. La Crosse County's long-term debt has been rated at Aa1 since 2010, only one step below the highest rating of Aaa.

It is always best to use an independent financial advisor to help each local government consider the pros and cons of the best means of financing. A financial advisor has a fiduciary responsibility to



Steve O'Malley,
La Crosse County Administrator

Specific Ask to Eau Claire County:

- Is Eau Claire County willing to allow a small portion of their General Obligation (G.O.) Debt to secure a community-owned Health Care Facility in the Chippewa Valley?
 - ALL the borrowed money (Principal & Interest) to be paid back (in 10 years or less) – **no out of pocket cost to Eau Claire County**
 - ALL the borrowed money invested in the local area (Chippewa Valley)
 - ALL employees of CHVC are local residents and taxpayers
 - ANY Eau Claire County resident will be eligible for care through the Chippewa Valley Health Cooperative
 - G.O. debt may be converted to a revenue debt instrument in future (once revenue stream established)

- \$10 million loan from BCPL for CVHC
 - Payments from hospital revenues (Wipfli Proforma)

- Will help with CVHC Federal/State grant requests if local municipalities are partnering on funding!!!



Worst Case Scenario - Impact to Eau Claire County

Equalized Value	Debt Risk	Default annual impact	Median Property Value	Median Property Impact (Annual)
13,830,300,100	\$ 10,000,000.00	\$(1,332,246.02)	319,900	\$30.82

Debt issuance conditions:

- **(1)** The governing body of a county may not issue bonds under s. [67.05](#) or promissory notes under s. [67.12 \(12\)](#) unless one or more of the following apply:
- **(a)** A referendum is held, following the procedures in s. [67.05 \(3\)](#), that approves the debt issuance.
- **(b)** The governing body of the county adopts a resolution that sets forth its reasonable expectations that issuance of the debt will not cause the county to increase the debt levy rate, as defined in s. [59.605 \(1\) \(b\)](#).
- **(c)** Issuance of the debt was authorized by an initial resolution adopted by the governing body of the county prior to August 12, 1993.
- **(d)** The debt is issued for the purposes under s. [67.05 \(7\) \(c\)](#), [\(cc\)](#), [\(f\)](#), [\(h\)](#) or [\(i\)](#).
- **(e)** The debt is issued to fund or refund outstanding municipal obligations, interest on outstanding municipal obligations, or the payment of related issuance costs or redemption premiums.
- **(f)** The governing body adopts a resolution to issue the debt by a vote of at least three-fourths of the members-elect, as defined in s. [59.001 \(2m\)](#).
- **(g)** The debt is issued by a county having a population of 750,000 or more to pay unfunded prior service liability with respect to an employee retirement system.
- **(h)** The debt is issued for the purpose of acquiring or installing energy efficient equipment.
- **(2)**
- **(a)** The department of revenue shall promulgate rules that set forth the standards to be used by the governing body of a county in adopting a resolution under sub. [\(1\) \(b\)](#). The rules shall permit the reasonable exercise of local self-determination and debt management and prohibit the consideration of unreasonable assumptions that may cause an increase in the debt levy rate, as defined in s. [59.605 \(1\) \(b\)](#).
- **(b)** The standards in the rules under par. [\(a\)](#) shall address issues including all of the following:
 - **1.** The equalized value of taxable property in the county.
 - **2.** The annual debt service on the debt being issued.
 - **3.** The treatment of anticipated refunding of balloon payments.
 - **4.** Variable rate obligations.
 - **5.** Past and anticipated revenues that may abate a debt levy.
 - **6.** The amount of state aid that may be received in future years.



Questions



Sojourner House: Addressing Our Financial Shortfall & Securing the Future

Sojourner House currently offers 53 beds but exceeded its capacity during inclement weather. This past year we served up to 73 guests with available cots. In addition to providing shelter, the second level of Sojourner House provides financial and housing counseling services, and office space for staff and other community meetings.

For over a decade, Sojourner House has been a critical refuge for individuals experiencing homelessness in the Chippewa Valley. However, due to a significant budget shortfall, Catholic Charities of the Diocese of La Crosse is facing difficult decisions about the shelter's future. Without additional funding, Sojourner House may be forced to reduce operations to a seasonal six-month model, leaving many without shelter during the summer months.

Understanding the Financial Crisis

Several factors have contributed to our current financial position:

- **Capital Campaign Shortfall:** Our recent campaign fell short of its financial goal, leaving a \$220,000 gap in funding for the new Sojourner House. The total construction cost was \$2.65 million, with grants covering \$2.3 million. We aimed to raise the remaining \$350,000 through the campaign, but only raised \$130,000.
- **Decline in Grant Support:** Key public and private foundational grants either shifted priorities or were not renewed in 2024. As a result, total grant funding received amounted to \$149,000, which is only 40% of the budgeted amount of \$365,000.
- **Reduction in General Donations:** Overall, philanthropic giving has declined gradually over the past few years, making it difficult to cover essential operational costs at the Sojourner House.
- **Rising Operational Expenses:** Due to inflation, the need to retain staff, and a decrease in volunteers, we faced increased costs for staffing, maintenance, and supplies, which further strained our budget.

In short, in 2024, the Sojourner House operated with a \$450,000 deficit, contributing to an \$800,000 shortfall across Catholic Charities. Direct shelter revenue for 2024 totaled \$349,801, while expenses amounted to \$846,975. Catholic Charities has been subsidizing these gaps with unrestricted funds, but this is not a sustainable solution moving forward.

The good news is that Catholic Charities has recently been notified that it has been awarded additional funding through the Division of Energy, Housing, and Community Resources (DEHCR). With this funding, Sojourner House will remain open at least through the end of June. We are committed to continuing our efforts until we secure funding for the entire year.

What This Means for Sojourner House

If immediate funding is not secured, Sojourner House will be forced to suspend summer operations. In that case, we will strive to offer limited essential services using donated resources, including:

- Showers and laundry access two to three days a week.
- Safe space for support and engagement during available shower and laundry access.
- Limited financial and housing counseling services along with community resource referrals.
- Distribution of clothing and hygiene items.

While these services are not a replacement for full shelter operations, they will help address some urgent needs.

Efforts to Secure Long-Term Sustainability

Catholic Charities has been actively working to prevent service reductions by:

- **Engaging Local Leaders:** We are working with the City and County of Eau Claire, the Diocese of La Crosse, the Eau Claire Chamber of Commerce, the Eau Claire Community Foundation, and state representatives to explore funding solutions.
- **Exploring Public & Private Funding:** We are advocating for additional government grants and seeking corporate and philanthropic partnerships.
- **Cost-Saving Measures:** We have reduced expenses by restructuring programs and streamlining operations but still face a significant gap.

A Community-Wide Challenge, A Community-Wide Solution

Homelessness is not a problem Catholic Charities can solve alone—it requires a collaborative, sustainable approach with community support. To keep Sojourner House open year-round, we need:

- **Increased Donations:** One-time and recurring donations directly impact shelter operations.
- **Corporate Sponsorships & Grants:** Businesses can help bridge the funding gap.
- **Advocacy & Awareness:** Community support can encourage greater funding commitments from local and state officials.
- **Volunteer Support:** Increased volunteer engagement can reduce operational costs and enhance services.

The Path Forward

Sojourner House currently needs approximately \$400,000 in committed annual support for 2025 and our total annual operating costs are around \$850,000. Without a sustainable funding model, our ability to continue operations is at risk. While we are committed to finding a solution, we need the community's support to ensure that we can keep our doors open for our most vulnerable neighbors.

For more information on how you can donate or volunteer, visit cclse.org or contact:

Rob Grover

Advancement Director, Catholic Charities of the Diocese of La Crosse

Phone: 608-461-1073

Email: rgrover@cclse.org

Together, we can continue providing a safe haven for those who need it most.



Community Agency Funding Summary

The list below contains a variety of agencies that the County has historically provided funding. In 2025 all agencies instituted a contract to identify the nature of the funding, and to move toward identifying explicit services funded versus an agency. To manage the contracts appropriately they are being assigned to departmental units. The departmental units will work with the agency to ensure alignment with County funding goals and objectives. The contracts will be managed at the departmental level following county procurement guidelines. Year-over-year requests will be discussed with oversight committees as part of the budget process. This is consistent with the approach recommended by Attolles Law in a recent article in Wisconsin Counties Magazine entitled, “Why County Programs Are Key When Partnering with Nonprofits”, LEGAL ISSUES RELATING TO COUNTY GOVERNMENT By Andy Phillips and Malia Malone, Attorneys, Attolles Law, s.c pp.44-46.

The excerpt to the right summarizes the legal opinion. The following page is an excerpt from a presentation by Attolles Law for Wisconsin Counties Association.

EXCERPT

► Why county programs are the solution

The debate surrounding OAG 01-17 highlights the importance of counties establishing structured programs when working with nonprofits. Programs create a direct link between county funding and statutory authority, ensuring that public funds are used for purposes consistent with the law. This approach also addresses the limitations identified in the 2017 opinion by tying nonprofit collaborations to express or implied statutory powers.

For example, rather than directly funding a food pantry, a county can create a food security program under its human services department. The program can then contract with nonprofits to distribute food to eligible residents. This structure ensures compliance with statutory requirements and aligns with counties' public service missions.



Questions to Ask When Evaluating an Appropriation to a Nonprofit

- Is a direct appropriation authorized by statute?
- What is the purpose of the appropriation?
 - Is it in furtherance of a county program?
 - What statute authorizes the county program?
- Is it necessary to document the relationship through a contract or MOU?
 - (HINT: In almost all cases, YES)
- How will the “public purpose” associated with the appropriation be documented?
 - By resolution?

It is important to work through the analysis with corporation counsel.

Community Agency	Authority	Department	Notes
Judicial			
TRY Mediation	Wis. Stat. 767.405(5)	Courts	Mandated service provided through contract.
Public Safety			
Project Lifesaver		Sheriff	Charitable Donation
Township Fire-Water Rescue	Wis. Stat. 59.27(1)	Sheriff	The Sheriff is responsible for this service - provided by contract
Health & Human Services			
Augusta Senior Center	Wis. Stat. 59.53(11)	ADRC	Charitable Donation - separate from meal site .
Bolton Refuge House	Wis. Stat. 59.53(3)	Human Services	Charitable Donation
Boys & Girls Clubs of the Greater Chippewa Valley		Human Services	Charitable Donation
Children's Wisconsin - Building Families		Human Services	discontinued in 2023
Children's Wisconsin - Chippewa Valley Child Advocacy Center	59.53(3) & 48.981	Human Services	Charitable Donation
Family Promise of the Chippewa Valley		Human Services	Charitable Donation
Family Resource Center		Human Services	Charitable Donation
Humane Association	Wis. Stat. 173.03	County Clerk	Contract
LE Phillips Senior Center	Wis. Stat. 59.53(11)	ADRC	Charitable Donation
Sojourner House (Catholic Charities)		Human Services	Charitable Donation
Culture & Recreation			
Chippewa Valley Museum/WI Logging	Wis. Stat. 59.56(2)	Administration	Charitable Donation
Friends of the Fair	Wis. Stat. 59.56(14)	Administration	Mutli-year memorandum of understanding
Conservation & Economic Development			
Eau Claire County Housing Authority	Wis. Stat. 59.57	Administration	Contract includes free building space and services
Economic Development Corporation	Wis. Stat. 59.57	Planning & Development	Partner organization - contract
Chippewa Valley Innovation Center	Wis. Stat. 59.57	Planning & Development	no longer in operation
Momentum West (Chippewa Valley)	Wis. Stat. 59.57	Planning & Development	Partner organization - contract
West Central Regional Planning Commission	Wis. Stat. 66.0309	Planning & Development	entity has the ability to levy taxes - contract