

Motion By:
Second By:

AUTHORIZING A BINDING REFERENDUM & APPROVING OFFICIAL REFERENDUM QUESTION LANGUAGE (Exceed Levy Limits by \$5,000,000 for Each Year from 2025 - 2029 to Fund Pine Crest Nursing Home Operations, Maintenance and Debt Service)

Dist.	Supervisor	Y	N	Abs
1	Bialecki			
2	Anderson-Malm			
3	McCrank			
4	Woellner			
5	Zelinski			
6	Ashbeck			
7	Dunphy			
8	Thiel			
9	Vorpagel			
10	Boyd			
11	Detert			
12	DePasse			
13	Bishop			
14	Lyskawa			
15	Lemke			
16	Miller			
17	Meunier			
18	Wickham			
19	Dorava			
20	Cummings			
21	Simon			
22	Hartwig			
Totals				
Carried				
Defeated				
Amended				
Voice vote				
Roll call				

WHEREAS, under state law, no political subdivision may increase its levy in any year by a percentage that exceeds the political subdivision’s valuation factor; and

WHEREAS, Pine Crest Nursing Home is owned by and operated under the auspices of Lincoln County; and

WHEREAS, Lincoln County, as authorized by Wisconsin Statute 51.42(3)(b), has designated North Central Community Services Program, doing business as North Central Health Care, to serve as administrator and manager of Pine Crest Nursing Home; and

WHEREAS, Lincoln County as the owner of Pine Crest Nursing Home is solely responsible for maintenance and repair of the building and grounds; and

WHEREAS, the current Nursing Home Management Agreement between Lincoln County and North Central Health Care requires the County to provide to North Central Health Care an annual cash stipend of \$440,000, to allocate funding for four full-time maintenance staff positions, and to bear the financial costs of routine facility maintenance and repair services for Pine Crest Nursing Home. The sum of these obligations combined approximates \$900,000 annually; and

WHEREAS, North Central Health Care is currently making the debt payment, however, Lincoln County is ultimately responsible for the debt service for Pine Crest Nursing Home approximating \$630,000 annually through the year 2038; and

WHEREAS, the expenditures of Pine Crest Nursing Home have exceeded the nursing home’s gross revenues for numerous years using Pine Crest Nursing Home cash reserves and fund balances to cover losses, and although this trend appears to have changed, there remains a risk of reoccurrence; and

WHEREAS, the State of Wisconsin, in State Fiscal Year 2023, decreased the annual supplemental and Certified Public Expenditure payments for Pine Crest Nursing Home by nearly \$1,600,000; and

WHEREAS, as a result of operational losses, decreased supplemental funds and insufficient reserves, North Central Health Care requested Lincoln County to additionally provide approximately \$1,009,188 from one time (ARPA) allocations to fund the estimated operating deficit for 2022; and

WHEREAS, it is anticipated that Pine Crest Nursing Home could continue to sustain similar deficits in the foreseeable future; and

WHEREAS, the Nursing Home Management Agreement between Lincoln County and North Central Health Care stipulates that, “Everything done by NCHC under Exhibit A, shall be done on behalf of the County and all related obligations incurred shall be at the ultimate expense of the County.”

STATE OF WISCONSIN)
) SS
COUNTY OF LINCOLN)

I hereby certify that this resolution/ordinance is a true and correct copy of a resolution/ordinance adopted by the Lincoln County Board of Supervisors on:

Christopher J. Marlowe
Lincoln County Clerk

WHEREAS, the Pine Crest Nursing Home Facility requires significant maintenance, repairs, and updates totaling approximately \$12,000,000 over the next ten years; and

WHEREAS, Lincoln County does not maintain replacement reserve funds to cover the costs of the aforementioned maintenance, repairs, and updates; and

WHEREAS, Lincoln County's share of the costs for operating, maintaining, repairing, updating, and guaranteeing debt service for Pine Crest Nursing Home is estimated to be \$20,000,000 between 2025 and 2029; and

WHEREAS, in order to determine whether the people of Lincoln County support raising additional funding (outside the levy limits), the County Board may conduct a countywide binding referendum, pursuant to Wis. Stat. 59.52(25), in the Fall Election on November 5, 2024.

NOW, THEREFORE BE IT RESOLVED, that the Lincoln County Board of Supervisors does resolve to conduct a countywide binding referendum, to be held with the Fall Election on November 5, 2024; and directs the following countywide binding referendum question be placed on the ballot:

Question: "Under state law, the increase in the levy of the County of Lincoln for the tax to be imposed for the next fiscal year, 2025, is limited to 0.988%, which results in a levy of \$14,126,693. Shall the County of Lincoln be allowed to exceed this limit and increase the levy for the next fiscal year, 2025, for the purpose of funding and/or subsidizing Pine Crest Nursing Home operations, maintenance, repairs, updates, and debt service, by a total of 35.394%, which results in a levy of \$19,126,693 and include the increase of \$5,000,000 for fiscal years 2026 through 2029?"

Explanatory Statement:

Under state law, no political subdivision may increase its levy in any year by a percentage that exceeds the political subdivision's valuation factor. This has severely limited the County's ability to fund ongoing operations and maintenance.

The additional \$5,000,000/year levy has an estimated \$186.00 tax impact per \$100,000 of the assessed value of private property.

A "yes" vote indicates you agree with exceeding this limit by \$5,000,000 each year (2025- 2029) for a total of \$25,000,000 to fund and/or subsidize Pine Crest Nursing Home operations, maintenance, repairs, updates, and debt service.

A "no" vote indicates you disagree with exceeding the levy limits.

BE IT FURTHER RESOLVED, that, to promote a well-informed electorate, the County Administrative and Legislative Committee shall provide to the residents of Lincoln County, via means, format, and content the Committee deems appropriate, information regarding Pine Crest Nursing Home:

- past and anticipated: finances, budget deficits, bed-licenses, residency census, and facility maintenance needs;
- obligations, liabilities, support, and services funded from the County tax-levy and State supplemental payments;
- current debt; and
- other material the Committee determines applicable.

The Committee shall also include information about existing and anticipated County operating budget and capital improvement program needs, obligations, liabilities, and shortfalls for purposes other than for Pine Crest Nursing Home for which debt service and/or tax levy increase referenda may be necessary during the next ten years.

BE IT FURTHER RESOLVED, that the County Clerk publish the Notice of Referendum in accordance with statutory requirements.

Dated: August 20th, 2024

Authored by: Jesse Boyd, Supervisor and Board Chair, District 10

Co-Sponsored by: Julie DePasse, Supervisor, District 12

Committee: Joint A&L Committee/Finance & Insurance Committee Meeting

Committee Vote: 7-2

Date Passed: August 9, 2024

Fiscal Impact: \$25,000,000.00 over 5 years (2025-2029)

Drafted by: Jesse Boyd