

Non- Departmental

**** NON - DEPARTMENTAL ****

Functional Area Summary by Agency

	2009	2010	2010	2011	Change from 2011	
	Actual (a)	Adopted Budget (b)(c)	2010 Estimate	2011 Budget (b)(c)	Adopted Budget \$	%
* TOTAL NON - DEPARTMENTAL *						
Revenues (a) (b)	\$21,763,257	\$23,534,900	\$21,735,120	\$23,518,800	(\$16,100)	-0.1%
County Tax Levy	\$374,900	\$425,000	\$425,000	\$375,000	(\$50,000)	-11.8%
Expenditures	\$20,746,108	\$23,959,900	\$21,646,185	\$23,893,800	(\$66,100)	-0.3%
Rev. Over (Under) Exp.	\$881,039	-	\$348,935	-	-	N/A
Operating Income	\$511,010	-	165,000	-	-	N/A
BREAKDOWN BY FUND						
GENERAL						
Revenues (a) (b)	\$2,407,108	\$1,748,900	\$1,928,510	\$1,739,300	(\$9,600)	-0.5%
County Tax Levy	\$124,900	\$175,000	\$175,000	\$175,000	\$0	0.0%
Expenditures (a)	\$1,860,969	\$1,923,900	\$1,804,575	\$1,914,300	(\$9,600)	-0.5%
Rev. Over (Under) Exp.	\$671,039	-	\$298,935	-	-	N/A
HEALTH AND DENTAL INSURANCE						
Revenues (b)	\$19,356,149	\$20,346,000	\$19,806,610	\$20,779,500	\$433,500	2.1%
County Tax Levy	-	-	-	-	-	N/A
Expenditures	\$18,845,139	\$20,346,000	\$19,641,610	\$20,779,500	\$433,500	2.1%
Oper Income/(Loss)	\$511,010	-	\$165,000	-	-	N/A
ENERGY EFFICIENCY REVOLVING LOAN (c)						
Revenues	-	\$440,000	-	-	(\$440,000)	-100.0%
County Tax Levy	-	-	-	-	-	N/A
Expenditures	-	\$440,000	-	-	(\$440,000)	-100.0%
Rev. Over (Under) Exp.	-	-	-	-	-	N/A
CONTINGENCY						
Revenues (b)	-	\$1,000,000	-	\$1,000,000	-	0.0%
County Tax Levy	\$250,000	\$250,000	\$250,000	\$200,000	(\$50,000)	-20.0%
Expenditures	\$40,000	\$1,250,000	\$200,000	\$1,200,000	(\$50,000)	-4.0%
Rev. Over (Under) Exp.	\$210,000	-	\$50,000	-	-	N/A

(a) For budget comparative purposes, 2009 Actual Revenues for Non-Departmental General Fund excludes an adjustment to recognize health and dental insurance reserves as an Other Revenue (related to the establishment of the Health and Dental Insurance Fund.) Actual Revenues for 2009 also exclude Jail Assessment fees of \$672,568, which are received in the Non-Departmental Budget, but budgeted (as fund balance appropriation) in subsequent years to help fund jail equipment replacements, capital projects and debt service for jail related projects. Actual revenues for 2009 also exclude Tax Increment Dissolution funds of \$619,883, which are received in the Non-Departmental Budget and appropriated as General Fund Balance in later years to partially offset tax increases.

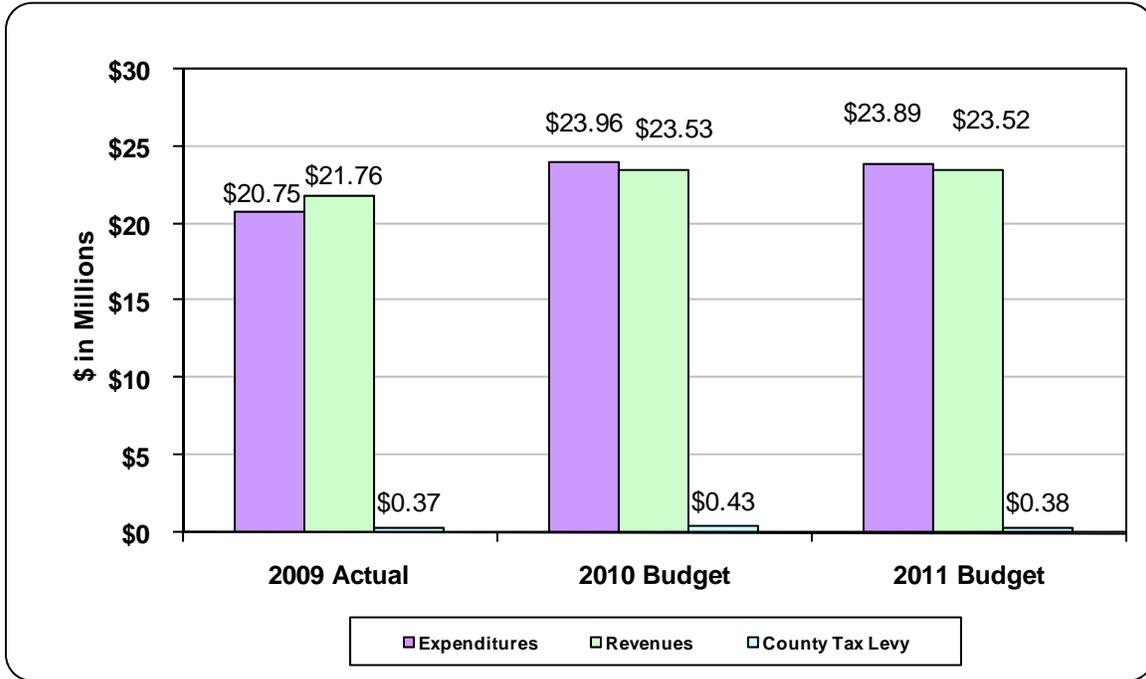
(b) Revenue Budget for 2011 includes Fund Balance appropriations totaling \$2,275,800 as follows: General Fund: \$489,300 (of which \$62,700 is from tax incremental finance (TIF) district refunds); Health and Dental Insurance Fund: \$786,500; Contingency Fund: \$1,000,000. Revenue Budget for 2010 includes Fund Balance appropriations totaling \$2,020,000 as follows: General Fund: \$537,000 (of which \$90,000 is from tax incremental finance (TIF) district refunds); Health and Dental Insurance Fund: \$483,000; Contingency Fund: \$1,000,000.

(c) This special revenue fund was established in the 2010 Budget, but later abolished during 2010 (Enrolled Ordinance 165-20). As a result, no dollars are budgeted for this fund in 2011, and no program page is included in this functional area.

NON-DEPARTMENTAL

Functional Area Budget Highlights

The Non-Departmental Functional area includes three budgets not directly associated with, or controlled by, a specific County department. The **Non-Departmental General Fund** provides for a wide variety of purposes, which includes significant items such as: membership in the Southeastern Wisconsin Regional Planning Commission; consulting services that benefit the entire County; payment of special assessments on County properties; and receipt of State Shared Revenues. The **Health and Dental Insurance Fund** is an interest-bearing Internal Service Fund, established to provide for and effectively manage the self-funded health benefits for County employees, elected officials, retirees and dependents. This Fund also includes an Employee Wellness (Health Advancement) program, designed to improve employee productivity, morale and healthcare cost savings, through health education and health focused activities. The **Energy Efficiency Revolving Loan Fund** is discontinued in the 2011 Budget (see highlights below). The **Contingency Fund** provides funds to respond to emergency situations and issues that could not be anticipated during the budget process.



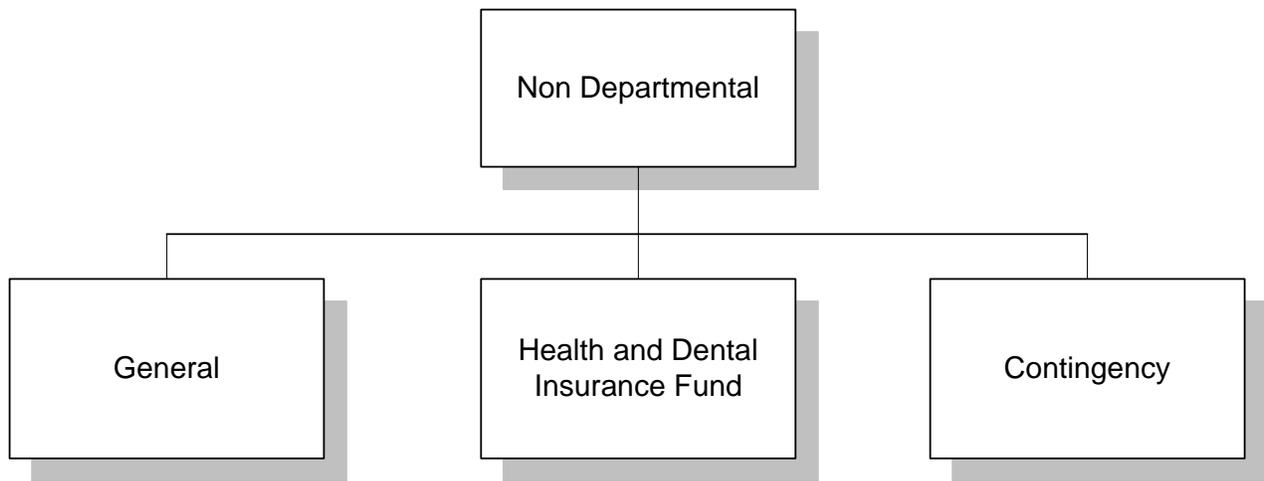
- The Tax Levy necessary to fund this functional area totals \$375,000, a decrease of \$50,000 from the 2010 Budget.
- **Non-Departmental General Fund** expenditures decrease slightly by \$9,600 or less than 1% to \$1.9 million. Budgeted retirement sick leave and vacation payouts to employees from small departments (generally fewer than 30 employees) and large departments demonstrating higher than normal payouts, decrease by \$20,000 to \$160,000. In addition, countywide employee recruitment advertising is budgeted to decrease by \$10,000 to \$40,000. Both lower sick leave/vacation payouts and lower advertising costs are likely due to fewer employees choosing to leave County employment during these economic times. This is partially offset by an increase in employee deferred compensation consulting expenditures by \$20,000 to \$40,000 (paid for entirely with revenues shared with the plan administrator, no county tax levy subsidy).
- **Health and Dental Insurance Fund** expenditures increase by \$433,500 or 2% to nearly \$20.8 million, mainly due to an increase in active employee claims costs by nearly \$1.14 million to almost \$17.6 million, based on actuarial recommendation. This is partially offset by the removal of the County's fully-insured dental insurance plan (DentaCare) from this internal service fund budget, so this Fund more consistently reports and budgets only self-insured plans (e.g., the Guardian dental plan). The removal of DentaCare reduces budgeted expenditures by \$690,000.
- **The Energy Efficiency Revolving Loan Fund** is not continued in the 2011 budget. This Fund was established in the 2010 Budget, to provide loans to local businesses to fund projects designed to improve their energy efficiency. This program was initiated with \$440,000 in Federal Stimulus Energy Efficiency Block Grant funds authorized in the American Recovery and Reinvestment Act of 2009. However, subsequently issued federal conditions, guidelines and restrictions on this grant program were deemed by Parks and Land Use management (who had custodial responsibility for this Fund) to be overly onerous and likely to frustrate small business owners participating and diminish the effectiveness of the program. The County requested, and was granted permission, from the U.S. Department of Energy to reallocate these grant dollars to assist with other federal Energy Efficiency Block Grant funded energy conservation projects (Capital Project 200918), primarily to install a solar hot water system for the Law Enforcement Center and Jail (Enrolled Ordinance 165-20). Reallocating these expenditures and revenues increases the Energy Efficiency and Conservation Block Grant Capital Project budget by \$440,000 to \$2,091,900 and eliminates the need for this special revenue fund.
- **Contingency Fund** expenditures and revenues decline by \$50,000 from the 2010 adopted budget level to \$1,200,000. Funding includes General Fund Balance appropriation of \$1,000,000 (lapsed in 2009 Contingency Budget) and Tax Levy of \$200,000 (a reduction of \$50,000 from 2010).

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Non-Departmental

NON DEPARTMENTAL

FUNCTION / PROGRAM CHART



There are no positions associated with the Non-Departmental accounts.



Statement of Purpose

This agency is established to account for those revenue and expenditure transactions that are not directly associated with or controlled by a specific departmental operating budget. This Budget also serves as a vehicle for one-time or short-term (less than five years) program appropriations.

Activities

This Budget is the custodial responsibility of the Department of Administration. Items included are State Shared Revenue, non-benefit insurance premiums for certain departments, unemployment compensation, general feasibility and operational studies, funding of the retirement and sick leave reserve, certain special local property assessments of County owned land, funding for the County's membership in the Southeast Wisconsin Regional Planning Commission (SEWRPC), funding for loss control and safety requirements which cannot be anticipated for County facilities and programs, and building and capital grant funding to the Waukesha County Historical Society (WHCS) for the Waukesha County Museum (program funding is in the Department of Parks and Land Use Budget).

Financial Summary	2009 Actual (b)	2010		2011 Budget	Change From 2010 Adopted Budget	
		Adopted Budget	2010 Estimate		\$	%
General Government (a)	\$1,542,038	\$977,000	\$977,000	\$980,000	\$3,000	0.3%
Fine/Licenses (b)	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$0	\$0	\$0	\$0	\$0	N/A
Interdepartmental (c)	\$128,319	\$94,900	\$164,900	\$70,000	(\$24,900)	-26.2%
Other Revenue (b)	\$48,556	\$140,000	\$140,000	\$200,000	\$60,000	42.9%
Appr. Fund Balance (d)	\$688,195	\$537,000	\$646,610	\$489,300	(\$47,700)	-8.9%
County Tax Levy	\$124,900	\$175,000	\$175,000	\$175,000	\$0	0.0%
Total Revenue Sources	\$2,532,008	\$1,923,900	\$2,103,510	\$1,914,300	(\$9,600)	-0.5%
Personnel Costs (d)	\$342,551	\$455,000	\$366,140	\$440,000	(\$15,000)	-3.3%
Operating Expenses (d)	\$1,466,666	\$1,408,350	\$1,377,885	\$1,412,600	\$4,250	0.3%
Interdept. Charges	\$51,752	\$60,550	\$60,550	\$61,700	\$1,150	1.9%
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$1,860,969	\$1,923,900	\$1,804,575	\$1,914,300	(\$9,600)	-0.5%
Rev. (Over) Under Exp.	\$671,039	-	\$298,935	-	-	N/A

Position Summary (FTE)

No Positions are Budgeted in this fund.

- (a) General Government revenues include State Shared Revenue payments of \$830,000 in the 2011 Budget; \$880,000 in the 2010 Budget (a portion of Shared Revenues is also in the Capital Budget). General Government revenues also include estimated countywide indirect cost reimbursements (in excess of the amounts budgeted in the Department of Administration) received from the State/Federal source for Child Support and the Aging and Disability Resource Center Grant.
- (b) 2009 Actual Fines and Licenses revenues exclude jail assessment fees of \$672,568, which are received in the Non-Departmental Budget, but budgeted in the Debt Service Fund in subsequent years to help fund jail equipment replacement and related capital projects and debt service for Jail related projects. 2009 Actual Other Revenues exclude a year-end adjustment to recognize health and dental insurance reserves (related to the establishment of the Health and Dental Insurance Fund). Actual Other Revenues in 2009 also exclude 619,883 in Tax Increment District (TID) dissolution funds, which are received in the Non-Departmental Budget and appropriated as General Fund Balance in later years to partially offset tax increases.
- (c) Interdepartmental Revenues includes indirect cost recovery in excess of the amounts budgeted in the Department of Administration of \$70,000 in the 2011 Budget; \$76,000 in the 2010 Budget; and \$91,400 in the 2009 Actual. Interdepartmental Revenues also include an interest payment received on a General Fund loan to the Radio Services Fund of \$18,900 in the 2010 Budget and \$36,909 in the 2009 actuals. This loan is paid off in 2010, and \$0 in interest payments are budgeted for 2011.
- (d) The 2010 Estimate for Appropriated Fund Balance includes \$109,610 in carryovers and open purchase orders (and related expenditure authority) from 2009. Fund Balance Appropriation for the 2011 budget is reduced by \$47,700 from the 2010 budget and includes \$160,000 for retirement payouts from reserve; \$120,000 towards the Waukesha County Historical Society (WCHS) operations grant; \$120,000 towards WCHS debt payments; \$26,600 for the Wisconsin River Rail Transit Commission (WRRTC) payment; and \$62,700 of tax increment district (TID) dissolution funds (from prior year(s)). Fund Balance Appropriation for the 2010 budget includes \$180,000 for retirement payouts from reserve; \$121,000 towards the WCHS operations grant; \$120,000 towards WCHS debt payments; \$26,000 for the WRRTC payment; and \$90,000 of TID dissolution funds (from prior year(s)).

2011 Specific Activities and Purpose:**SEWRPC Allocation**

Continue to provide funding for the County's share of the Southeastern Wisconsin Regional Planning Commission (SEWRPC) which provides regional planning, including: land use, transportation, water quality, flood-land management, and planned research for the seven counties in southeastern Wisconsin.

Waukesha County Economic Development Corporation & Tourism Initiative

Continue to support Waukesha County Economic Development Corporation (WCEDC) and Waukesha Area Convention and Visitors Bureau activity related to economic development, tourism, planning, and promotion.

Loss Control/ADA

Continue to fund loss control and safety requirements and to fund measures necessary to comply with the federal Americans with Disabilities Act (ADA) that cannot be anticipated for County facilities and programs.

Separation Payouts (Vacation/Sick Leave)

Continue budgeting for sick leave payouts that exceed normal budget amounts for large departments (funded with General Fund Balance), based on an expected higher level of retirements (as baby boomers reach retirement age). Large service departments provide for most of this cost within their respective budgets. Continue to maintain an account to fund retirement sick leave and vacation payouts in administrative and small departments.

Employee Maximum Sick Leave/Non-Represented Vacation Payouts

Continue to fund the employee incentive payment for those who have maximized their sick leave accrual (maximum of 960 hours) in prior year among non-represented employees, and the following union represented employee groups: WPPA (Protective Service Employees), Public Health Nurses, Parks Workers, Social Workers and Teamsters. Continue to fund payouts for unused vacation time (maximum 40 hours) for non-represented employees who earn more than three weeks of vacation time during a year.

Section 125 Plan Administration Costs

Continue to fund the administration of the County employees' Flexible Spending Account plans, which allow employees to set aside untaxed earnings for out-of-pocket health care expenses, which save the County the employer's cost share of FICA and Medicare payments.

Deferred Compensation Plan Consulting

Continue to provide consulting services to the employee investment advisory committee for the Deferred Compensation plan. This is offset by revenues that the plan administrator shares with the County.

Severance/Retention

Provide for the funding of a program establishing a severance budget and an incentive to remain employed with the County to the end of the year for employees that are laid off due to abolishing or unfunding their position in the budget process. Employees who leave before the end of the year or accept another County position are not eligible.

Consulting/Grant/Other

Continue to provide funding for special consulting studies identified during the year.

Merchant Card/Internet Host

Provide funding for credit card and debit card processing fees in non-enterprise activities and Internet payment web site hosting fees and budget for offsetting revenue.

Waukesha County Historical Society Capital/Debt Service & Building Operations

Provide a building operations grant to the Waukesha County Historical Society (WCHS) for maintenance of the old courthouse per enrolled resolution 157-004 and enrolled ordinance 157-076 (ninth year of a ten-year obligation). Program operations grant funding of \$215,000 is budgeted in Parks and Land Use. Direct capital grant obligation was completed in 2005. Debt service payments as a ten-year capital loan from the City of Waukesha are paid to WCHS in a separate grant. All future museum appropriations are dependent upon the WCHS meeting annual performance (attendance and business hours) standards.

Wisconsin River Rail Transit System

Funding for Wisconsin River Rail Transit Commission (WRRTC) capital project costs, funded with General Fund Balance as a short-term initiative.

Non-Departmental Program/Activity Financial Summary

Expenditures:	2009	2010	2010	2011	Budget	%
<i>Continuous</i>	Actual	Budget	Estimate	Budget	Change	Change
SEWRPC Allocation	\$652,090	\$652,000	\$650,965	\$650,000	(\$2,000)	-0.3%
Waukesha Co Econ Dev Corp (WCEDC)	\$95,000	\$95,000	\$95,000	\$95,000	\$0	0.0%
Waukesha County Tourism Initiative	\$10,000	\$10,000	\$10,000	\$10,000	\$0	0.0%
Loss Control/ADA	\$31,033	\$54,000	\$52,000	\$54,000	\$0	0.0%
Separation Payouts (Vac. & Sick Leave) (a)	\$73,400	\$180,000	\$114,000	\$160,000	(\$20,000)	-11.1%
Empl. Max. Sick Leave/Non-Rep. Vac. Payouts	\$109,450	\$120,000	\$118,740	\$120,000	\$0	0.0%
Section 125 Plan Administration Costs	\$24,528	\$35,000	\$32,000	\$35,000	\$0	0.0%
Unemployment	\$90,405	\$85,000	\$85,000	\$90,000	\$5,000	5.9%
Severance/Retention	\$37,503	\$35,000	\$16,400	\$35,000	\$0	0.0%
Deferred Compensation Plan Consulting (b)	\$4,500	\$20,000	\$20,000	\$40,000	\$20,000	100.0%
Consulting/Grant/Other	\$14,354	\$45,000	\$28,000	\$40,000	(\$5,000)	-11.1%
Merchant Card / Internet Host (c)	\$133,825	\$118,450	\$135,000	\$135,000	\$16,550	14.0%
Employment Advertising	\$20,533	\$50,000	\$25,000	\$40,000	(\$10,000)	-20.0%
Property Tax/Special Assessments	\$76,807	\$55,000	\$55,000	\$50,000	(\$5,000)	-9.1%
Printing inc. Adopted Budget Books	\$7,328	\$12,500	\$10,000	\$12,000	(\$500)	-4.0%
Work Comp/Liab/Casualty/Other Ins	\$51,752	\$60,550	\$60,550	\$61,700	\$1,150	1.9%
Other Expenses	\$3,272	\$6,400	\$6,400	\$10,000	\$3,600	56.3%
Short-Term/Temporary						
Wauk. Co. Hist. Society - Capital/Debt Svc (a)	\$120,669	\$123,000	\$123,000	\$120,000	(\$3,000)	-2.4%
Wauk. Co. Hist. Society - Bldg. Operations (a)	\$153,000	\$141,000	\$141,000	\$130,000	(\$11,000)	-7.8%
Wis. River Rail Transit System (a)	\$26,520	\$26,000	\$26,520	\$26,600	\$600	2.3%
One-Time						
Sussex Police Substation (a)	\$125,000	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$1,860,969	\$1,923,900	\$1,804,575	\$1,914,300	(\$9,600)	-0.5%
Revenue:						
State Shared Revenues	\$1,234,990	\$880,000	\$880,000	\$830,000	(\$50,000)	-5.7%
Other General Government Revenues (d)	\$307,048	\$97,000	\$97,000	\$150,000	\$53,000	54.6%
Interdepartmental Charge Revenue (e)	\$128,319	\$94,900	\$164,900	\$70,000	(\$24,900)	-26.2%
Fund Balance Appropriation (a)	\$688,195	\$537,000	\$646,610	\$489,300	(\$47,700)	-8.9%
Other Revenue (b)(c)(f)(g)	\$48,556	\$140,000	\$140,000	\$200,000	\$60,000	42.9%
Tax Levy	\$124,900	\$175,000	\$175,000	\$175,000	\$0	0.0%
Total Revenues	\$2,532,008	\$1,923,900	\$2,103,510	\$1,914,300	(\$9,600)	-0.5%
Revenues Over/(Under) Expenditures	\$671,039	-	\$298,935	-	-	N/A

- (a) The 2010 Estimate for Appropriated Fund Balance includes \$109,610 in carryovers and open purchase orders (and related expenditure authority) from 2009. Fund Balance Appropriation for the 2011 budget is reduced by \$47,700 from the 2010 budget and includes \$160,000 for retirement payouts from reserve; \$120,000 towards the Waukesha County Historical Society (WCHS) operations grant; \$120,000 towards WCHS debt payments; \$26,600 for the Wisconsin River Rail Transit Commission (WRRTC) payment; and \$62,700 of tax increment district (TID) dissolution funds (from prior year(s)). Fund Balance Appropriation for the 2010 budget includes \$180,000 for retirement payouts from reserve; \$121,000 towards the WCHS operations grant; \$120,000 towards WCHS debt payments; \$26,000 for the WRRTC payment; and \$90,000 of TID dissolution funds (from prior year(s)). Fund Balance appropriation for 2009 includes \$160,000 for retirement payouts from reserve; \$121,000 toward the WCHS operations grant; \$120,000 for WCHS debt payments; \$26,000 for the WRRTC payment; \$78,400 for TID dissolution funds (from prior year(s)); and \$182,795 for approved carryovers and open purchase orders, which includes \$125,000 as part of a one-time contribution towards a substation housing Sheriffs' services to the Village of Sussex.
- (b) Other Revenue includes offsetting revenue to pay for the Deferred Compensation Plan consulting of \$20,000 in the 2010 Budget, \$20,000 in the 2010 Estimate and \$40,000 in the 2011 Budget. No County tax levy is used to fund this expenditure.
- (c) Merchant Card/Internet Host expenditures are partially covered with internet payment convenience surcharges, budgeted in Other Revenue (\$50,000 in the 2011 budget; and \$45,000 in the 2010 Budget).
- (d) Other General Government revenues include estimated countywide indirect cost reimbursements (in excess of the amounts budgeted in the Department of Administration) received from the State/Federal source for Child Support and the Aging and Disability Resource Center Grant.
- (e) Interdepartmental Revenues includes indirect cost recovery in excess of the amounts budgeted in the Department of Administration of \$70,000 in the 2011 Budget; \$76,000 in the 2010 Budget; and \$91,400 in the 2009 Actual.
- (f) 2009 Actual Other Revenues exclude a year-end adjustment to recognize health and dental insurance reserves (related to the establishment of the Health and Dental Insurance Fund). Actual Other Revenues in 2009 also exclude \$619,883 in Tax Increment District (TID) dissolution funds, which are received in the Non-Departmental Budget and appropriated as General Fund Balance in later years to partially offset tax increases.
- (g) Other Revenues also include miscellaneous recoveries (\$60,000 in the 2011 Budget and \$75,000 in 2010 Budget).



Fund Purpose

The Health and Dental Insurance Fund is an interest-bearing Internal Service Fund established to provide for and effectively manage the health benefits for County employees, elected officials, retirees, and dependents. This Fund consists of a self-funded active employee health insurance plan, a self-funded retired employee health insurance plan, a self-funded dental insurance plan, and an employee wellness program. The Health and Dental Insurance Fund is used to account for all claims and costs filed against and paid by the County's self-funded insurance, the premiums paid for these plans, and costs associated with the wellness programs. This Fund recovers its costs through charges to County departments, employees, retirees, and qualifying former employees for COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985) benefits. This Fund provides budgetary protection by purchasing stop loss insurance coverage. A health insurance actuary is retained to assist with the determination of premium rates, insurance reserve levels and analyze effectiveness of wellness and health benefit changes to the total cost of the program.

Financial Summary	2009	2010	2010	2011	Change From 2010	
	Actual	Adopted Budget	Estimate	Budget (a)	Adopted Budget	
					\$	%
Revenues						
General Government	\$0	\$0	\$0	\$0	\$0	N/A
Fine/Licenses	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$2,838,016	\$2,782,000	\$2,820,000	\$2,773,000	(\$9,000)	-0.3%
Interdepartmental	\$15,835,212	\$16,572,000	\$16,389,000	\$16,780,000	\$208,000	1.3%
Other Revenue	\$553,782	\$509,000	\$440,000	\$440,000	(\$69,000)	-13.6%
Appr. Fund Balance (a)	\$129,139	\$483,000	\$157,610	\$786,500	\$303,500	62.8%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Total Revenue Sources	\$19,356,149	\$20,346,000	\$19,806,610	\$20,779,500	\$433,500	2.1%
Expenditures						
Personnel Costs	\$0	\$0	\$0	\$0	\$0	N/A
Operating Expenses	\$18,845,014	\$20,339,400	\$19,637,510	\$20,772,900	\$433,500	2.1%
Interdept. Charges	\$125	\$6,600	\$4,100	\$6,600	\$0	0.0%
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$18,845,139	\$20,346,000	\$19,641,610	\$20,779,500	\$433,500	2.1%
Operating Inc./Loss	\$511,010	-	\$165,000	-	-	N/A

Position Summary (FTE)

No positions are budgeted in this Fund.

- (a) Appropriated Fund Balance from Health and Dental Insurance Fund Reserves for the 2011 Budget includes \$423,000 in the Active Employee Health Insurance Program, \$105,500 in the Retired Employee Health Insurance Program, \$35,000 in the Employee Dental Insurance Program and \$223,000 in the Wellness Program.

Major Departmental Strategic Outcomes and Objectives for 2011

County-Wide Key Strategic Outcome: A County that provides customers with quality programs and services

Objective 1: Reduce health insurance costs, or the rate of premium increases through effective design changes, education, wellness initiatives and data management.

Key Outcome Indicator: Keep health insurance plan increases from prior year estimate/actual lower than medical inflation rate.

Performance Measure:	2009 Actual	2010 Budget	2010 Estimate	2011 Budget
Health Plan cost increases	3.7%	0% - 1.8%	0% - 1.8%	9.7%
Medical Inflation Rate*	12%	12.5%	11%	11%

* Milliman's (County Health Insurance Actuary) expected annual trend assumptions

County-Wide Key Strategic Outcomes: Cost effective services delivered with competence and skill

Objective 2: Control Health Plan rate of cost increase (or reduce costs).

Key Outcome Indicator: The increase in plan costs from the prior year actual/estimate for the Choice Plus (Point of Service – POS) and Consumer Driven Health (with Health Savings Account feature – HSA) Plans.

Performance Measures:

Choice Plus Plan	2009 Actual	2010 Budget	2010 Estimate	2011 Budget
Average Choice Plus Plan % increase	4.1%	0% - 1.8%	0% - 1.8%	9.7%
Average Monthly Plan Cost: Single	\$526	\$529	\$529	\$580
Family	\$1,393	\$1,398	\$1,398	\$1,532

HSA Plan	2009 Actual	2010 Budget	2010 Estimate	2011 Budget
HSA Plan % increase	3.7%	0%	0%	10%
Average Monthly Plan Cost: Single	\$407	\$407	\$407	\$448
Family	\$1,080	\$1,080	\$1,080	\$1,188

Objective 3: Establish a framework and baseline for future return on investment (ROI) analysis. This baseline will include an analysis of both direct and indirect costs such as health insurance claims, employee reported risk factors through the health risk assessment, biometric measures, and absenteeism. Since measurable benefits are expected to materialize over multiple years, the Department anticipates that it will begin reporting ROI measurement in the third year of the program (during 2011, to be reported in the 2012 budget book).

Active Employee Health Insurance

Program Description

This program area accounts for all costs associated with the operation of the Active Employee Health Insurance program. This includes medical, pharmacy, and vision claims payments; and administrative expenses, stop loss insurance premiums, consulting fees and other program-related services/expenses that may arise. This program area recovers its costs through premium charges to internal departments, employees, retirees, and COBRA participants. This program area also carries an actuarially determined Incurred But Not Reported reserve balance (outstanding claims paid in next fiscal year) as required for internal service fund accounting. A self-funded Point of Service (POS) plan (Choice Plus) is available to all active employees and elected officials. An optional plan, a Consumer Driven health plan with a Health Savings Account (HSA) feature, is available to all non-represented employees, full-time elected officials and unions that permit it to be available to its County employee members.

	2009 Actual	2010 Budget	2010 Estimate	2011 Budget	Budget Change
Staffing (FTE)	0.00	0.00	0.00	0.00	0.00
General Government	\$0	\$0	\$0	\$0	\$0
Fine/Licenses	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$1,764,304	\$1,715,000	\$1,703,000	\$1,861,000	\$146,000
Interdepartmental	\$14,816,257	\$15,434,000	\$15,327,000	\$16,138,000	\$704,000
Other Revenues	\$513,499	\$464,000	\$414,000	\$414,000	(\$50,000)
Appr. Fund Balance	\$0	\$240,000	\$0	\$423,000	\$183,000
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$17,094,060	\$17,853,000	\$17,444,000	\$18,836,000	\$983,000
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$16,767,350	\$17,851,400	\$17,280,400	\$18,834,400	\$983,000
Interdept. Charges	\$0	\$1,600	\$1,600	\$1,600	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$16,767,350	\$17,853,000	\$17,282,000	\$18,836,000	\$983,000
Operating Inc./(Loss)	\$326,710	-	\$162,000	-	-

Program Highlights

Based on actuarial recommendations, this fund estimates necessary premiums to cover the costs associated with anticipated claims to be paid in 2011 (described below). Charges for Service revenue include the employees' share (10%) of estimated premiums. Interdepartmental Charge revenues include the County's share (90%) of estimated premiums charged to County departments. Other revenues are budgeted to decrease \$50,000 and include the removal of \$71,000 budgeted in 2010 for coordination of benefit reimbursement revenues, which are instead to be netted against claims expenditures (reducing claims costs) by the third party administrator. In addition, interest income declines by \$66,000 to \$47,000 to be more in-line with prior year actual and current year estimates. This is partially offset by an increase in prescription drug rebates by \$87,000 to \$367,000 to be more in-line with prior year actual and current year estimates. Appropriated Health and Dental Insurance Fund Balance from reserves of \$423,000 is budgeted mainly to limit and smooth out projected health claim cost increases to County departments and to cover adjustments to this program's loss reserve (to cover projected claims reported in future years). Operating expenditures increase \$983,000, mostly due to an increase claims costs by \$1.14 million, based on actuarial projection that claims costs will rise by approximately 9.7% from current year estimated levels, primarily due to rising medical inflation rates. This is partially offset by a decrease in third party administrator (TPA) charges by \$130,000 to \$705,000, mainly from a favorable Request for Proposal (RFP) for TPA services conducted during 2010.

Note: Based on actuarial recommendation, \$1.7 million (approximately 10% of the \$17,579,000 in estimated claims paid) is to be reserved in the Health and Dental Insurance Fund Balance Reserves to be available for appropriation by ordinance if claims exceed appropriations in 2011.

Activity	2009 Actual (a)	2010 Budget (b)	2010 Estimate (c)	2011 Budget (b)	Budget Change
# of Health Ins. Contracts					
POS Single	385	383	378	373	(10)
Family	842	847	865	862	15
Total	1,227	1,230	1,243	1,235	5
H.S.A. Single	9	9	12	14	5
Family	6	6	7	9	3
Total	15	15	19	23	8

(a) Enrollment as of March 2009.

(b) The 2010 Budget figures are restated for comparative purposes to reflect figures used in the Countywide salary and benefit projection for the 2010 Budget, less vacant employees, whose eventual choice of health plan coverage is uncertain. 2011 Budget figures also exclude vacant positions.

(c) Based on employee health plan enrollment counts in the Payroll system as of 8/16/2010. 2010 Estimate is higher than the 2010 Budget mainly due to the creation of 18 FTE positions in the Sheriff's Department as part of a new police services contract with the City of Pewaukee.

Retired Employee Health Insurance

Program Description

This program area accounts for all costs associated with the operation of the Retired Employee Health Insurance program. This includes medical, pharmacy and vision claims payments; and administrative expenses, stop loss insurance premiums, consulting fees and other program-related services/expenses that may arise. This program area recovers its costs through premium charges to retirees. Retirees pay 100% of the premium cost. Two self-funded, separately rated from active employees, retiree plan options are available to retirees under a Dual Option Point of Service (POS) plan.

	2009 Actual	2010 Budget	2010 Estimate	2011 Budget	Budget Change
Staffing (FTE)	0.00	0.00	0.00	0.00	0.00
General Government	\$0	\$0	\$0	\$0	\$0
Fine/Licenses	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$731,531	\$825,000	\$776,000	\$841,000	\$16,000
Interdepartmental	\$0	\$0	\$0	\$0	\$0
Other Revenues	\$31,899	\$33,000	\$23,000	\$23,000	(\$10,000)
Appr. Fund Balance	\$0	\$0	\$11,000	\$105,500	\$105,500
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$763,430	\$858,000	\$810,000	\$969,500	\$111,500
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$670,471	\$857,100	\$809,100	\$968,600	\$111,500
Interdept. Charges	\$0	\$900	\$900	\$900	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$670,471	\$858,000	\$810,000	\$969,500	\$111,500
Operating Inc./(Loss)	\$92,959	-	-	-	-

Program Highlights

Based on actuarial recommendation, this fund estimates necessary premiums to cover the costs associated with anticipated claims to be paid in 2011 (described below). Charges for Service revenues, which consist of health insurance premiums paid by retirees (retirees pay 100% of premium costs), are budgeted to increase slightly by \$16,000 to \$841,000 to be more in-line with projected claims costs, mentioned below. Other revenues decrease by \$10,000, mainly due to a reduction prescription drug rebates by \$11,000 to \$19,000 to be more in-line with current year projections. Appropriated Health and Dental Insurance Fund Balance from reserves increases by \$105,500, mostly to cover the loss reserve adjustment, and to help cover potential claims costs that may exceed actuarial recommendation, mentioned below.

Operating expenditures increase by \$111,500, mostly due to an increase in estimated claims to be paid out by \$60,200 to \$830,200, based on actuarial projections that claims costs will rise by approximately 5% from the current year estimated levels. In addition, loss reserve expenditures (for projected claims to be reported in future years) increases by \$50,000 to \$61,000 in 2011, also based on actuarial recommendation.

Note: Based on actuarial recommendation, \$83,000 (approximately 10% of the \$830,200 in estimated claims paid) is to be reserved in the Health and Dental Insurance Fund Balance Reserves to be available for appropriation by ordinance if claims exceed appropriations in 2011.

Activity	2009 Actuals	2010 Budget	2010 Estimate	2011 Budget	Budget Change (b)
# of POS Retiree Health Ins. Contracts (a)					
Pre-Medicare					
Single	52	52	44	44	(8)
Family	5	7	10	10	3
Total	57	59	54	54	(5)
Medicare					
Single	20	19	14	14	(5)
Family	11	9	6	6	(3)
Total	31	28	20	20	(8)

- (a) Contract figures and the budget exclude retiree enrollment in the fully-insured Humana healthcare plan, which includes 218 participants in 2010.
- (b) Despite an estimated decrease in retiree enrollment, claims paid are estimated to increase, based on actuarial analysis, by approximately 5% from 2010 estimated levels.

Employee Dental Insurance

Program Description

This program area accounts for all costs associated with the operation of the self-funded Employee Dental Insurance program. This includes dental claims payments, administrative expenses and other program-related services/expenses that may arise. This program area recovers its costs through premium charges to internal departments, employees and COBRA participants.

	2009 Actual	2010 Budget	2010 Estimate	2011 Budget	Budget Change
Staffing (FTE)	0.00	0.00	0.00	0.00	0.00
General Government	\$0	\$0	\$0	\$0	\$0
Fine/Licenses	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$342,181	\$242,000	\$341,000	\$71,000	(\$171,000)
Interdepartmental	\$1,018,955	\$1,138,000	\$1,062,000	\$642,000	(\$496,000)
Other Revenue	\$8,384	\$12,000	\$3,000	\$3,000	(\$9,000)
Appr. Fund Balance	\$0	\$50,000	\$0	\$35,000	(\$15,000)
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$1,369,520	\$1,442,000	\$1,406,000	\$751,000	(\$691,000)
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$1,278,179	\$1,440,400	\$1,401,400	\$749,400	(\$691,000)
Interdept. Charges	\$0	\$1,600	\$1,600	\$1,600	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$1,278,179	\$1,442,000	\$1,403,000	\$751,000	(\$691,000)
Operating Inc./(Loss)	\$91,341	-	\$3,000	-	-

Program Highlights

Charges for Service revenue, which consist of the employees' share (10%) of dental premiums, decreases by \$171,000, mostly due to the removal of the County's fully-insured dental plan (DentaCare) from this internal service fund budget, so that this Fund more consistently reports and budgets only self-insured plans (e.g., Guardian). Interdepartmental Revenues, which consists of the County's share of dental premiums paid for by County departments (90%), decreases by \$496,000, also mainly due to the removal of DentaCare from the budget. Other revenues consist of interest income, which decreases by \$9,000 to be more in-line with current year estimates. Appropriated Health and Dental Insurance Fund Balance from reserves is budgeted mainly to cover a loss reserve adjustment (to cover claims reported in the future budget years).

The decrease in operating expenditures by \$691,000 is also mostly due to the removal of the County's fully-insured dental plan (DentaCare) from this internal service fund budget, so that this Fund more consistently reports and budgets only self-insured plans (e.g., Guardian).

Activity	2009 Actual (a)	2010 Budget (b)	2010 Est. (c)	2011 Budget (b)	Budget Change
# of Dental Ins. Contracts					
Guardian					
Single	210	226	205	219	(7)
Family	495	510	522	524	14
Total	705	736	727	743	7
DentaCare ❖					
Single	162	157	151	156	(1)
Family	348	359	356	359	0
Total	510	516	507	515	(1)

❖ DentaCare is a fully-insured dental insurance plan that is removed in this 2011 Internal Service Fund Budget, and is budgeted at the lowest cost plan amount in departmental budgets and accounted for in General Fund Balance Sheet Accounts.

(a) Enrollment as of March 2009.

(b) The 2010 Budget figures are restated for comparative purposes to reflect figures used in the Countywide salary and benefit projection for the 2010 Budget, less vacant employees, whose eventual choice of dental plan coverage is uncertain. 2011 Budget figures also exclude vacant positions.

(c) Based on employee plan enrollment counts in the Payroll system as of 8/16/2010.

Wellness Initiative

Program Description

This program area accounts for all costs associated with the operation of the Wellness Initiative program. This program is designed to improve the health and well-being of County employees' lives through health education and activities that will support positive lifestyle change, thereby resulting in improved employee productivity, morale and healthcare cost savings for the County and the employees. Program components include biometric screenings, health risk assessments, program marketing and communications, health coaching, data analysis to include return on investment and an interactive website.

Approximately 70% of the County's health plan contracts are family coverage. In an effort to engage employee spouses in wellness-related activities to identify risk factors, spouses are invited to participate in the "3 Steps to Success" (biometric screening, health risk assessment and nurse review call), beginning in 2010.

	2009 Actual	2010 Budget	2010 Estimate	2011 Budget	Budget Change
Staffing (FTE)	0.00	0.00	0.00	0.00	0.00
General Government	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$0	\$0	\$0	\$0	\$0
Interdepartmental	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0	\$0
Appr. Fund Balance	\$129,139	\$193,000	\$146,610	\$223,000	\$30,000
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$129,139	\$193,000	\$146,610	\$223,000	\$30,000
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$129,014	\$190,500	\$146,610	\$220,500	\$30,000
Interdept. Charges	\$125	\$2,500	\$0	\$2,500	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$129,139	\$193,000	\$146,610	\$223,000	\$30,000

Operating Inc./(Loss)	-	-	-	-	-
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Program Highlights

Appropriated Health and Dental Insurance Fund Balance from reserves is increasing by \$30,000 to cover budgeted program increases described below.

Operating expenditures increase by \$30,000, mainly due to a projected increase in participation in the Health Assessment Program by both employees and spouses from 625 in the 2010 budget to 700 (600 employees, 100 spouses) in the 2011 budget. This includes an increase in contract costs for a firm to administer this program, by \$17,000 to \$140,000. Higher participation is estimated to increase program incentive costs, designed to encourage employees to participate, by \$4,500 to \$54,500. Other operating expenses increase by \$8,500, largely to extend programming to offsite work locations (e.g., the County's highway operations facility and the Communications Center) to further encourage participation among County employees, as well as expanding the smoking cessation program to employee spouses in 2011. Interdepartmental charge expenditures include \$2,500 for postage related to program mailings.

Activity	2009 Actual	2010 Budget	2010 Estimate	2011 Budget (a)	Budget Change
Health Assessment Participation					
# Participating	497	625	525	700	75
% of Work Force	35%	46%	36%	43%	-3%
Smoking Cessation Prog. Participation (a)					
# Participating	18	20	11	22	2
% of Work Force	1%	1%	1%	1%	0%
Weight Mgt. Prog. Participation					
# Participating	116	120	148	165	45
% of Work Force	8%	9%	11%	12%	3%
Fitness Activity Participation					
# Participating	325	350	407	550	200
% of Work Force	23%	26%	29%	39%	13%

Statement of Purpose

To provide funds only for emergency and other situations which could not be anticipated or adequately planned for during the budget development and review process. In preparing agency budget requests, departments are required to identify all anticipated expenditures for projects and programs. The need for Contingency Fund transfer requests are determined by the County Executive and authorized by the Finance Committee in accordance with statutory authority and the County Board if requests exceed the statutory authority of the Finance Committee.

Financial Summary	2009 Actual	2010 Adopted Budget	2010 Estimate	2011 Budget	Change From 2010 Adopted Budget	
					\$	%
Revenues						
General Government	\$0	\$0	\$0	\$0	\$0	N/A
Fine/Licenses	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$0	\$0	\$0	\$0	\$0	N/A
Interdepartmental	\$0	\$0	\$0	\$0	\$0	N/A
Other Revenue	\$0	\$0	\$0	\$0	\$0	N/A
Appr. Fund Balance	\$0	\$1,000,000	\$0	\$1,000,000	\$0	0.0%
County Tax Levy	\$250,000	\$250,000	\$250,000	\$200,000	(\$50,000)	-20.0%
Total Revenue Sources	\$250,000	\$1,250,000	\$250,000	\$1,200,000	(\$50,000)	-4.0%
Expenditures						
Personnel Costs	\$0	\$0	\$0	\$0	\$0	N/A
Operating Expenses (a)	\$40,000	\$1,250,000	\$200,000	\$1,200,000	(\$50,000)	-4.0%
Interdept. Charges	\$0	\$0	\$0	\$0	\$0	N/A
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$40,000	\$1,250,000	\$200,000	\$1,200,000	(\$50,000)	-4.0%
Rev. Over (Under) Exp.	\$210,000	-	\$50,000	-	-	N/A

Position Summary (FTE)

No Positions are Budgeted in this fund.

- (a) 2009 Actual Contingency Fund use includes \$40,000 for Circuit Court Services for higher than normal costs related to court appointed attorneys in the Criminal Division for defendants who do not meet the state public defender criteria and statutorily required guardian ad litem representation in the Juvenile Division for children and minors.



Program Highlights

General Fund Balance is budgeted to reduce the tax levy funding.