

Overview of Potential Health Department Innovation Funding Application, March 16th, 2026

What is the current Health Department structure, and what is its history?

The joint City-County Health Department formed in 1941 to merge the City of EC Health Department and EC County Health Department which existed independently at that time. It was the first in the state to have the merged City-County model, which is allowable by state statute. Madison-Dane County is similarly structured. The formation of the joint department was done through identical ordinances (2.52) in the City and County forming the Health Department and the Board of Health. 638648611705670000 TITLE 2.pdf

The Board of Health (BOH) has the authority and responsibility to fully oversee the joint department. The City Council and County Board appoint four BOH members each and annually review the department's budget and approve the levy that is apportioned to their residents based on equalized value. One member from both the City Council and County Board sit on the BOH (currently Josh Miller, Dr. Hirsch). The joint department connects to both the City and County for the identification of priorities and policies that the BOH approves. The Health Department has agreements with the City and County to provide a variety of Health Department infrastructure supports including IT, Legal, HR, health insurance, finance, payroll, and others. Some arrangements, like the financial system, are designated in the local ordinance, others have been developed more organically over time. Some of these arrangements are complicated and not clearly documented.

How much innovation funding might the County/HD receive?

| | 2025 Budget | 2025 Actual | 25% | Five Years |
|---------------------------------------|--------------------|--------------------|-----------------------|-----------------------|
| CITY LEVY | \$2,084,100 | \$2,084,100 | \$521,025.00 | \$2,605,125.00 |
| COUNTY LEVY | \$1,444,800 | \$1,444,800 | | |
| NON-LEVY (CITY, COUNTY, AND REGIONAL) | \$5,018,500 | \$4,939,734 | \$1,234,933.50 | \$6,174,667.50 |
| TOTAL | \$8,547,400 | \$8,468,634 | \$1,755,958.50 | \$8,779,792.50 |

Our understanding from the consultant, who has spoken with their DOR contact, is that the grant would be 25 percent of the HD's budget, minus the County levy, or \$1.76 million in the first year and \$8.8 million over the five years. It is possible that the DOR will only allow 25 percent of the City Levy, or \$521K, totaling \$2.6 million over the five years.

Who receives the innovation funding? The City will transfer the Health Department Levy to the County and will not receive the innovation funding. Instead, we would hope a significant share of it could be used to help the HD move towards financial stability, which will also require continued consideration of the optimal structure. Most of the funding will be needed to support the transition for the County and HD as this will greatly impact HD staff with the quick timeframe.

What will happen if we don't apply during this round? It is anticipated that there will be future rounds, however, the parameters are not yet determined. If awarded a grant in a future round, the funding will be for four years.

What are the deadlines? The deadline to apply for Innovation Funding is March 31st, with the implementation required by June 30th. An inter-governmental agreement must be signed by the City and County for the application to be submitted. The IGA can be very simple.

What do we anticipate will be additional steps/phases?

- Before 3/31, the City Council and County Board will need to enter into a simple intergovernmental agreement.
- Before 6/30, the mechanical steps of transferring levy and staff must occur.
- After 6/30, the County and Health Department work to determine the final structure of the Health Department. The City and other partners will be engaged as a Commission model is considered. The City seeks to support and codify the ways that the current structure has been effective, and we want to support the long-term success and wellbeing of the Health Department and the health of our community.

Why is it such a compressed timeframe? We recognize that this is not an optimal phasing and timing for making a significant decision like this. The innovation funding guidelines have been shifting, and it has been difficult to ascertain eligibility and plan ahead. However, with the possibility of as much as \$1.7 million each year for five years, and given financial challenges to all of our City and County departments, we believe it may be worth proceeding with the basic IGA, allowing community discussions to continue in a phased approach in the months and years to come. Future rounds may occur, but they are not guaranteed and the funding will be for less than this round's.

What are the technical steps that need to be planned and worked through?

- City Council and County Board approve IGA.
- Transfer of about 60 employees from the City to the County.
- Transfer of the City levy to the County.
- County becoming the fiscal agent for the health department which currently is designated be done by the City in ordinance.
- Coordination with funders to update tax ID from City to County.

What are the benefits of a joint Health Department?

The joint department functions as a Level III (highest level in Wisconsin) and nationally accredited health department. The department is considered a leader in the state and region and provides many regionally funded and focused services at the request of both state and local partners. The City-County BOH structure has supported the ability to be highly competitive in national, state, and foundation grants which increases revenue available to support local health outcomes and, in some cases, get money to local organizations including the City of Eau Claire. The Health Department has been eligible to apply for funding specific to municipal entities because of the joint model. The joint model also means that the

Health Officer attends both City and County department head meetings to bring public health perspective to policy decisions. The joint model also assures that Board of Health members have specific qualifications and understanding of public health. Some of these things might be prioritized differently in a county Health Department model.

What happens if we don't get the funding? If the innovation funding doesn't occur, then the Council can undo the ordinance change and discussions can continue to be in a position to apply for a future round of funding if it becomes available.

Without Innovation Funding, the proposed cut to the Health Department of \$100K would result in a more significant cut. The Health Department is funded by both the City and County levy, and the County will likely match this cut. The Health Department normally receives a percent increase that matches Net New Construction. However, they face the same challenges the City faces of rising health insurance and a need to adjust wages and other expenses to match inflation. Some of these increases can get built into fee increases or grants, however, some is impossible to capture with the limited annual levy increase through NNC. This is of course even more true with a zero percent increase (which occurred for 2026) or a cut (which is proposed for 2027). Due to revenue increases not keeping up with rising expenses, and due to the end of COVID-era funding, the Health Department has lost 10 position from 2023 to 2026.

Overview of Potential Hobbs Recreational Facility Innovation Funding Application, March 16th, 2026

What is the current structure of Hobbs maintenance, use, and management?

Here is some background on the history and current use of the Hobbs facility:

- Hobbs has two full-sized and one small (studio) sheet of ice.
- It is the home to Eau Claire Youth Hockey (partnership with Chippewa Valley Girls Hockey co-op), the Eau Claire Figure Skating Club, UWEC, and the ECASD high school teams (Memorial/North boys hockey and ECA Stars co-op girls hockey).
- Public open skating hours are also offered year round.
- As the largest ice facility in western WI, it is also used for regional training programs and tournaments through the Wisconsin Amateur Hockey association.
- The Recreation Division also uses the facility for programming throughout the calendar and Hobbs is home to the Recreation administrative offices.
- Various dry-floor events also occur in the main rink during spring/summer seasonal shutdowns including the Here We Grow Again consignment sale, the Chippewa Valley Roller Derby, and others.
- The facility was built in 1975 with contributions from Eau Claire Youth Hockey, The Hobbs Foundation, and the City.
- The facility has been owned and operated by the City all along, with major renovations in 2001 (mechanical only), 2009 (addition of third small rink, relocation of Recreation offices, UWEC locker room space, lobby/viewing amenities), and 2019 (replacement of second rink floor, remodel of Akervik Rink locker rooms/seating).
- City staff coordinate/perform all scheduling/maintenance/operation of the facility and the various user groups pay fees for use. This has allowed the groups to focus on core functions of programming their use of the City while the City focuses on efficient operation of the facility, maximization of use of available hours of ice time, and ensuring safe operation of the complex mechanical systems required for ice.
- Prior to the 2025/26 season, ECPR operated the concession stand. For the 2025/26 season, ECYH took on operation of the concession stand through an agreement with the City.
- The City received \$923,468 in revenue in 2025, while spending \$1,320,62, including almost \$400K in debt payments.

How much innovation funding might be received?

| Operating Expenses | Total | 25% | 5 Years |
|---|------------------|----------------|------------------|
| Personnel Costs (Excluding OPEB) | 291,728 | | |
| Auditing/Training/Special Services | 78,218 | | |
| Utilities | 266,712 | | |
| Licensing/Insurance/Special Assessments | 97,153 | | |
| Supplies | 40,856 | | |
| Results of Operations | 148,801 | | |
| Debt Service and Debt Issuance Costs | 397,184 | | |
| Total | 1,320,652 | 330,163 | 1,650,815 |

| | | | |
|---------------------------------|------------------|--|--|
| | | | |
| Total Operating Revenues | \$923,468 | | |

Our consultant has indicated that the program would be eligible for 25 percent of the budget from 2025 for five years, or \$330,163 per year and \$1.65 million over five years.

Who receives the innovation funding? The non-profit partner will receive the funding to assist with closing the gap between revenue and expenses. The program is currently subsidized at about \$250,000, and we anticipate that the partner will close the gap through the following means:

- Use of the innovation funding;
- Reduction in expenses;
- Increase in user fees; and
- Increase in marketing and sponsorship.

What will happen if we don't apply during this round? It is anticipated that there will be future rounds, however, the parameters are not yet determined. If awarded a grant in a future round, the funding will be for four years, if funding is still available in the program. Additionally, public safety applicants have priority for being awarded funding, and there may be more of these applicants in future rounds.

What are the deadlines? The deadline to apply for Innovation Funding is March 31st, with the implementation required by June 30th. An MOU must be signed by the City and the non-profit in order to apply for the grant.

What do we anticipate will be additional steps/phases?

- Before 3/31, the City and the non-profit partner will sign a simple MOU. Our consultant will help us finalize the application.
- Before 6/30, additional details can get worked out.
- After 6/30, the City can continue to help and advise on the management of the facility in the first year. Anything we get paid to do must be removed from the application.

Why is there such a compressed timeframe? We recognize that this is not an optimal phasing and timing for making a significant decision like this. The innovation funding guidelines have been shifting, and it has been difficult to ascertain eligibility and plan ahead. However, with the possibility of generating revenue that can help subsidize user groups' access for five years, and given financial challenges to all of our City departments, we believe it may be worth proceeding.

What have been the benefits of the City maintaining Hobbs? The facility provides safe, high-quality ice facility to the community, and ensures maximized use of available hours of icetime. Staff also ensure the complex mechanical systems required for ice are maintained and operated with safety and efficiency in mind. ECYH has roughly 250 skaters at all youth age levels, ECFSC has roughly 100 skaters at all youth age levels not including a Learn to Skate program that operates year round. UWEC has a mens and womens NCAA division three hockey program along with mens and womens club hockey teams and a club figure skating teams. ECASD has three WIAA high school teams, with Memorial and North having boys programs and North operating a co-op girls team with players from all three Eau Claire high schools, Fall Creek, and occasionally others. The public has access to Hobbs through year-round public open skating offerings. ECPR also provides recreational programming at Hobbs to the community at affordable rates.

All of these participants rely on Hobbs to receive the benefits of participation that they receive. Specifically for youth, there is economical access to organized extracurriculars and the mental and physical health benefits that go along with participation that the community receives as a result. Participants with UWEC and the ECASD teams receive similar benefits, with the UWEC/ECASD and the overall community benefiting from those programs existing here.

The Recreation offices of Eau Claire Parks, Recreation, and Forestry are also located at Hobbs and were moved there during the 2009 renovation, which eliminated a building from the City's inventory of buildings. At the time, that elimination saved the City roughly \$180,000 per year by elimination of a custodial position responsible for the ECPR building as well as elimination of the building altogether from the City's property.

Hobbs is a significant driver of winter tourism as well, with ECYH tournaments bringing in 21 or more visiting teams three to five times per year. ECYH regular season games are all against visiting teams from elsewhere in the state or upper-midwest, so all visiting teams are travelling to Eau Claire when skating at Hobbs. The EC Figure Skating Club also operates an annual competition with 100+ participants travelling from other parts of the state and upper midwest, as well as 40+ synchronized skating teams travelling to EC to participate in that part of the annual competition. These all incur hotel stays, restaurant visits, and shopping in the area which benefits the overall community.

How will these advantages to the community be maintained in the future? We seek a partner who can work with other partners to protect current user groups' access to affordable ice time, while also envisioning a future for ice in coming decades. We believe that a collaborative of partners, including Visit Eau Claire and potential developers, may be best positioned to create and advocate for this vision.

What open questions and terms are currently being discussed? We are discussing the following draft terms.

Proposed City Responsibilities

- Allow operational control of use of the property to transferee.
- Maintain ownership of the property.
- Maintain property insurance of the property.
- Maintain risk of capital repair needs.
- Provide existing operational policies/procedures, maintenance standards/procedures, etc to transferee.
- Keep proceeds of Innovation Grant funding and apply directly to outstanding 2009 and 20019 renovation debt.
- Conduct pre-transfer inspection/walkthrough to establish existing conditions.
- Establish rental rate for use of certain City property for Hobbs including ice maintenance equipment (resurfacers, edger), and other maintenance equipment such as hand tools, ladders, etc.
- Conduct post-transfer walkthrough to confirm return of property in same as existing conditions
- Refer all entities inquiring about use of the property to the transferee.
- Maintain records as required for the Innovation Grant funding.

Proposed Transferee Responsibilities

- Coordinate all use of the facility (scheduling, fees, policies & procedures, etc)
- Pay all costs associated with the above
- Maintain existing uses by each user at their current volume/schedule and according to existing agreements (UWEC locker rooms, HWGA consignment sale, ECFSC/ECYH room use agreements)

- Allow existing community events to have first right of refusal for same dates during each year of transfer agreement (FSC spring ice show/competition, HWGA sale, ECPR programming use)
- Perform or coordinate performance of all maintenance of the property including general grounds maintenance, parking lot maintenance, mechanical system maintenance, ice and playing field maintenance, equipment maintenance, etc.
- Pay all costs associated with the above.
- Transferee responsible for securing/contracting all necessary equipment, materials/supplies, labor, to perform all maintenance.
- Transferee required to ensure ice and mechanical system maintenance is performed according to standards provided by City.
- Responsible for any and all damage to the property, including damage due to vandalism, improper use, improper maintenance, etc.
- Make no capital improvements or modifications to the property without express written approval from the City.
- Allow existing ECPR uses of Hobbs to continue at their current volume/schedule/pricing (Par Te Rec, Gymnastics/Tumbling, Art, Rec offices).
- Maintain records as required for the Innovation Grant funding.
- Create an advisory committee or board with representation from ECYH, EC Figure Skating Club, ECASD, UWEC for the purpose of communication, transparency, and cooperative coordination among all organizations currently using the facility.
- Honor existing agreements (UWEC locker room area, advertising agreements, ECYH/ECFSC room use agreements, etc).
- Maintain applicable insurance (Renter's).

Others

- Pay rent to the transferee for use of existing Recreation offices \$25,000 per year (Some portion of City subsidy of 2009 renovation has essentially been paying for construction of these offices over time)
- Unsure on allowing use of City network/IT related equipment (Hobbs operations office computers/printer, building network/WIFI, etc)
- Transferability?
- Severability?
- Responsibility if grant not awarded or ended prematurely?
- What happens at end of agreement?
- Liability?
- Emergency Action Plans? (Air Quality, Refrigeration, Severe Weather, Security, etc)