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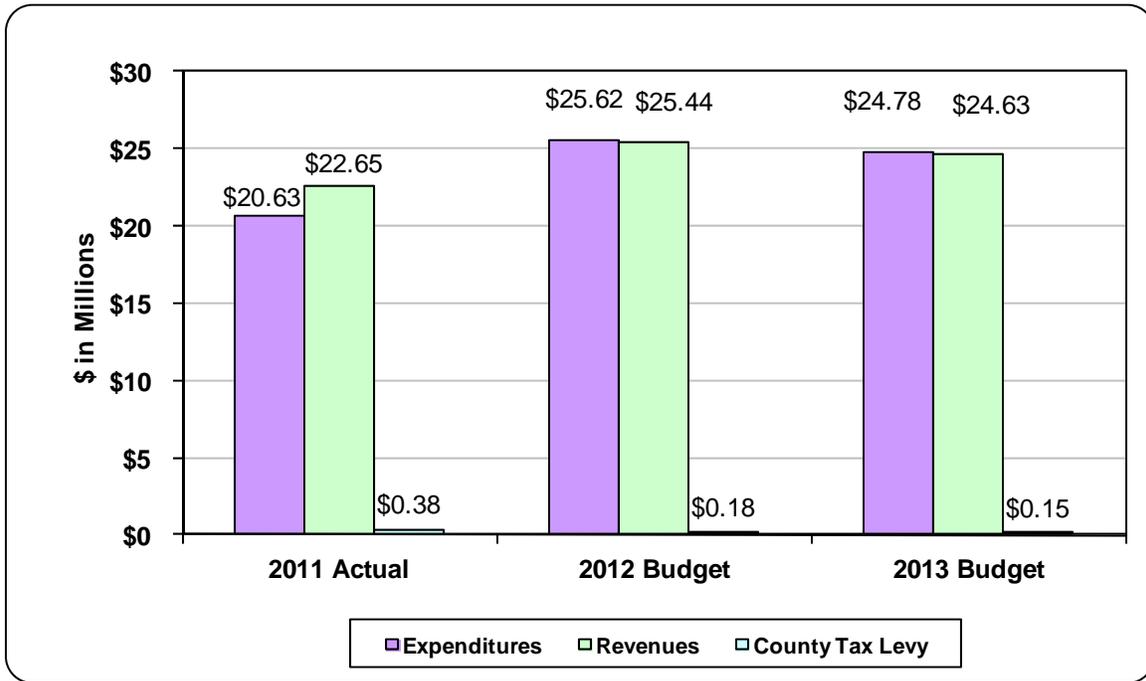
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NON-DEPARTMENTAL

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 **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 \$150,000, a decrease of \$25,000 from the 2012 Budget.
- **Non-Departmental General Fund** expenditures decrease by \$534,800 to \$1,896,300, and includes a reduction in the Waukesha County Small Business Leverage Loan program by \$200,000, from \$308,000 to \$108,000, based current-year estimates for the first year of this new program. The program is intended to provide “gap” loan funding for small, established businesses in Waukesha County to promote economic growth. The program is funded with prior-year Tax Increment District dissolution dollars returned to the County.
- **Non-Departmental** expenditures includes a reduction in contributions to the Waukesha County Historical Society (WCHS) by \$152,000, from \$237,000 to \$85,000, and provides a one-year extension of the building operations grant, in expectation of completing plans and studies of future direction and funding for the museum. Debt service payments of \$120,000 budgeted in 2012 ended as the last payment of the \$900,000 ten-year note for building improvements is paid off. This grant extension is funded with one-time General Fund Balance use. Programs operations grant funding of \$215,000 will also continue to be funded in the Parks and Land Use budget for a one-year extension pending future direction of the museum and WCHS.
- **Non-Departmental** expenditures also decrease due to the removal of \$125,000 budgeted in 2012 to cover the County’s share of a one-time property tax appeal payment for the Target Distribution Center, which was funded with General Fund Balance.
- **Health and Dental Insurance Fund** budget, which is based on actuarial recommendations, decreases expenditures by \$300,150 to \$21,684,350, mainly due to lower projected active employee claim costs by \$816,000 to \$17,503,000. This is largely due to higher anticipated enrollment levels in the lower-cost HSA plan. This decrease is partially offset by an estimated increase in the County’s contribution to employees’ health savings accounts by \$446,900 to \$965,900.
- **Contingency Fund** expenditure appropriations remain at the 2012 budgeted level of \$1.2 million and are funded with appropriated General Fund Balance.

**** NON-DEPARTMENTAL ****
Functional Area Summary by Agency

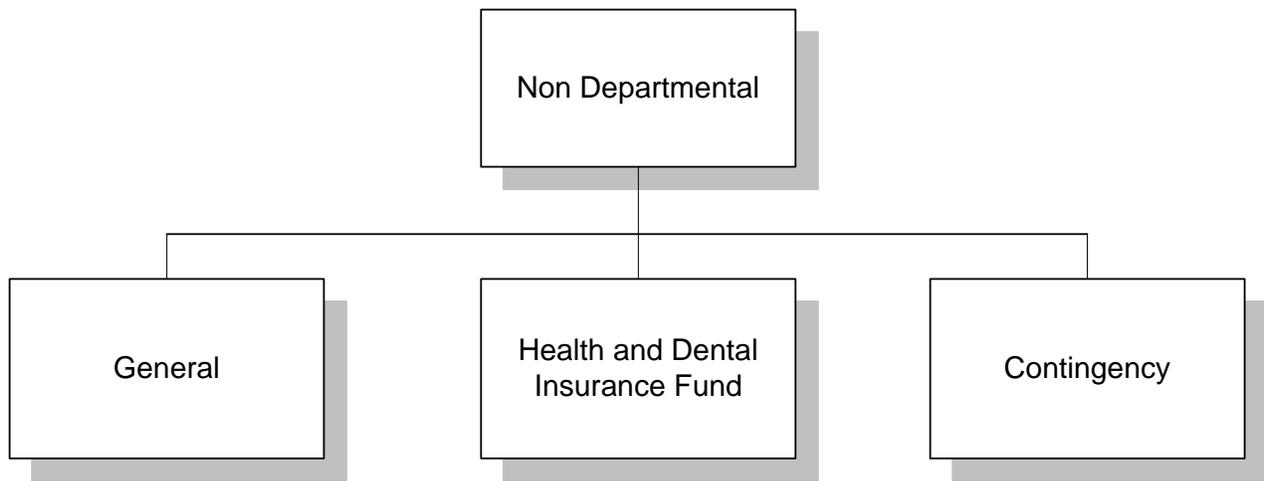
	2011 Actual (a)	2012 Adopted Budget (b)	2012 Estimate	2013 Budget (b)	Change from 2012 Adopted Budget	
					\$	%
* TOTAL NON-DEPARTMENTAL *						
Revenues (a)(b)	\$22,652,432	\$25,440,600	\$23,828,120	\$24,630,650	(\$809,950)	-3.2%
County Tax Levy	\$375,000	\$175,000	\$175,000	\$150,000	(\$25,000)	-14.3%
Expenditure	\$20,628,323	\$25,615,600	\$22,998,580	\$24,780,650	(\$834,950)	-3.3%
Rev. Over (Under) Exp.	\$395,788	-	\$57,400	-	-	N/A
Oper Income/(Loss)	\$2,003,321	-	\$947,140	-	-	N/A
BREAKDOWN BY AGENCY						
GENERAL NON-DEPARTMENTAL						
Revenues (a)(b)	\$2,189,225	\$2,256,100	\$2,375,500	\$1,746,300	(\$509,800)	-22.6%
County Tax Levy	\$175,000	\$175,000	\$175,000	\$150,000	(\$25,000)	-14.3%
Expenditure	\$2,043,237	\$2,431,100	\$2,493,100	\$1,896,300	(\$534,800)	-22.0%
Rev. Over (Under) Exp.	\$320,988	-	\$57,400	-	-	N/A
HEALTH AND DENTAL INSURANCE						
Revenues (b)	\$20,463,207	\$21,984,500	\$20,952,620	\$21,684,350	(\$300,150)	-1.4%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Expenditure	\$18,459,886	\$21,984,500	\$20,005,480	\$21,684,350	(\$300,150)	-1.4%
Oper Income/(Loss)	\$2,003,321	-	\$947,140	-	-	N/A
CONTINGENCY						
Revenues (b)	\$0	\$1,200,000	\$500,000	\$1,200,000	\$0	0.0%
County Tax Levy	\$200,000	\$0	\$0	\$0	\$0	N/A
Expenditure	\$125,200	\$1,200,000	\$500,000	\$1,200,000	\$0	0.0%
Rev. Over (Under) Exp.	\$74,800	-	-	-	-	N/A

- (a) For budget comparative purposes, 2011 Actual Revenues exclude Jail Assessment fees of about \$597,000, 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 2011 also exclude about \$4,900 in unclaimed funds revenue, which is not budgeted due to its unpredictability. Actual revenues for 2011 also exclude Tax Increment Dissolution funds of about \$22,600, which are received in the Non-Departmental Budget and become part of General Fund Balances used in later years.
- (b) Revenue Budget for 2013 includes Fund Balance appropriations totaling \$2,099,950 as follows: General Fund: \$400,500 (of which \$108,000 is from Tax Increment Dissolution (TID) funds); Health and Dental Insurance Fund: \$499,450; Contingency Fund: \$1,200,000. 2012 includes Fund Balance appropriations totaling \$2,951,000 as follows: General Fund: \$915,500 (of which \$308,000 is from Tax Increment Dissolution (TID) funds); Health and Dental Insurance Fund: \$835,500; Contingency Fund: \$1,200,000.

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 (five years or less) 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, economic development and tourism organization funding, 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 operations funding for the Waukesha County Museum (program funding is in the Department of Parks and Land Use Budget).

Financial Summary	2011 Actual	2012		2013 Budget	Change From 2012 Adopted Budget	
		Adopted Budget	2012 Estimate		\$	%
Revenues						
General Government (a)	\$1,357,965	\$1,000,000	\$1,000,000	\$1,025,800	\$25,800	2.6%
Fine/Licenses (b)	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$0	\$0	\$0	\$0	\$0	N/A
Interdepartmental (c)	\$160,941	\$110,000	\$165,000	\$110,000	\$0	0.0%
Other Revenue (b)	\$139,804	\$230,600	\$199,700	\$210,000	(\$20,600)	-8.9%
Appr. Fund Balance (d)	\$530,514	\$915,500	\$1,010,800	\$400,500	(\$515,000)	-56.3%
County Tax Levy	\$175,000	\$175,000	\$175,000	\$150,000	(\$25,000)	-14.3%
Total Revenue Sources	\$2,364,225	\$2,431,100	\$2,550,500	\$1,896,300	(\$534,800)	-22.0%
Expenditures						
Personnel Costs (d)(e)	\$326,244	\$497,000	\$429,000	\$430,000	(\$67,000)	-13.5%
Operating Expenses (d)(e)	\$1,655,321	\$1,874,100	\$2,004,100	\$1,389,500	(\$484,600)	-25.9%
Interdept. Charges	\$61,672	\$60,000	\$60,000	\$76,800	\$16,800	28.0%
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$2,043,237	\$2,431,100	\$2,493,100	\$1,896,300	(\$534,800)	-22.0%
Rev. Over (Under) Exp.	\$320,988	\$0	\$57,400	\$0	\$0	N/A

Position Summary (FTE)

No Positions are Budgeted in this fund.

- (a) General Government revenues for 2013 Budget include State Shared Revenue payments of \$645,000 and State Computer Equipment Exemption aid revenue of \$200,000 (a portion of these revenues are budgeted in the Capital Projects Fund). The 2012 Budget includes Shared Revenue payments of \$695,000 and Computer Exemption aid revenue of \$200,000. 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 funding sources for Child Support and the Aging and Disability Resource Center Grant.
- (b) 2011 Actual Fines and Licenses revenues exclude jail assessment fees of about \$597,000, which is accounted for in the Non-Departmental Budget, but budgeted in subsequent years to help fund jail equipment replacement and related capital projects and debt service for Jail related projects. Actual Other Revenues in 2011 exclude about \$22,620 in Tax Increment District (TID) dissolution funds, which are received in the Non-Departmental Budget and appropriated as General Fund Balance in later years for one-time, temporary or periodic expenditures. Actual Other Revenues in 2011 also exclude unclaimed funds revenue of about \$4,900, and is budgeted in later years as General Fund Balance due to its unpredictability.
- (c) Interdepartmental Revenues include indirect cost recovery in excess of the amounts budgeted in the Department of Administration.
- (d) Appropriated General Fund Balance for the 2013 Budget includes \$108,000 in prior-year Tax Increment District (TID) revenues to fund the Small Business Leverage Loan Funding program (down from \$308,000 in 2012); \$150,000 for retirement payouts from reserves for this purpose; \$85,000 toward a one-year extension of the Waukesha County Historical Society (WCHS) building operations grant (down from \$117,000 in 2012); \$20,000 from prior-year unclaimed funds revenues; and \$12,500 for the second year of a 4-year contribution to the Milwaukee 7 Regional Economic Development Campaign. For a description of 2012 Budget and 2012 Estimated General Fund Balance use, see footnote (a) for the Non-Departmental Program/Activity Financial Summary (third page in the budget).
- (e) For comparative purposes to the 2013 budget, expenditures for 2011 actual, 2012 adopted budget and 2012 estimate are restated to more appropriately account for third-party administration of Section 125 Plan accounts (County employee flexible spending accounts) as an operating expenditure rather than a personnel cost.

2013 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.

Wisconsin River Rail Transit System: Funding for Wisconsin River Rail Transit Commission infrastructure project costs.

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 (reserves), 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 years. 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 third-party 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 (no tax levy) 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 one-year extension of building operations grant to the Waukesha County Historical Society (WCHS) for maintenance of the old courthouse, in expectation of completing plans and studies of future direction and funding of the museum. This grant extension provides the WCHS an additional year of County support past the 10-year obligation per enrolled ordinance (157-76). Program operations grant funding of \$215,000 will also continue to be funded in the Parks and Land Use budget for the one-year extension, pending future direction of the museum by the WCHS.

Milwaukee 7 Regional Economic Development Campaign: The Milwaukee 7 is a regional, cooperative economic development platform for the seven counties of southeastern Wisconsin: Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Waukesha and Washington. Waukesha County's second-year contribution to the Milwaukee 7's Regional Economic Development Campaign is an installment toward the \$50,000 four-year commitment (\$12,500 annually, from 2012 through 2015) to be funded with appropriated General Fund Balance.

Waukesha County Small Business Leverage Loan Program: Beginning in 2012, the County established a gap loan funding program for small established businesses in Waukesha County to promote economic growth. Loans no greater than \$50,000, to be administered by a contract agency, will be targeted to small businesses in high-impact industries, such as manufacturing, technology and distribution and suppliers to larger businesses. This "gap" loan funding is intended to help businesses to qualify for larger funding from banks, the Small Business Administration (SBA) and other financial institutions to finance expansions, additional product lines, services or building capacity. The loans will be for three to five year terms, at an interest rate no less than 3% per year and funded initially with prior-year Tax Increment District dissolution dollars returned to the County. Expanded employment and/or tax base by businesses will be closely monitored. The program will sunset at the end of 2014 unless the County Board approves an ordinance for its continuation.

Non-Departmental Program/Activity Financial Summary

Expenditures:	2011	2012	2012	2013	Budget	%
<i>Continuous</i>	Actual	Budget	Estimate	Budget	Change	Change
SEWRPC Allocation	\$647,800	\$653,000	\$652,700	\$659,000	\$6,000	1%
Waukesha Co Econ Dev Corp (WCEDC) Contrib.	\$95,000	\$95,000	\$95,000	\$95,000	\$0	0%
Waukesha County Tourism Initiative	\$10,000	\$10,000	\$10,000	\$10,000	\$0	0%
Wis. River Rail Transit System	\$26,520	\$26,600	\$26,600	\$27,000	\$400	2%
Loss Control/ADA	\$5,410	\$50,000	\$55,000	\$50,000	\$0	0%
Separation Payouts (Vac. & Sick Leave) (a)	\$69,615	\$160,000	\$150,000	\$150,000	(\$10,000)	-6%
Empl. Max. Sick Leave/Non-Rep. Vac. Payouts (for Active Employees)	\$108,875	\$132,000	\$130,000	\$135,000	\$3,000	2%
Section 125 Plan Administration Costs	\$27,671	\$32,000	\$30,000	\$30,000	(\$2,000)	-6%
Unemployment (a)	\$127,156	\$110,000	\$92,000	\$85,000	(\$25,000)	-23%
Severance/Retention (a)	\$12,687	\$95,000	\$57,000	\$60,000	(\$35,000)	-37%
Deferred Compensation Plan Consulting (b)	\$24,563	\$50,000	\$50,000	\$50,000	\$0	0%
Consulting/Grant/Other	\$52,850	\$40,000	\$60,000	\$40,000	\$0	0%
Merchant Card / Internet Host (c)	\$153,728	\$135,000	\$135,000	\$135,000	\$0	0%
Employment Advertising	\$12,291	\$30,000	\$20,000	\$20,000	(\$10,000)	-33%
Property Tax/Special Assessments	\$0	\$175,000	\$140,000	\$50,000	(\$125,000)	-71%
Printing inc. Adopted Budget Books	\$5,796	\$10,000	\$6,000	\$8,000	(\$2,000)	-20%
Work Comp/Liab/Casualty/Other Ins	\$61,672	\$60,000	\$60,000	\$76,800	\$16,800	28%
Other Expenses	\$54,912	\$10,000	\$10,000	\$10,000	\$0	0%
Short-Term/Temporary/Periodic						
Wauk. Co. Hist. Society - Capital/Debt Svc (a)	\$117,241	\$120,000	\$120,000	\$0	(\$120,000)	-100%
Wauk. Co. Hist. Society - Bldg. Operations (a)	\$129,000	\$117,000	\$117,000	\$85,000	(\$32,000)	-27%
Milwaukee 7 Regional Econ Dev Campaign (a)	\$0	\$12,500	\$12,500	\$12,500	\$0	0%
Election Consultant Programming, Training & Recommendations (a)	\$0	\$0	\$256,300	\$0	\$0	N/A
Repayment of HOME Funding to HUD (d)	\$300,450	\$0	\$0	\$0	\$0	N/A
Wauk. Co. Small Business Leverage Loan Funding Program (a)	\$0	\$308,000	\$208,000	\$108,000	(\$200,000)	-65%
Total Expenditures	\$2,043,237	\$2,431,100	\$2,493,100	\$1,896,300	(\$534,800)	-22%
Revenue:						
State Shared Revenues/State Computer Aid	\$1,041,769	\$895,000	\$895,000	\$845,000	(\$50,000)	-6%
Other General Government Revenues (e)	\$316,196	\$105,000	\$105,000	\$180,800	\$75,800	72%
Intedepartmental Charge Revenue	\$160,641	\$110,000	\$165,000	\$110,000	\$0	0%
Fund Balance Appropriation (a)	\$530,514	\$915,500	\$1,010,800	\$400,500	(\$515,000)	-56%
Other Revenue (b)(c)(f)	\$140,105	\$230,600	\$199,700	\$210,000	(\$20,600)	-9%
Tax Levy	\$175,000	\$175,000	\$175,000	\$150,000	(\$25,000)	-14%
Total Revenues	\$2,364,225	\$2,431,100	\$2,550,500	\$1,896,300	(\$534,800)	-22%
Revenues Over/(Under) Expenditures	\$320,988	-	\$57,400	-	\$0	N/A

- (a) Appropriated General Fund Balance for the 2013 Budget includes \$108,000 in prior-year Tax Increment District (TID) revenues to fund the Small Business Leverage Loan Funding program (down from \$308,000 in 2012); \$150,000 for retirement payouts from reserve; \$85,000 toward the one-year extension of the Waukesha County Historical Society (WCHS) building operations grant (down from \$117,000 in 2012); and \$12,500 for the second year of a 4-year contribution to the Milwaukee 7 Regional Economic Development Campaign. The 2012 estimate includes \$52,000 in County Board approved carryovers and open purchase orders (and related expenditure authority) from 2011 and \$256,300 of Contingency Funds transferred in to cover one-time consultant costs to program the gubernatorial Recall and August Primary elections, and to train county staff and recommend changes to elections administration in the County Clerk's Office. The 2012 Budget includes \$125,000 estimated for the County's share of a one-time property tax appeal repayment for the Target Distribution Center; \$120,000 toward the last year of WCHS debt payments; \$60,000 toward one-time estimated higher employee severance/retention costs; \$20,000 toward a one-time unemployment compensation (UC) assessment by the State for interest incurred on funds the State borrowed from the federal government to pay UC costs.
- (b) Other Revenue includes offsetting revenue to pay for the Deferred Compensation Plan consulting of \$50,000 in the 2013 Budget and \$40,000 in the 2012 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 (\$60,000 in the 2013 & 2012 Budgets).
- (d) In 2011, the County made a repayment to the U.S. Department of Housing and Urban Development (HUD) for \$300,450 in federal HOME Investment Partnership grant funds that were originally advanced to the Hebron House of Hospitality for a low and moderate income housing project, which was not able to be completed (enrolled ordinance 166-26). Reimbursement from the Hebron House of Hospitality is expected in the future.
- (e) Other General Government revenue includes indirect cost recovery in excess of the amounts budgeted in the (Department of Administration) received from state and federal government funding sources including the Aging and Disability Resource Center grant and Child Support.
- (f) Other Revenues include miscellaneous recoveries (\$50,000 in the 2013 Budget and \$70,600 in the 2012 Budget) and procurement card rebate revenue in excess of what is budgeted in the Department of Administration (\$50,000 in 2013 & 2012 Budgets).



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	2011	2012	2012	2013	Change From 2012	
	Actual (a)(b)	Adopted Budget (c)	Estimate (a)	Budget (c)	Adopted Budget	%
					\$	
Revenues						
General Government	\$0	\$0	\$0	\$0	\$0	N/A
Fine/Licenses	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$2,785,657	\$3,128,000	\$3,147,000	\$3,097,200	(\$30,800)	-1.0%
Interdepartmental	\$16,936,539	\$17,577,000	\$16,991,000	\$17,628,700	\$51,700	0.3%
Other Revenue (a)(b)	\$546,157	\$444,000	\$607,440	\$459,000	\$15,000	3.4%
Apr. Fund Balance (c)	\$194,854	\$835,500	\$207,180	\$499,450	(\$336,050)	-40.2%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Total Revenue Sources	\$20,463,207	\$21,984,500	\$20,952,620	\$21,684,350	(\$300,150)	-1.4%
Expenditures						
Personnel Costs	\$0	\$0	\$0	\$0	\$0	N/A
Operating Expenses	\$18,459,886	\$21,977,900	\$19,998,880	\$21,677,750	(\$300,150)	-1.4%
Interdept. Charges	\$0	\$6,600	\$6,600	\$6,600	\$0	0.0%
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$18,459,886	\$21,984,500	\$20,005,480	\$21,684,350	(\$300,150)	-1.4%
Rev. Over (Under) Exp.	\$2,003,321	\$0	\$947,140	\$0	\$0	N/A

Position Summary (FTE)

No Positions are Budgeted in this Fund.

- (a) Other Revenues for the 2011 actual and 2012 estimate include one-time re-payments of about \$76,400 and \$140,400, received from the County's stop loss insurer for high-cost claims.
- (b) For comparability purposes, 2011 actual revenues exclude approximately \$215,000 in one-time, pass-through revenue from the federal government to County retirees to help offset health insurance costs.
- (c) Appropriated Fund Balance from Health and Dental Insurance Fund Reserves for the 2013 Budget includes \$235,300 in the Active Employee Health Insurance Program, \$35,000 in the Employee Dental Insurance Program and \$229,150 in the Wellness Program. Appropriated Fund Balance from Health and Dental Insurance Fund Reserves for the 2012 Budget includes \$570,000 in the Active Employee Health Insurance Program, \$35,000 in the Employee Dental Insurance Program and \$230,500 in the Wellness Program.

Major Departmental Strategic Outcomes and Objectives for 2013

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

Objective 1: Contain health insurance cost trends, and/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:	2011 Actual	2012 Budget	2012 Estimate	2013 Budget
Health Plan cost increases	-2.2%	7.4%	7%	-2%
Medical Inflation Rate*	9%	9%	9%	9%

* 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	2011 Actual	2012 Budget	2012 Estimate	2013 Budget
Average Plan % Premium Increase	10%	10%	10%	-0.1%
Average Monthly Plan Cost: Single	\$579	\$639	\$639	\$638
Family	\$1,532	\$1,689	\$1,687	\$1,687

HSA Plan	2011 Actual	2012 Budget	2012 Estimate	2013 Budget
Average Plan % Premium Increase	10%	6%	6%	2.5%
Average Full Monthly Plan Cost: Single	\$448	\$477	\$477	\$489
Family	\$1,188	\$1,265	\$1,265	\$1,297

Objective 3: Demonstrate return on investment (ROI) under the wellness program. In 2012, the County conducted an initial ROI analysis of the employees who participated in the 3 Steps to Success program over a three-year period (2009-11). There were 263 employees actively engaged and 994 non-engaged during this time period. The analysis looked at medical and pharmacy claims, absenteeism, participation in preventative health screenings and pre-disease risk factors. Future analysis will include data from participating employees in a three-year period in which data is available.

Key Outcome Indicator: Participation in the 3 Steps to Success program is expected to help County staff and their spouses lead healthier life styles that may, on average, lead to lower claims and sick leave-related costs.

Performance Measure:	Actively Engaged	Non- Engaged	Total Est. Cost Avoidance
2011 Avg. Health Insurance Claims	\$3,832*	\$4,028	\$46,300
2011 Avg. Pharmacy Claims	\$719	\$1,019	\$92,000
2011 Avg. Sick Leave Costs	\$3,722	\$4,215	\$42,900
2011 Total Estimated ROI			\$181,200

*Excludes one high-cost claim (>\$50K, an outlier) that skews results.

Key Outcome Indicator: Similarly, wellness program initiatives are designed to encourage individuals to be more proactive with their health to avoid the on-set of disease. This is accomplished by participating in preventive screenings and other wellness initiatives such as weight management, fitness challenges, and on-going education.

Performance Measure (For 2011):	Actively Engaged	Non- Engaged
% Having Annual Physical Exams	66%	41%
% Having Breast Cancer Screenings	77%	60%
% Having Cervical Cancer Screenings	50%	39%
% Having Colon Cancer Screenings	23%	15%

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, 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. Two health plans are offered to employees: (1) a self-funded Point of Service (POS) plan (Choice Plus) and (2) a self-funded Consumer Driven health plan with a Health Savings Account (HSA) feature. Both plans offer an incentive to employees for participating in the Health Advancement Program, designed to help reduce the County's health insurance costs (see Wellness Program). Program participants in the POS plan pay a lower premium costs share at 12% (vs. 15% for non-participants), and participants in the HSA plan receive a higher employer HSA contribution at \$1,125/\$2,250 for single/family plans (vs. \$1,000/\$2,000 for non-participants).

	2011 Actual (a)	2012 Budget	2012 Estimate (a)	2013 Budget	Budget Change
Staffing (FTE)	0.00	0.00	0.00	0.00	0.00
Charges for Services	\$1,960,935	\$2,312,000	\$2,220,000	\$2,222,000	(\$90,000)
Interdepartmental	\$16,309,789	\$16,935,000	\$16,295,000	\$16,993,900	\$58,900
Other Revenue (a)	\$523,524	\$417,000	\$585,440	\$437,000	\$20,000
Appr. Fund Balance	\$0	\$570,000	\$0	\$235,300	(\$334,700)
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$18,794,248	\$20,234,000	\$19,100,440	\$19,888,200	(\$345,800)
Operating Expenses	\$17,214,510	\$20,232,400	\$18,420,400	\$19,886,600	(\$345,800)
Interdept. Charges	\$0	\$1,600	\$1,600	\$1,600	\$0
Total Expenditures	\$17,214,510	\$20,234,000	\$18,422,000	\$19,888,200	(\$345,800)
Rev. Over (Under) Exp.	\$1,579,739	\$0	\$678,440	\$0	\$0

(a) Other Revenues for the 2011 actual and 2012 estimate include one-time re-payments of about \$76,400 and \$140,400, received from the County's stop loss insurer for high-cost claims.



Program Highlights

Based on actuarial recommendations, this fund estimates necessary premiums to cover the costs associated with anticipated claims to be paid in 2013 (described below). Charges for Service revenue include the employees' share of estimated premiums (12% or 15% for individuals enrolled in the POS plan, depending on participation in Health Advancement Program, or 10% if in the HSA plan, see program description above). Interdepartmental Charge revenues include the County's share (88%, 85% or 90%) of estimated premiums charged to County departments. Other Revenues include an increase in prescription drug rebates by \$5,000 to \$375,000, and interest income on Health and Dental Insurance Fund Balance, which increases by \$15,000 to \$62,000. Appropriated Health and Dental Insurance Fund Balance from reserves decreases by \$334,700, from \$570,000 to \$235,300, mainly due to not needing to subsidize health insurance costs to most County departments to smooth out cost increase impacts, as was done in the 2012 budget.

Operating expenditures decrease by \$345,800 to \$19,886,600, and include a decrease in claims costs by \$816,000 to \$17,503,000, mainly due to anticipated higher enrollment levels in the lower-cost HSA plan. This decrease is partially offset by an estimated increase in the County's contribution to employee health savings accounts by \$446,900 to \$965,900, also based on higher enrollment in the HSA plan. The 2013 budget includes \$35,000 for a feasibility and cost-effectiveness study of an on-site health clinic.

Note: Based on actuarial recommendation, \$1.75 million (approximately 10% of the \$17,503,000 in estimated claims costs for 2013) is to be reserved in the Health and Dental Insurance Fund Reserves to be available for appropriation by ordinance if claims exceed appropriations.

Activity	2011 Actual (a)	2012 Budget (b)	2012 Estimate (c)	2013 Budget (b)	Budget Chng
# of Health Ins. Contracts					
POS Single	305	285	250	252	(33)
Family	694	658	533	538	(120)
Total	999	943	783	790	(153)
H.S.A. Single	11	75	88	97	22
Family	8	211	304	323	112
Total	19	286	392	420	134

- (a) Enrollment as of 12/31/2011.
- (b) The 2012 and 2013 budget figures are based on the initial Countywide salary and benefit projection and exclude vacant positions. Decrease in overall enrollment from the 2012 budget to 2013 budget is mainly due to positions subsequently unfunded in the 2012.
- (c) Enrollment as of 6/18/2012.

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. Actuarial consultants rate the retiree health insurance plan separately from the active employee health insurance plans.

	2011 Actual (a)	2012 Budget	2012 Estimate	2013 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	\$741,218	\$745,000	\$855,000	\$805,000	\$60,000
Interdepartmental	\$0	\$0	\$0	\$0	\$0
Other Revenue (a)	\$19,186	\$24,000	\$19,000	\$19,000	(\$5,000)
Appr. Fund Balance	\$0	\$0	\$0	\$0	\$0
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$760,404	\$769,000	\$874,000	\$824,000	\$55,000
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$409,444	\$768,100	\$626,400	\$823,100	\$55,000
Interdept. Charges	\$0	\$900	\$900	\$900	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$409,444	\$769,000	\$627,300	\$824,000	\$55,000
Rev. Over (Under) Exp.	\$350,960	\$0	\$246,700	\$0	\$0

(a) For comparability purposes, 2011 actual revenues exclude approximately \$215,000 in one-time, pass-through revenue from the federal government to County retirees to help offset health insurance costs.



Program Highlights

Based on actuarial recommendation, which is separately rated from the active employee health plans, this fund estimates necessary premiums to cover the costs associated with anticipated claims to be paid in 2013 (described below). Charges for Service revenues consist of health insurance premiums paid by retirees (retirees pay 100% of premium costs), and assume a 4.8% premium reduction for retirees based on better-than-expected experience in 2011 and 2012. Other revenues consist of prescription drug rebates that are budgeted to decrease by \$5,000 to \$15,000 and interest income of \$4,000. The above revenues are estimated to be sufficient to cover claims and other costs in 2013, so no appropriated Health & Dental Insurance Fund Balance is budgeted in this program for 2013.

Operating expenditures increase by \$55,000, mostly due to an increase estimated claims costs by \$37,800 to \$726,200 and an increase in estimated third-party administrator (TPA) charges by \$15,450 to \$41,200.

Note: Based on actuarial recommendation, \$73,000 (approximately 10% of the \$726,200 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.

Activity	2011 Actuals (a)	2012 Budget	2012 Estimate (c)	2013 Budget	Budget Change
# of POS Retiree Health Ins. Contracts (a)					
Pre-Medicare					
Single	42	42	39	39	(3)
Family	9	9	11	11	2
Total	51	51	50	50	(1)
Medicare					
Single	11	11	6	6	(5)
Family	5	5	6	6	1
Total	16	16	12	12	(4)

(a) Contract figures and the budget exclude retiree enrollment in the Medicare Advantage healthcare plan, which had 243 participants (as of March 1, 2012), and is not accounted for in the County Budget.

(b) Enrollment as of March 1, 2011.

(c) Enrollment as of March 1, 2012.

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.

	2011 Actual	2012 Budget	2012 Estimate	2013 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	\$83,505	\$71,000	\$72,000	\$70,200	(\$800)
Interdepartmental	\$626,749	\$642,000	\$696,000	\$634,800	(\$7,200)
Other Revenue	\$3,447	\$3,000	\$3,000	\$3,000	\$0
Appr. Fund Balance	\$0	\$35,000	\$0	\$35,000	\$0
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$713,701	\$751,000	\$771,000	\$743,000	(\$8,000)
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$641,078	\$749,400	\$747,400	\$741,400	(\$8,000)
Interdept. Charges	\$0	\$1,600	\$1,600	\$1,600	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$641,078	\$751,000	\$749,000	\$743,000	(\$8,000)
Rev. Over (Under) Exp.	\$72,623	\$0	\$22,000	\$0	\$0



Program Highlights

Charges for Service revenue, which consist of the employees' share (10%) of dental premiums, and Interdepartmental Revenues, which consist of the County's share (90%) of Dental premiums, decrease a total of \$8,000 due anticipated cost decreases (discussed below). Other revenues consist of investment income, which remains at the 2012 budget level.

Operating expenditures decrease by \$8,000 to \$741,400, due to an anticipated decrease in third-party administrator (TPA) costs in 2013 by \$8,000 to \$30,000, resulting from a favorable bidding process for these services during 2012. Base operating expenditures include estimated claims costs, which remain at the 2012 budget level of \$684,000.

Activity	2011 Actual (a)	2012 Budget (b)	2012 Est. (c)	2013 Budget (b)	Budget Change
Self-Funded					
Single	199	212	193	202	(10)
Family	511	545	553	527	(18)
Total	710	757	746	729	(28)
DentaCare ❖					
Single	152	143	137	142	(1)
Family	338	343	307	296	(47)
Total	490	486	444	438	(48)

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

(a) Enrollment as of 12/31/2011

(b) The 2012 and 2013 budget figures are based on the initial Countywide salary and benefit projection and exclude vacant positions. Decrease in overall enrollment from the 2012 budget to 2013 budget is partly due to positions subsequently unfunded in the 2012 and variation in enrollment from over time.

(c) Enrollment as of 6/18/2012.

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 increase employee participation in Wellness related activities, both employees and spouses will be required to participate in the Health Advancement Program's "3 Steps to Success" (biometric screening, health risk assessment and nurse review call) in order to qualify for the following incentives: Program participants in the POS plan pay a lower premium costs share at 12% (vs. 15% for non-participants), and participants in the HSA plan receive a higher HSA contribution at \$1,125/\$2,250 for single/family plans (vs. \$1,000/\$2,000 for non-participants).

	2011 Actual	2012 Budget	2012 Estimate	2013 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	\$0	\$0	\$0	\$0	\$0
Interdepartmental	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0	\$0
Appr. Fund Balance	\$194,854	\$230,500	\$207,180	\$229,150	(\$1,350)
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$194,854	\$230,500	\$207,180	\$229,150	(\$1,350)
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$194,854	\$228,000	\$204,680	\$226,650	(\$1,350)
Interdept. Charges	\$0	\$2,500	\$2,500	\$2,500	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$194,854	\$230,500	\$207,180	\$229,150	(\$1,350)
Rev. Over (Under) Exp.	\$0	\$0	\$0	\$0	\$0



Program Highlights

Appropriated Health and Dental Insurance Fund Balance from reserves decreases by \$1,350 to \$229,150, based on a slight decrease in program expenditures. Base operating expenditures include \$140,650 in charges from a third-party contractor to administer the Health Advancement Program, \$29,000 in program incentives for participating employees, \$26,000 for health coaching programs, \$9,000 for cancer screenings and \$22,000 for other program costs.

Activity	2011 Actual	2012 Budget (b)	2012 Estimate	2013 Budget	Budget Change
Health Assessment Participation (a)					
# Participating	1,091	1,580	1,302	1,450	(130)
% of Work Force + Spouses	51%	74%	61%	68%	-6%

(a) Employee spouses are allowed to participate in the Health Advancement program.

(b) 2012 was the first year tying participation in program to employee health premium contributions.

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	2011	2012	2012	2013	Change From 2012	
	Actual (a)	Adopted Budget	Estimate (b)	Budget	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	\$1,200,000	\$500,000	\$1,200,000	\$0	0.0%
County Tax Levy	\$200,000	\$0	\$0	\$0	\$0	N/A
Total Revenue Sources	\$200,000	\$1,200,000	\$500,000	\$1,200,000	\$0	0.0%
Expenditures						
Personnel Costs	\$0	\$0	\$0	\$0	\$0	N/A
Operating Expenses (a)(b)	\$125,200	\$1,200,000	\$500,000	\$1,200,000	\$0	0.0%
Interdept. Charges	\$0	\$0	\$0	\$0	\$0	N/A
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$125,200	\$1,200,000	\$500,000	\$1,200,000	\$0	0.0%
Rev. Over (Under) Exp.	\$74,800	\$0	\$0	\$0	\$0	N/A

(a) 2011 actual Contingency Funds were used to cover above budget costs in the County Clerk's Office related to the recount of the Wisconsin Supreme Court Election in the spring of 2011.

(b) The 2012 Estimate for Contingency Funds used include \$447,300 transferred during 2012: (1) to County Clerk's Office to cover recall election costs for the Governor, Lieutenant Governor and a State Legislator; and (2) to the Non-Departmental General Fund budget to resolve problems, mitigate risks and improve County Clerk election management protocols.