



ANNUAL REPORT

FISCAL YEAR 2023

Proudly Serving All Wisconsin Nonprofit Institutions



Wisconsin Health and Educational
Facilities Authority

A topographic map of Wisconsin, showing county boundaries and major water bodies. The map is light green and blue, with white lines for county borders and blue lines for rivers and lakes. The text is overlaid on the map.

Since 1979, WHEFA has completed

967 financings totaling more than
\$32.0 billion, representing more than
\$14.1 billion in new money capital
projects and supporting more than
233,000 jobs in the Badger State.

EXECUTIVE DIRECTOR'S MESSAGE

JULY 2022 – JUNE 2023

18
FINANCINGS

18
UNIQUE
BORROWERS

17
CITIES

11
COUNTIES

180 JOBS CREATED

\$741
MILLION
FINANCED

On behalf of the Wisconsin Health and Educational Facilities Authority (WHEFA), I am pleased to present WHEFA's Annual Report for its fiscal year ending June 30, 2023 (FY 2023).



WHEFA is committed to being a partner to nonprofit organizations throughout Wisconsin and providing knowledgeable and experienced assistance in obtaining low-cost capital financing.

WHEFA is proud of the positive role it has played supporting financial success, economic development, and job growth throughout Wisconsin for over 40 years.

By the Numbers – FY 2023 represents another successful year during which WHEFA supported numerous nonprofits throughout Wisconsin. WHEFA completed tax-exempt bond financings, supporting 18 different nonprofit borrowers, located in 17 cities throughout Wisconsin. Also of note is that WHEFA assisted 5 first-time WHEFA borrowers in fiscal year 2023. Other key details are provided in the graphic to the left. It is exciting to see this level of activity, as this is an indication that the organizations we serve find value using tax-exempt financing issued by WHEFA to support their mission.

Looking Forward – Tax-exempt financing remains an important and effective financing tool for nonprofit organizations. This is particularly true during the uncertainty and volatility of the interest rate environment. WHEFA remains uniquely positioned to use its knowledge and experience to provide access to capital on a tax-exempt basis and is proud to support the mission-critical projects of the nonprofit organizations we serve.

As we continue into the new year, I encourage all nonprofit organizations to contact WHEFA when contemplating a borrowing for a new project or refinancing of existing debt. WHEFA would be honored to serve as a resource, regardless of whether it is part of the ultimate plan of finance.

In Closing – I would also like to thank our Members, staff, and each of the experienced professionals who serve on the financing teams for their ongoing commitment and dedication to WHEFA. It is because of their hard work and support that WHEFA has been able to assist so many nonprofit organizations over the years in an efficient and cost-effective manner.

Sincerely,



Larry D. Wiemer II, Executive Director

“Supporting nonprofit organizations in all 72 counties has been a priority for our administration since Day One, and we are celebrating another successful year thanks to our partners at WHEFA, who play a vital role in ensuring nonprofit organizations of all types have access to low-cost, tax-exempt financing to continue and expand their good work. I’m proud to say that this last year, WHEFA provided invaluable support to organizations across the state—specifically our acute care hospitals, senior care facilities, schools, and other community-based service organizations—and I look forward to continuing our partnership in 2024.”

Governor Tony Evers
December 15, 2023

ABOUT WHEFA

MISSION STATEMENT

The Wisconsin Health and Educational Facilities Authority (“WHEFA”) assists all eligible Wisconsin nonprofit organizations to obtain and maintain access to tax-exempt financing in order to finance or refinance their capital improvement and expansion needs.

VISION STATEMENT

Regardless of whether WHEFA is involved in the ultimate issuance of bonds, WHEFA will be a resource to Wisconsin nonprofit organizations when researching and evaluating various financing options.

WHEFA will fulfill its mission by providing prompt, user-friendly, efficient, and cost effective financing, communication, education, and advocacy services to all stakeholders including financing team participants, government, trade associations, and the public.

WHEFA’s ability to be successful is dependent on effective Member leadership and a staff that can provide operational excellence. This success requires Members and staff to be well informed about issues facing the industries served by WHEFA and to stay abreast of financing options available to them.

WHEFA OVERVIEW

WHEFA, created by the Wisconsin legislature in 1973 (Chapter 231, Wisconsin Statutes), has been providing active capital financing assistance to Wisconsin nonprofit health care organizations since 1979. Over the years, the Wisconsin legislature has expanded the types of nonprofit entities eligible for WHEFA financing assistance from just hospitals and other health care entities, to also include independent colleges and universities, certain continuing care facilities, private elementary and secondary schools, research facilities, and community rehabilitation providers. WHEFA’s charter now allows all 501(c)(3) nonprofit organizations with a project in Wisconsin access to low-cost capital financing.

Funds for each project financed by WHEFA are obtained through the sale of revenue bonds of WHEFA. Bonds are sold to institutional lenders in “direct placement” transactions and through an underwriter to individual and institutional investors in “public offerings”. Bond sale proceeds are loaned by WHEFA to the borrowing organization or project sponsor. No state or other public funds are used.

WHEFA’s bonds are payable solely out of loan repayments from the borrowing organization, sponsor or guarantor. The bonds are not a debt, liability, or “moral” obligation of the State of Wisconsin or any of its political subdivisions. WHEFA has no taxing power.

The credit supporting any WHEFA bond issue is the credit of the borrowing entity involved. The availability of financing and its terms and conditions depends in each case upon the credit-worthiness of each borrower. Interest paid on WHEFA bonds is exempt from federal income taxation, resulting in materially lower financing costs to the borrowing organization. Interest on certain bonds issued by WHEFA is exempt from present Wisconsin income taxation.

WHEFA MEMBERS

WHEFA consists of seven Members, all of whom must be Wisconsin residents, appointed by the Governor of the State of Wisconsin, by and with the consent of the Wisconsin State Senate. Members of WHEFA serve staggered seven-year terms and continue to serve until their successors are appointed. The current Members are:

James Dietsche, Chairperson

Chief Financial Officer, KerberRose, Green Bay, WI

Tim Size, Vice-Chairperson

Executive Director, Rural Wisconsin Health Cooperative, Sauk City, WI

Renee Anderson, Member

President/CEO, Saint John's Communities, Inc., Milwaukee, WI

Billie Jo Higgins, Member

Vice President Finance & Information Services, Evergreen Retirement Community, Oshkosh, WI

James Oppermann, Member

Former Senior Vice President – Finance and Management Services, Alverno College, Milwaukee, WI

Pamela Stanick, Member

Vice President, Finance & Treasury, The Medical College of Wisconsin, Inc., Milwaukee, WI

Robert Van Meeteren, Member

President/CEO, Reedsburg Area Medical Center, Inc., Reedsburg, WI

WHEFA CONSULTANTS

Quarles & Brady LLP has been
General Counsel to WHEFA since 1979.

CliftonLarsonAllen LLP has been
Independent Auditors to WHEFA since 2019.

1979

WHEFA's
first financing

WHEFA STAFF

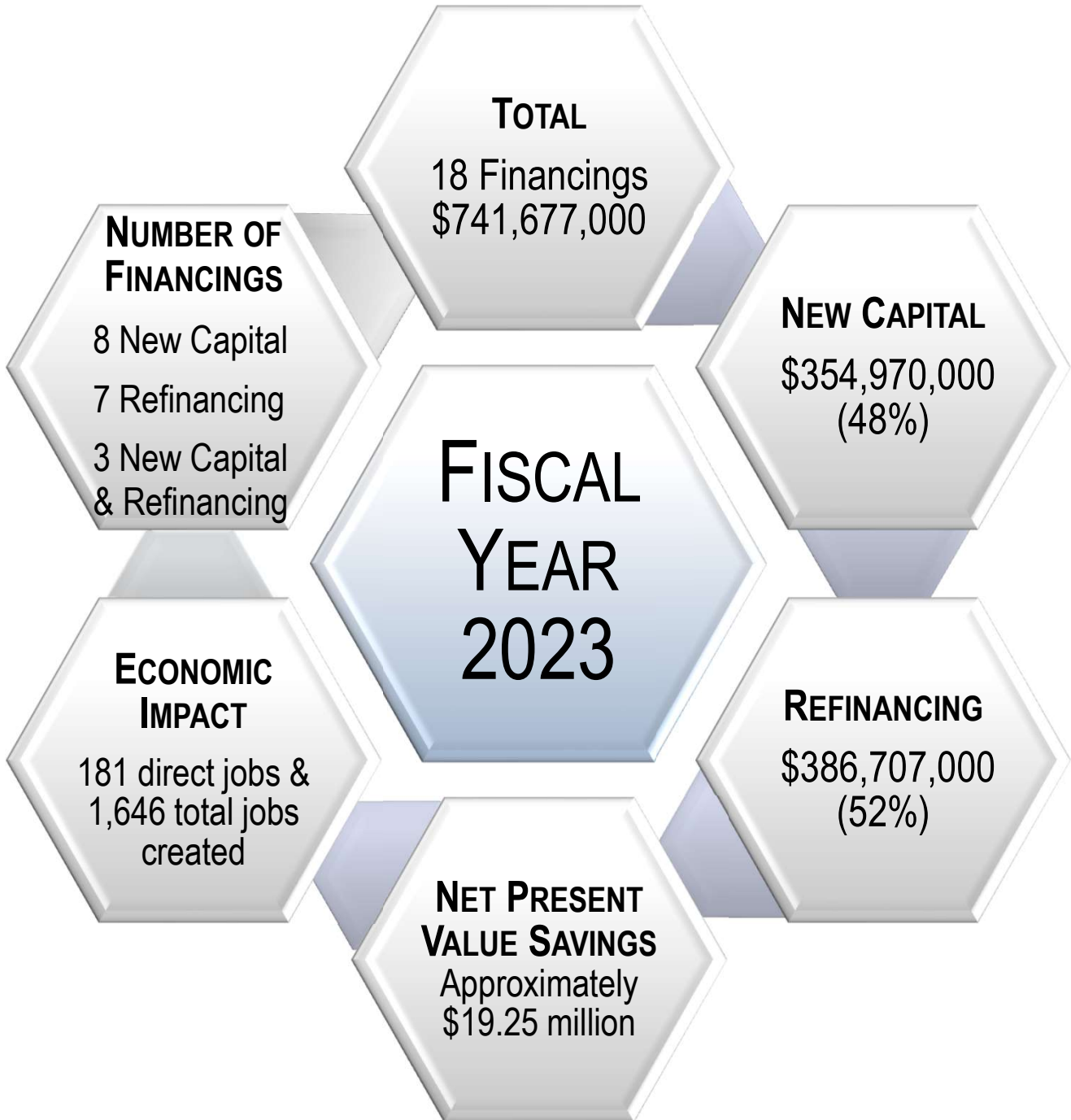
Larry D. Wiemer II, Executive Director.

Tatiana M. Graver, Associate Executive Director.

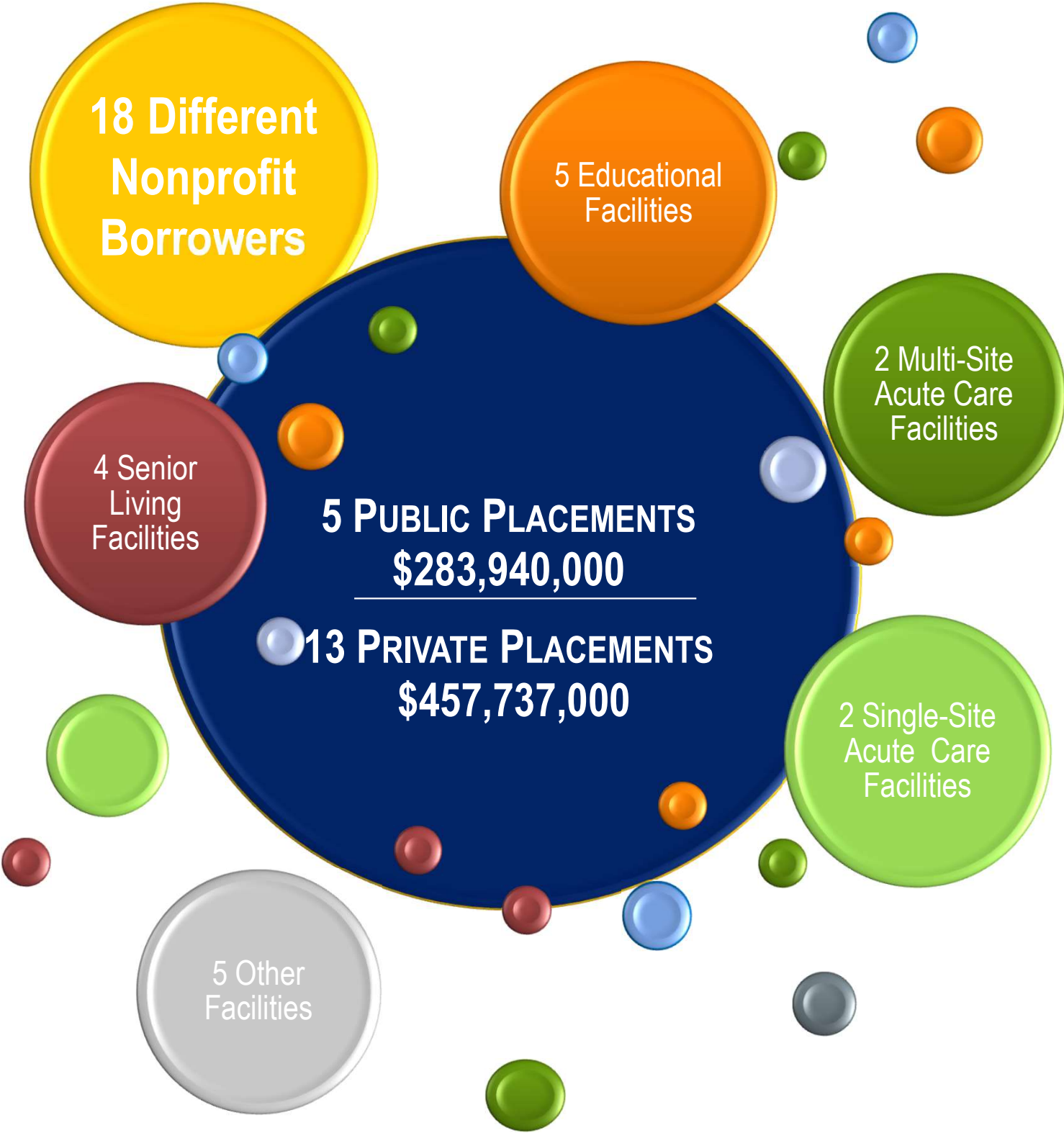
Tanya L. Coppersmith, Manager of Operations and Finance.

Stephanie L. Schirripa, Executive Assistant.

OVERVIEW - FISCAL YEAR 2023



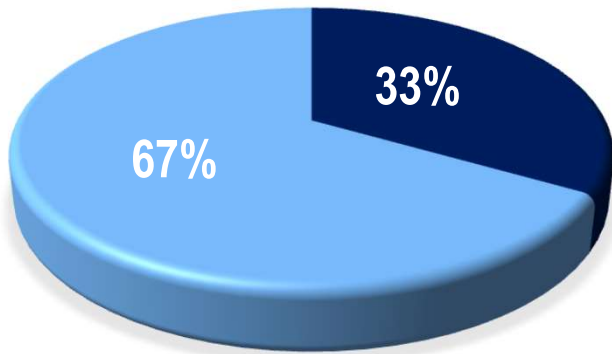
FINANCING HIGHLIGHTS



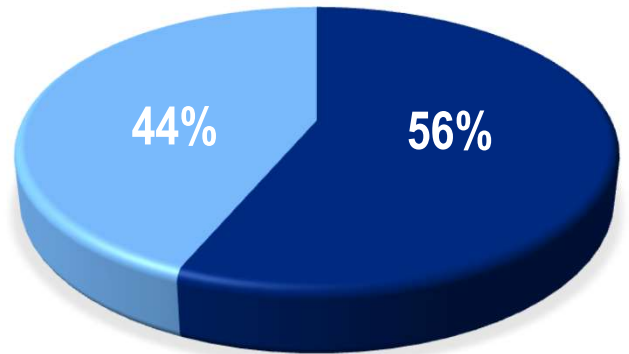
CREDIT STRUCTURE

FISCAL YEAR 2023 ACTIVITY

	<u>Rated</u>	<u>Enhanced</u>	<u>Unrated</u>	<u>Total</u>
Fiscal 2023 - #	6	-	12	18
Fiscal 2023 - \$	\$418,380,000	-	\$323,297,000	\$741,677,000



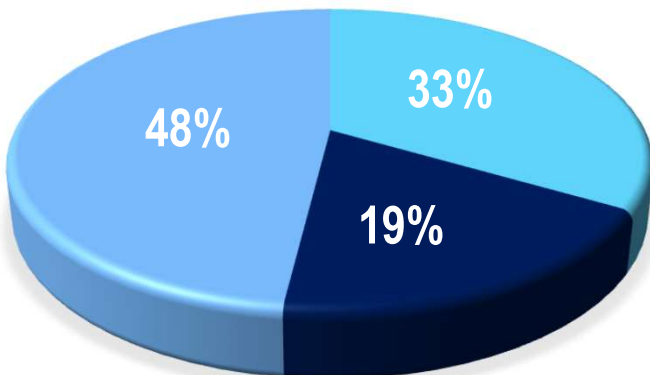
NUMBER OF ISSUES



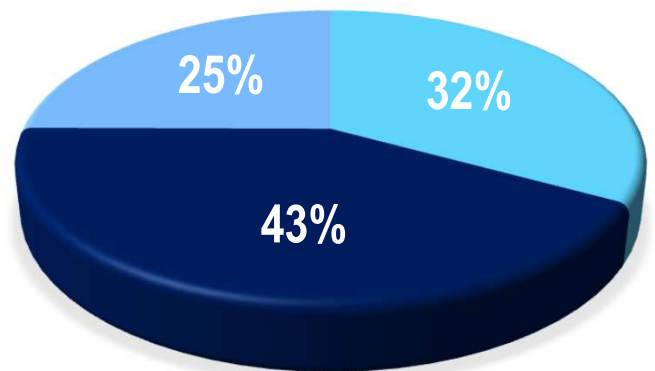
DOLLARS ISSUED

TOTAL WHEFA ACTIVITY SINCE INCEPTION

	<u>Enhanced</u>	<u>Rated</u>	<u>Unrated</u>	<u>Total</u>
Total Activity - #	317	182	468	967
Total Activity - \$	\$10,340,066,000	\$13,612,519,000	\$8,122,721,000	\$32,075,306,000



NUMBER OF ISSUES

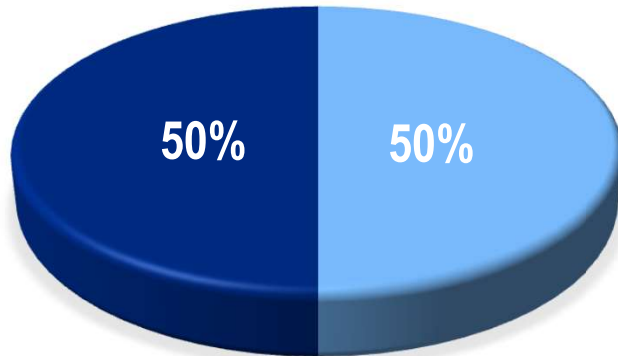


DOLLARS ISSUED

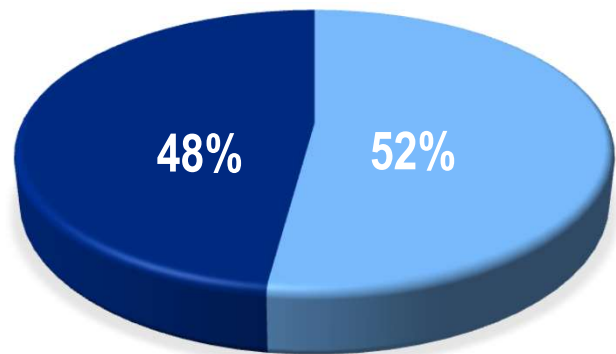
USE OF BOND PROCEEDS

FISCAL YEAR 2023 ACTIVITY

	<u>Refinancing</u>	<u>New Money</u>	<u>Total</u>
Fiscal 2023 - #	9	9	18
Fiscal 2023 - \$	\$386,707,000	\$354,970,000	\$741,677,000



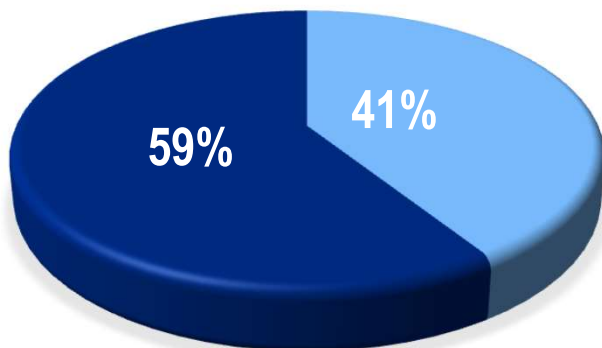
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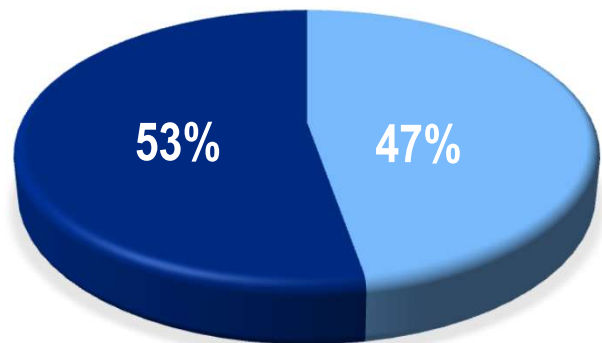
DOLLARS ISSUED

TOTAL WHEFA ACTIVITY SINCE INCEPTION

	<u>Refinancing</u>	<u>New Money</u>	<u>Total</u>
Total Activity - #	397	570	967
Total Activity - \$	\$15,188,001,000	\$163,887,305,000	\$32,075,306,000



NUMBER OF ISSUES



DOLLARS ISSUED

EDUCATOR | RESOURCE | ADVOCATE

PROUDLY SERVING ALL WISCONSIN
NONPROFIT INSTITUTIONS

WIHEFA



Access to Tax-Exempt
Financing for
Capital Improvement &
Expansion Needs

Finance

Refinance

FINANCINGS FOR FISCAL YEAR 2023

The logo for WHEFA is positioned behind the main title. It features the letters 'WHEFA' in a large, light blue, sans-serif font. To the right of the letters is a light blue silhouette of the state of Wisconsin. A light blue curved line sweeps across the bottom of the letters and the map.

WHEFA proudly assisted the following nonprofit organizations in financing and refinancing critical capital improvement and expansion projects by providing access to low-cost, tax-exempt financing.

Froedtert Health



Multi-Site Acute Care Systems



Gundersen Health System

\$134,440,000

Froedtert Health

Refinancing

July 7, 2022

Froedtert Health

▪ 11,575 FTEs ▪

“Tax-exempt financing is one of the cornerstones of Froedtert Health’s capital strategy and provides cost-efficient access to capital for enterprise growth and delivery of health care services in our communities. We’re thankful for the support of WHEFA and its team.”

**- Scott Hawig, Executive Vice President
Chief Financial and Administrative Officer
Froedtert Health**

Gundersen Health System

\$68,505,000

Refinancing

November 15, 2022

“Tax-exempt financing enables Gundersen to execute our mission of improving the health of our communities, easing the financial burden of healthcare and offering an outstanding experience of care.”

**GUNDERSEN
HEALTH SYSTEM®**

**- Jerry Oetzel, (former) Chief Financial Officer
Gundersen Health System**

▪ 7,500 FTEs ▪

Bellin Memorial Hospital



Single-Site Acute Care Facilities



Mile Bluff Medical Center

Bellin Memorial Hospital

\$130,000,000

New Construction

December 14, 2022



70 Jobs Created ▪ 150 Construction Jobs Created
▪ 4,085 FTEs ▪

"Bellin is extremely appreciative of the opportunity to work with WHEFA. As a result of the extremely efficient process, we were able to complete our public financing in a short period of time. The project Bellin is financing will grow the number of healthcare jobs in Northeastern Wisconsin and we will be able to take care of more people through this expansion. Finally, the ability to improve a blighted location within our community will lead to further development in this area. Because the area was blighted we are also able to issue all of the bonds as both federal and state tax exempt which will afford a lower cost of issuance for the organization."

- **James Dietsche, (former) EVP-Chief Financial Officer
Bellin Health Systems, Inc.**

Mile Bluff Medical Center

\$24,750,000

Renovation

September 29, 2022

"The benefits to tax-exempt debts are lower cost in interest over a longer period. As a non-profit healthcare organization, we are invested in keeping the cost of healthcare at the lowest while keeping the health system viable. Our organization is rooted in the community and needs means to stay independent and tax-exempt bonds are part of the means needed to accomplish serving our communities with limited resources."

- **Rebecca Oetzman,
Vice President/Chief Financial Officer
Mile Bluff Medical Center**



3 Jobs Created ▪ 45 Construction Jobs Created
▪ 617 FTEs ▪

Benevolent Corporation Cedar Community



Senior Living Facilities



LindenGrove Communities

Benevolent Corporation Cedar Community

\$41,000,000

Repositioning

October 21, 2022



"Cedar Community appreciates having the ability to manage our debt service costs through tax-exempt financing, allowing us to repurpose existing building space to serve older adults in new ways and creating new revenue streams that will ensure the organization's continued success."

*5 Jobs Created ▪ 31 Construction Jobs Created
▪ 300 FTEs ▪*

**- Joe Pichler, Vice President of Finance
Benevolent Corporation Cedar Community**

LindenGrove Communities

\$37,480,000

Acquisition

March 7, 2023

"LindenGrove Communities has utilized WHEFA's financing expertise for all of our bond financing requirements and have always appreciated their guidance and professionalism. This particular bond issue involved many unique and somewhat burdensome qualities that required the parties to be nimble. We cannot say enough about the WHEFA team's flexibility and accommodating nature in managing through the fluid nature of this transaction."



▪ 328 FTEs ▪

**- Mark Sperka, President & CEO
LindenGrove Communities**

Saint John's Communities



Senior Living Facilities



United Lutheran Program for the Aging

Saint John's Communities

Refinancing

\$25,945,000

September 15, 2022



“WHEFA continues to provide innovative solutions to help manage the cost of capital. Use of a forward delivery mechanism allowed us to lock while rates were low generating significant savings, a real win especially as labor and other costs continue to rise.”

**- Renee Anderson, President
Saint John's Communities, Inc.**

▪ 205 FTEs ▪

United Lutheran Program for the Aging

\$16,750,000

Repositioning and Refinancing

November 28, 2022

“Luther Manor provides nearly \$5 million in unreimbursed charity care a year in part because of generous donors and a business model that puts mission before profits. We also rely on access to tax-exempt financing to help us fund needed improvements and to bring critical programming to our community. Without the benefit of a tax-exempt rate, especially with interest rates climbing, we would not be able to afford the cost of funds needed to enhance our community and address the changing care needs of our residents. Our ability to remain strong after 60 years and ensure our mission of care continues relies on strong partners like WHEFA and access to tax-exempt financing.”



**8.5 Jobs Created ▪ 20 Construction Jobs Created
▪ 310 FTEs ▪**

**- Stephanie Chedid, President & CEO
United Lutheran Program for the Aging**

Carthage College



Lawrence University of Wisconsin



Educational Facilities



Marquette University

Carthage College

\$8,000,000

New Construction and Renovation

September 8, 2022



"Carthage is a not-for-profit organization that educates students for participation in a democratic society and in the workforce. Our education enables them to master the practical knowledge, practical skills, and soft skills they need to thrive in society and in their work. The region, state government, and the nation benefit as a result."

*22 Jobs Created ▪ 80 Construction Jobs Created
▪ 480 FTEs ▪*

**- David Timmerman, Provost
Carthage College**

Lawrence University of Wisconsin

\$43,385,000

Renovation and Refinancing

February 1, 2023

"With a tradition of excellent and affordable liberal arts and sciences education going back to 1847, Lawrence is in our community for the long haul. It takes constant reinvestment to keep our facilities up to date. Tax-exempt financing is a critical tool for keeping our borrowing costs low for capital renewal, so Lawrence can spend those dollars on improving educational resources instead of interest payments."



LAWRENCE UNIVERSITY
APPLETON, WISCONSIN

**- Samir Datta, Vice President for Finance and Administration
Lawrence University of Wisconsin**

*3.5 Jobs Created ▪ 200 Construction Jobs Created
▪ 480 FTEs ▪*

Marquette University

\$56,590,000

Refinancing

July 12, 2022



**BE THE
DIFFERENCE.**

"By refinancing capital expenses at lower interest rates, this tax-exempt financing enables Marquette University to advance its educational mission and commitment to access and affordability through more efficient financial operations."

▪ 2,241 FTEs ▪

**- Dennis Butler, Comptroller
Marquette University**

Mount Mary University



Educational Facilities



Milwaukee Science Education Consortium

**FIRST TIME
WHEFA
BORROWER**

Mount Mary University

\$5,077,000

Refinancing

May 10, 2023



▪ 320 FTEs ▪

"We were fortunate and grateful to refinance our debt at a reasonable rate due to our access to tax-exempt financing via WHEFA."

**- Dr. Isabelle Cherney, President
Mount Mary University, Inc.**

Milwaukee Science Education Consortium

\$11,985,000

Refinancing

June 22, 2023

"The Milwaukee Academy of Science is a K4-12 charter school, operating since 2000, and provides rigorous 21st century curriculum for urban students with the goal to prepare students to compete successfully in science at the post-secondary level. This refinancing will allow for the Charter School to continue to provide a rigorous education by refinancing higher interest cost debt and allow for the school to free up funds to continue investing in their students."

**- Pat Cornett, Chief Financial Officer
Milwaukee Science Education Consortium, Inc.**



▪ 165 FTEs ▪

FIRST TIME
WHEFA
BORROWER

Eau Claire Community Complex



Other Facilities



Madison Development Corporation

FIRST TIME
WHEFA
BORROWER

Eau Claire Community Complex

\$38,600,000

New Construction

October 21, 2022



630 Construction Jobs Created
▪ 68 FTEs Created ▪

“Access to tax-exempt financing is key to the viability of this project. The lower-cost construction financing helped us in securing the philanthropy for the project as well. Knowing that we will be making the greatest use of all the financial resources available to us, ensures that this project will be a cost-effective way to add a major physical asset to the university and community. We have learned that using all available resources and collaborating with partners means we end up with the best possible project.”

**- Kimera Way, President
Eau Claire Community Complex, Inc**

Madison Development Corporation

\$8,250,000

New Construction

June 20, 2023

“As a non-profit, 501c3 workforce housing developer, Madison Development Corporation relies on tax exempt financing to bring quality workforce housing to Wisconsin.”

**- Abbie Wallhaus, VP of Finance / CFO
Madison Development Corporation**



9 Construction Jobs Created
▪12 FTEs ▪

Milwaukee Regional Medical Center



Wellpoint Care Network



**FIRST TIME
WHEFA
BORROWER**

Other Facilities

**FIRST TIME
WHEFA
BORROWER**



UW-Platteville Real Estate Foundation

Milwaukee Regional Medical Center Utility and Infrastructure Obligated Group

\$59,420,000

Development and Refinancing

July 14, 2022

MILWAUKEE REGIONAL
MEDICAL CENTER

300 Construction Jobs Created

“Tax-exempt financing issued by WHEFA for the Obligated Group, as the owner & provider of many essential utility services and infrastructure for the Milwaukee Regional Medical Center, enables the renewal and expansion of the member’s critical services and assists them in accomplishing their missions.”

Long term, low-cost financing allows these vital, but privately-owned, services to be delivered efficiently and cost effectively, while allowing the healthcare institutions to dedicate more resources to the delivery of leading edge academic medical center services to all in need.”

**- Bob Mlynarek, Vice President of Finance
Milwaukee Regional Medical Center**

UW-Platteville Real Estate Foundation

\$19,000,000

Refinancing

July 15, 2022

“This refinancing allowed the UW-Platteville Real Estate Foundation to reduce our annual debt service which will enable us to better serve the UW-Platteville Foundation and the students at the University. WHEFA and our refinancing partners made the process smooth and fit into our schedule.”

**- Bill Kloster, Executive Director
UW – Platteville Real Estate Foundation, Inc.**



▪ 9 FTEs ▪

Wellpoint Care Network

\$12,500,000

Renovation

April 20, 2023



10 Construction Jobs
▪ 320 FTEs ▪

“This project transforms how we can utilize our campus to better serve the people in our care, support our staff and engage the neighbors and citizens in our NW Milwaukee location. Access to lower-cost financing allows us to implement our campus plan in a shorter time frame than using traditional financing.”

**- Ann Leinfelder Grove, President and CEO
Wellpoint Care Network**

WISCONSIN LOCATIONS OF WHEFA BORROWERS



2 MULTI-SITE ACUTE CARE FACILITIES:

*Froedtert Health – Milwaukee, Menomonee Falls, New Berlin, West Bend
Gundersen Health System – La Crosse*



2 SINGLE SITE ACUTE CARE FACILITIES:

*Bellin Memorial Hospital – Ashwaubenon, Green Bay
Mile Bluff Medical Center – Mauston*



5 EDUCATIONAL FACILITIES:

*Marquette University – Milwaukee
Carthage College – Kenosha
Lawrence University of Wisconsin – Appleton
Mount Mary University – Milwaukee
Milwaukee Science Education Consortium – Milwaukee*



4 SENIOR LIVING FACILITIES:

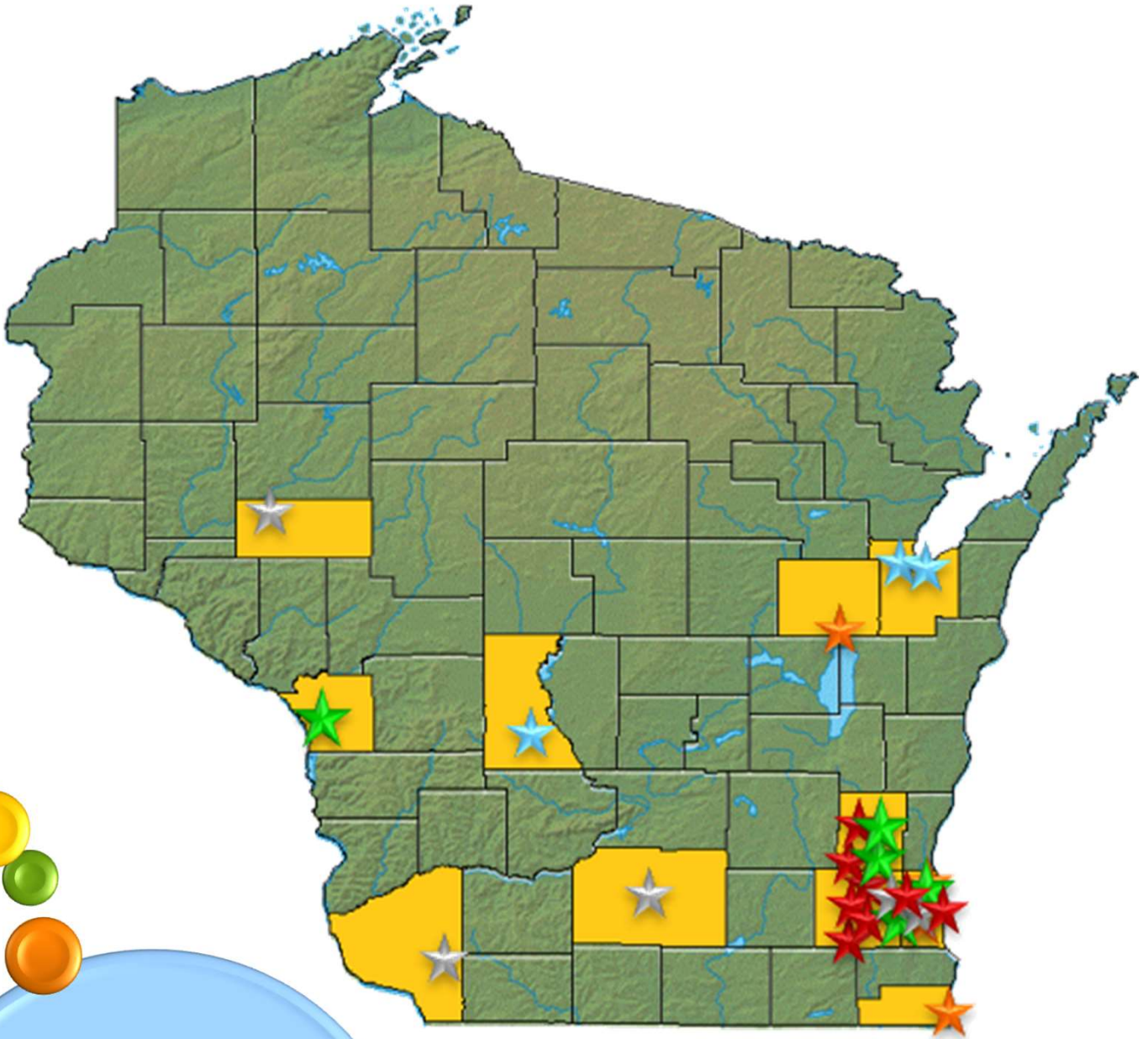
*Benevolent Corporation Cedar Community – West Bend
LindenGrove Communities – Menomonee Falls,
Mukwonago, New Berlin, Waukesha, Brookfield
Saint John's Communities – Milwaukee
United Lutheran Program for the Aging – Wauwatosa*



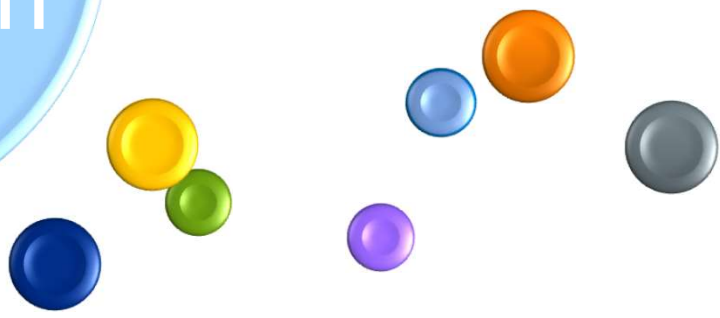
5 OTHER FACILITIES:

*Eau Claire Community Complex – Eau Claire (New)
Madison Development Corporation – Middleton (New)
Milwaukee Regional Medical Center Utility and Infrastructure – Wauwatosa
UW-Platteville Real Estate Foundation – Platteville (New)
Wellpoint Care Network – Milwaukee (New)*





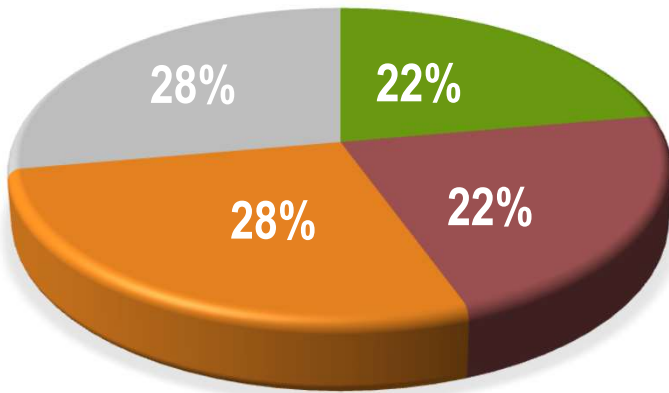
**WISCONSIN
LOCATIONS IN 17
CITIES ACROSS 11
COUNTIES**



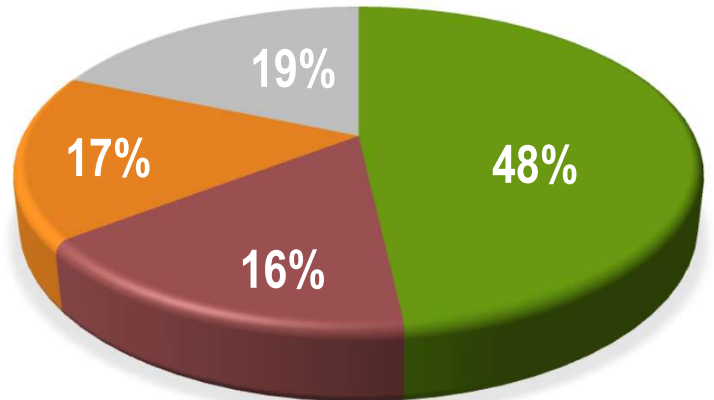
BORROWER TYPE

FISCAL YEAR 2023 ACTIVITY

	<u>Acute Care</u>	<u>Senior Living</u>	<u>Education</u>	<u>Other</u>	<u>Total</u>
Fiscal 2023 - #	4	4	5	5	18
Fiscal 2023 - \$	\$357,695,000	\$121,175,000	\$125,037,000	\$137,770,000	\$741,677,000



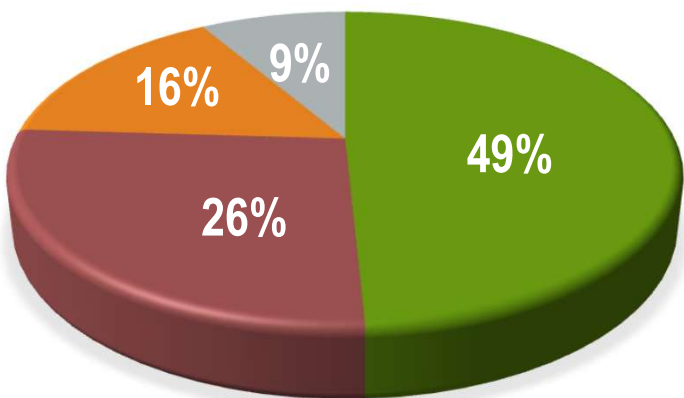
NUMBER OF ISSUES



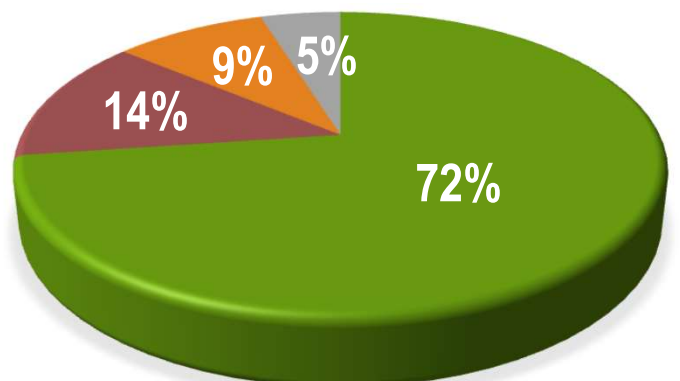
DOLLARS ISSUED

TOTAL WHEFA ACTIVITY SINCE INCEPTION

	<u>Acute Care</u>	<u>Senior Living</u>	<u>Education</u>	<u>Other</u>	<u>Total</u>
Total Activity - #	471	258	153	85	967
Total Activity - \$	\$23,175,104,000	\$4,271,814,000	\$2,985,583,000	\$1,642,805,000	\$32,075,306,000



NUMBER OF ISSUES



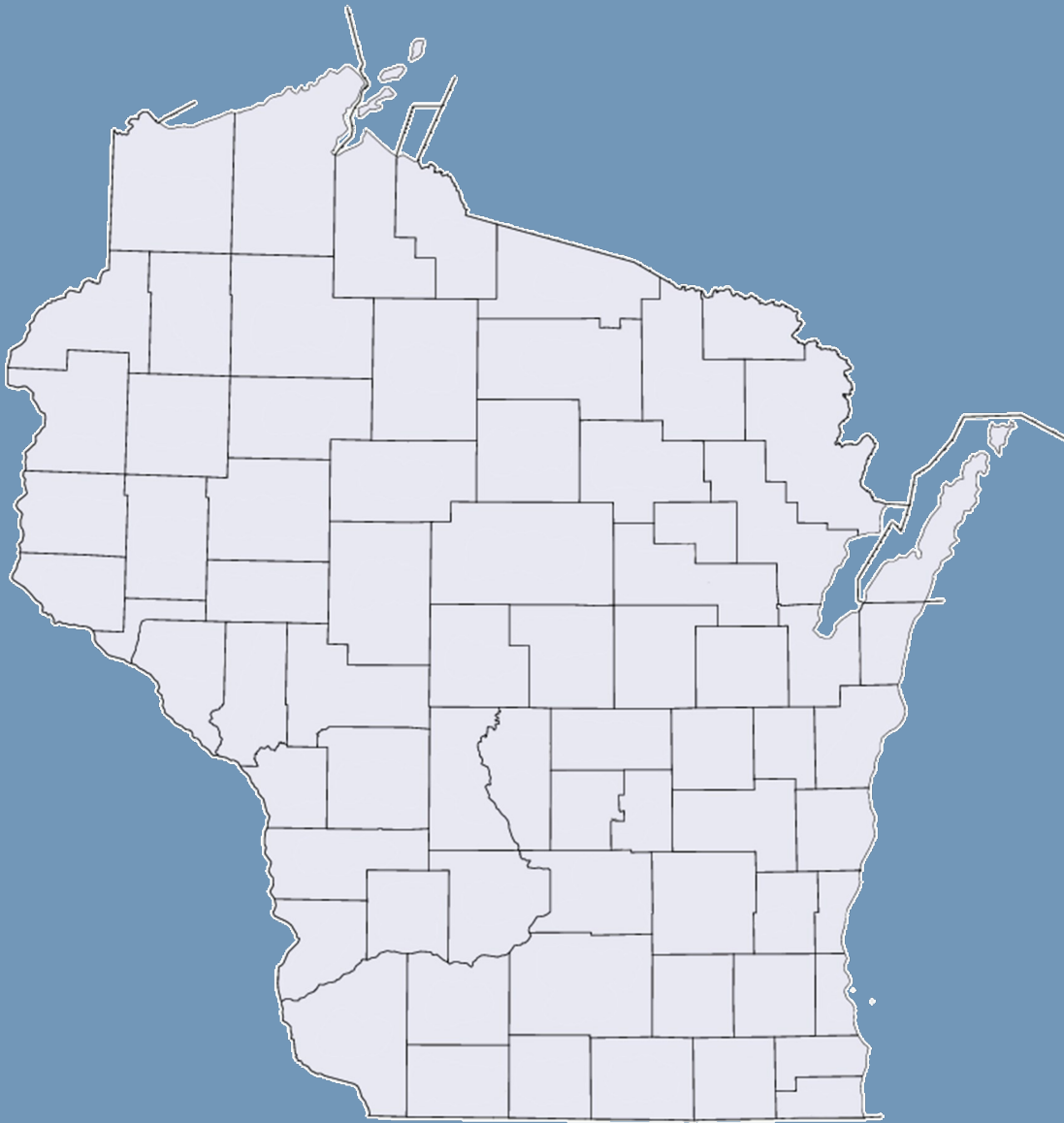
DOLLARS ISSUED

ANNUAL AUDITED FINANCIAL STATEMENTS ARE
AVAILABLE UPON REQUEST

PLEASE CONTACT WHEFA:

INFO@WHEFA.COM

(262) 792-0466



WISCONSIN HEALTH & EDUCATIONAL FACILITIES AUTHORITY

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