Non-Departmental

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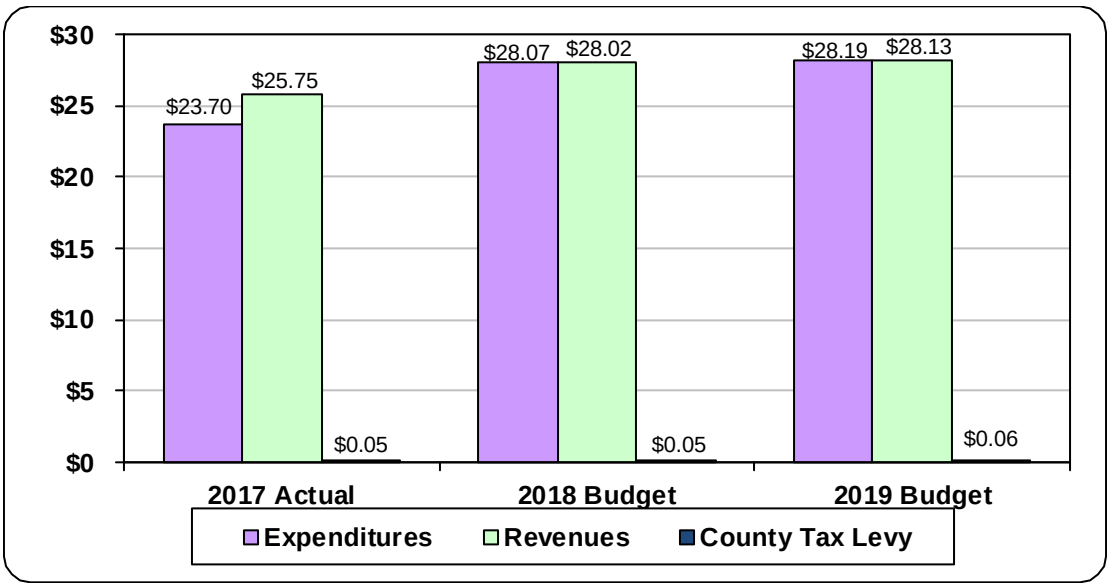
Functional Area Budget Highlights

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 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 Risk Assessment) program designed to improve employee productivity, morale and healthcare cost savings through health education and health focused activities. This fund budgets for the Waukesha Employee Health and Wellness Center for employees and retirees enrolled in county health insurance plans, with the goal of reducing prescription drug and medical costs. The center is operated through an intergovernmental agreement with the school district of Waukesha and the city of Waukesha, who are also participating. 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 $60,100, an increase of $13,900 in the 2019 budget.

- **Non-Departmental General Fund**: reduced expenditures by $163,000 in 2019. The elimination of the leverage loan program reduced expenditures by $200,000, which was partially funded with fund balance. An additional $90,000 has been included in the 2019 budget for the Waukesha County Main Jail Operational Study to identify potential efficiencies based on the best practices of similar jail operations.

- **The Waukesha Employee Health and Wellness Center (Health and Dental Insurance Fund):** Overall program expenditures increase by about $164,700, mostly due to the following:
  - Contracted clinic staffing by $100,800, largely due to additional physician assistant staffing needs and budgeting for a care coordinator (registered nurse).
  - Pharmaceutical costs by $65,000 due to higher clinic utilization.
  - Other program expenditures include contractor management and consulting fees, budgeted at $203,000, and facility-related expenses, budgeted at $55,500.
  - A change in the formula for distributing clinic costs among its partners: The city of Waukesha, school district of Waukesha, and Waukesha County. The county's share is increasing from 40% to 43% based on a contractual three-year utilization review, resulting from higher proportional usage by county employees and dependents.

- **Waukesha Employee Health and Wellness Center** – Based on the results of the request for proposal process, it was originally projected that the center will generate a positive return on investment for the combined organizations of approximately $7.7 million over a 5 year period: With savings of $3.1 million estimated for the County, $3.4 million for the school district and $1.2 million for the City. After three years of operation, the utilization of the center by employees, spouses, and dependents has grown, already resulting in an estimated three-year savings of approximately $5.9 million for the county alone and $20.8 million for all three members in total.

- **Contingency Fund** remains at the 2018 budget level of $1.2 million, funded with appropriated general fund balance.

NON-DEPARTMENTAL

Functional Area Summary by Agency

	2017 Actual	2018 Adopted Budget	2018 Estimate	2019 Budget	Change from 2018 Adopted Budget $	%
TOTAL NON-DEPARTMENTAL						
Revenues (a) (b)	$25,750,576	$28,023,900	$27,422,050	$28,126,100	$102,200	0.4%
County Tax Levy	$46,200	$46,200	$46,200	$60,100	$13,900	30.1%
Expenditure (b)	$23,702,072	$28,070,100	$28,532,146	$28,186,200	$116,100	0.4%
Rev. Over (Under) Exp.	$572,926	$0	$258,004	$0	$0	N/A
Oper Income/(Loss)	$1,521,778	$0	($1,321,900)	$0	$0	N/A
BREAKDOWN BY AGENCY						
GENERAL NON-DEPARTMENTAL						
Revenues (a)	$2,095,894	$1,959,700	$1,986,150	$1,782,500	($177,200)	-9.0%
County Tax Levy	$46,200	$46,200	$46,200	$60,100	$13,900	30.1%
Expenditure	$1,569,168	$2,005,900	$1,774,346	$1,842,600	($163,300)	-8.1%
Rev. Over (Under) Exp.	$572,926	$0	$258,004	$0	$0	N/A
HEALTH AND DENTAL INSURANCE						
Revenues (a)	$23,654,682	$24,864,200	$25,335,900	$25,143,600	$279,400	1.1%
County Tax Levy	$0	$0	$0	$0	$0	N/A
Expenditure	$22,132,904	$24,864,200	$26,657,800	$25,143,600	$279,400	1.1%
Oper Income/(Loss)	$1,521,778	$0	($1,321,900)	$0	$0	N/A
CONTINGENCY						
Revenues (a) (b)	$260,000	$1,200,000	$100,000	$1,200,000	$0	0.0%
County Tax Levy	$0	$0	$0	$0	$0	N/A
Expenditure (b)	$260,000	$1,200,000	$100,000	$1,200,000	$0	0.0%
Rev. Over (Under) Exp.	$0	$0	$0	$0	$0	N/A

(a) The revenue budget for 2019 includes fund balance appropriations totaling $4,418,500, which includes $557,500 in the General Fund, $2,641,000 in the Health & Dental Insurance Fund, and $1,200,000 in the Contingency Fund. The revenue budget for 2018 includes fund balance appropriations totaling $3,856,900, which includes: $544,700 in the General Fund, $2,112,200 in the Health & Dental Insurance Fund, and $1,200,000 in the Contingency Fund.

(b) Contingency fund use in 2017 is being displayed for informational purposes in the table above but is not included in the totals for Non-Departmental because the actual expenditures are already recognized in the program budgets where the contingency fund transfers were approved.

Non-Departmental

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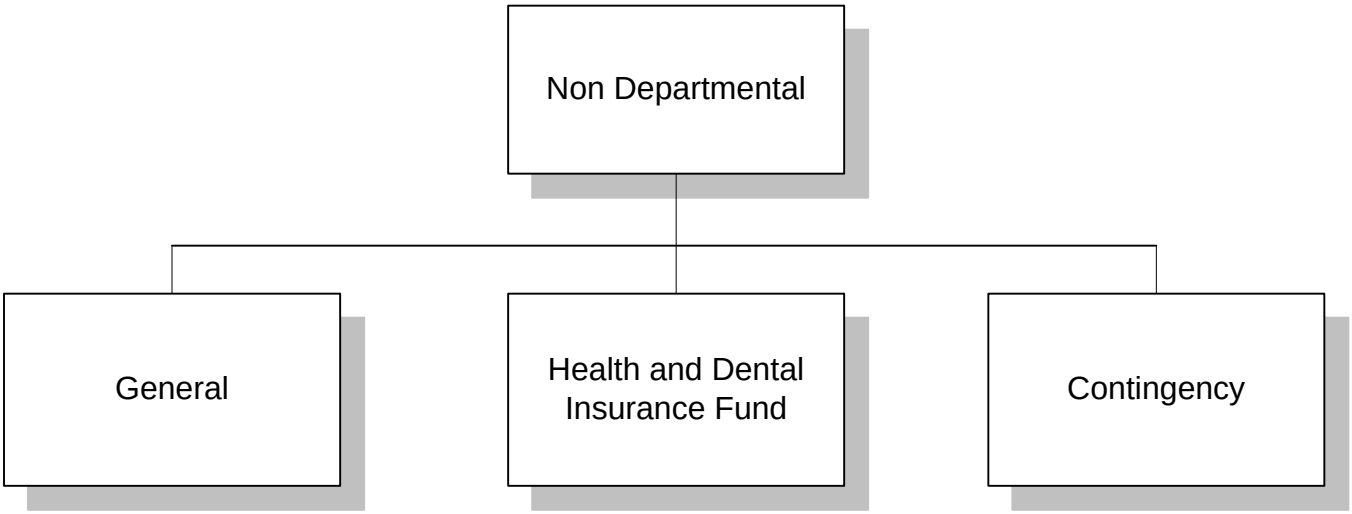
FUNCTION / PROGRAM CHART



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 payout 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), and funding for loss control and safety requirements which cannot be anticipated for County facilities and programs.

Financial Summary	2017 Actual	2018 Adopted Budget	2018 Estimate	2019 Budget	Change From 2018 Adopted Budget $	%
Revenues						
General Government (a)	$867,125	$805,000	$805,000	$755,000	($50,000)	-6.2%
Fine/Licenses (b)	$0	$0	$0	$0	$0	N/A
Charges for Services	$0	$0	$0	$0	$0	N/A
Interdepartmental (c)	$107,065	$100,000	$100,000	$80,000	($20,000)	-20.0%
Other Revenue (b)	$505,569	$510,000	$494,200	$390,000	($120,000)	-23.5%
Appr. Fund Balance (d)	$616,135	$544,700	$586,950	$557,500	$12,800	2.3%
County Tax Levy (Credit)	**$46,200**	**$46,200**	**$46,200**	**$60,100**	**$13,900**	**30.1%**
Total Revenue Sources	**$2,142,094**	**$2,005,900**	**$2,032,350**	**$1,842,600**	**($163,300)**	**-8.1%**
Expenditures						
Personnel Costs (d)	$188,318	$400,000	$365,000	$380,000	($20,000)	-5.0%
Operating Expenses (d)	$1,261,774	$1,496,500	$1,300,032	$1,369,500	($127,000)	-8.5%
Interdept. Charges	$119,076	$109,400	$109,314	$93,100	($16,300)	-14.9%
Fixed Assets	$0	$0	$0	$0	$0	N/A
Total Expenditures	**$1,569,168**	**$2,005,900**	**$1,774,346**	**$1,842,600**	**($163,300)**	**-8.1%**
Rev. Over (Under) Exp.	$572,926	$0	$258,004	$0	$0	N/A

Position Summary (FTE) **No positions are budgeted in this fund.**

(a) General government revenues include state shared revenue payments of $585,000 for the 2019 budget and 635,000 for the 2018 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 funding sources mainly for the Aging and Disability Resource Center Contract.

(b) 2017 actual fines and licenses revenues exclude jail assessment fees of about $573,100, which are 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 2017 exclude unclaimed funds revenue of about $15,300, and is budgeted in later years as General Fund Balance due to its unpredictability.

(c) Interdepartmental revenues include indirect cost recovery, mostly from County proprietary and special revenue funds, in excess of the amounts budgeted in the Department of Administration.

(d) Appropriated General Fund Balance for the 2019 budget includes $140,000 for retirement payouts from reserves for this purpose; $40,000 toward one-time employee severance/retention payments; $80,000 from prior-year unclaimed funds revenues; $12,500 for the contribution to the Milwaukee 7 Regional Economic Development Campaign; $55,000 for the County's periodic Strategic Planning update; and $150,000 for the Waukesha Center for Growth. For a description of 2018 Budget and 2018 estimated General Fund Balance use, see footnote (a) for the Non-Departmental Program/Activity Financial Summary on the Program/Financial Activity page in this document.

2019 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 & Tourism Initiatives: Waukesha County contracts with the Waukesha County Center for Growth to serve as the economic development organization to drive economic growth in Waukesha County with a vision to make Waukesha County the best place to do business. Waukesha County funds will be leveraged with funds from the City of Waukesha, the Wisconsin Small Business Development Center, private business funding and financial participation by local units of Government in Waukesha County. The County will continue support to Waukesha Area Convention and Visitors Bureau activity related to tourism and promotion.

Wisconsin River Rail Transit System: Funding for Wisconsin River Rail Transit Commission (WRRTC) 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 designated term 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 Fees: Provide funding for credit card and debit card processing fees in non-enterprise activities except for Parks and Land Use that budgets its own.

Property Tax Payments/Special Assessments: This appropriation reimburses County municipalities for the County portion of property tax refunds paid on successful appeals. It also funds special assessments on County non-park property.

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. The County is making an annual contribution of $12,500 to the Milwaukee 7's Regional Economic Development Campaign funded through General Fund balance.

Safety/Efficiency Operational Study of the Waukesha County Main Jail: The County Main Jail operation has exceeded the adopted overtime budget for a number of years. In 2017, the Sheriff's department requested and was granted nearly $200,000 in Contingency Funds to partially fund overtime costs in excess of the adopted budget (in addition to fund transfers within the operating budget). Of the over $1.46 million in excess of the overtime adopted budget, nearly $550,000 was attributed to the Main Jail. The study is intended to apply best practices from other similar jail operations to manage staff and reduce related costs.

Non-Departmental Program/Activity Financial Summary

Exp/Rev Category	Expenditures: *Continuous*	2017 Actuals	2018 Budget	2018 Estimate	2019 Budget	Budget Change	% Change
Operating	SEWRPC Allocation	$685,515	$688,000	$687,300	$692,000	$4,000	0.6%
Operating	Economic Development (a)	$250,000	$250,000	$250,000	$250,000	$0	0.0%
Operating	Milwaukee 7 Regional Econ Dev Campaign (a)	$12,500	$12,500	$12,500	$12,500	$0	0.0%
Operating	Waukesha County Tourism Initiative	$12,000	$12,000	$10,000	$12,000	$0	0.0%
Operating	Wis. River Rail Transit System	$28,000	$46,000	$46,000	$30,000	($16,000)	-34.8%
Operating	Loss Control/ADA (a)	$12,346	$35,000	$19,182	$35,000	$0	0.0%
Personnel	Separation Payouts (Vac. & Sick Leave) (a)	$4,017	$160,000	$160,000	$140,000	($20,000)	-12.5%
Personnel	Empl. Max. Sick Leave/NonRep. Vac. Payouts (Active Empl.)	$145,643	$150,000	$157,000	$160,000	$10,000	6.7%
Operating	Section 125 Plan Administration Costs	$7,240	$8,000	$5,000	$8,000	$0	0.0%
Personnel	Unemployment	$38,659	$50,000	$48,000	$40,000	($10,000)	-20.0%
Personnel	Severence/Retention (a)	$0	$40,000	$0	$40,000	$0	0.0%
Operating	Deferred Comp. Plan Consulting/Retirement Planning (b)	$15,000	$35,000	$15,000	$30,000	($5,000)	-14.3%
Operating	Consulting	$0	$30,000	$30,000	$30,000	$0	0.0%
Operating	Merchant Card Fees	$85,434	$65,000	$65,000	$55,000	($10,000)	-15.4%
Operating	Employment Advertising	$11,955	$25,000	$15,000	$15,000	($10,000)	-40.0%
Operating	Property Tax/Special Assessments	$22,598	$40,000	$40,000	$40,000	$0	0.0%
Operating	Printing inc. Adopted Budget Books	$764	$5,000	$4,800	$5,000	$0	0.0%
Interdept'l	Work Comp/Liab/Casualty/Other Ins	$119,076	$109,400	$109,314	$93,100	($16,300)	-14.9%
Operating	Other Expenses	$40,901	$10,000	$10,000	$10,000	$0	0.0%
	Short-Term/Temporary/Periodic						
Operating	Fire Department Study (a)	$29,250	$0	$29,250	$0	$0	N/A
Operating	Strategic Planning (a)	$48,272	$35,000	$61,000	$55,000	$20,000	57.1%
Operating	Safety/Efficiency Operational Study of the Wauk Co. Main Jail (a)	$0	$0	$0	$90,000	$90,000	N/A
Operating	Wauk. Co. Small Business Leverage Loan Fund Program (a)	$0	$200,000	$0	$0	($200,000)	-100.0%
	Total Expenditures	**$1,569,170**	**$2,005,900**	**$1,774,346**	**$1,842,600**	**($163,300)**	**-8.1%**
	Revenue:						
Gen Gov't	State Shared Revenues	$685,000	$635,000	$635,000	$585,000	($50,000)	-7.9%
Gen Gov't	Other General Government Revenues (c)	$182,125	$170,000	$170,000	$170,000	$0	0.0%
Interdept'l	Intedepartmental Charge Revenue*	$107,065	$100,000	$100,000	$80,000	($20,000)	-20.0%
Other	Other Revenue (b)(d)	$505,569	$510,000	$494,200	$390,000	($120,000)	-23.5%
Fund Bal	Fund Balance Appropriation (a)	$616,135	$544,700	$586,950	$557,500	$12,800	2.3%
Tax Levy	Tax Levy	$46,200	$46,200	$46,200	$60,100	$13,900	30.1%
	Total Revenues	**$2,142,094**	**$2,005,900**	**$2,032,350**	**$1,842,600**	**($163,300)**	**-8.1%**
	Revenues Over/(Under) Expenditures	**$572,924**	**$0**	**$258,004**	**$0**	**$0**	**N/A**

* See Footnote (c) to the financial summary table on first page of this budget.

(a) Appropriated General Fund balance for the **2019 Budget** includes $140,000 for retirement payouts from reserves for this purpose; $40,000 toward one-time employee severance/retention payments; $80,000 from prior-year unclaimed funds revenues; $12,500 for a continuation to the County's contribution to the Milwaukee 7 Regional Economic Development Campaign; $150,000 for the Waukesha Center for Growth; and $55,000 for the County's periodic Strategic Planning update; and $90,000 for the Safety/Efficiency Operational Study of the Waukesha County Main Jail. The **2018 Estimate** includes $42,250 in carried over open purchase orders (and related expenditure authority) from 2017. The **2018 Budget** includes $160,000 for retirement payouts from reserves for this purpose; $40,000 toward one-time employee severance/retention payments; $79,200 from prior-year unclaimed funds revenues; $12,500 for a contribution to the Milwaukee 7 Regional Economic Development Campaign; $100,000 from prior-year Tax Increment District (TID) revenues returned to the county; $35,000 for the County's periodic Strategic Planning update; $100,000 for the Waukesha County Center for Growth; and $18,000 for the one-time additional River Rail project funding.

(b) Other revenue includes offsetting revenue to pay for the Deferred Compensation Plan consulting of $35,000 in the 2018 and decreased to $30,000 in the 2019 Budget. No County tax levy is used to fund this expenditure.

(c) Other general government revenue includes indirect cost recovery in excess of the amounts budgeted in the Department in the Administration. These revenues received from state funding sources are mostly the Aging and Disability Resource Center Contract and Child Support .

(d) Other revenues include $190,000 for municipal repayments for the police and emergency response units for the new Countywide digital radio system; repayments of principal and interest from the Waukesha County Small Business Leverage Loan Program, estimated at $100,000 in **2019** ($100,000 in the **2018** Budget); procurement card rebate revenue in excess of what is budgeted in the Department of Administration ($35,000 in the **2019** and $40,000 **2018** Budgets); and miscellaneous recoveries ($35,000 in 2019 and $65,000 **2018** Budgets).

Fund Purpose

The Health and Dental Insurance Fund is an 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, an employee wellness program, and the Waukesha Employee Health and Wellness Center. 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 into 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	2017 Actual	2018 Adopted Budget (a)(d)	2018 Estimate (b)(d)	2019 Budget (a)	Change From 2018 Adopted Budget $	%
Revenues						
General Government	$27,349	$33,000	$32,700	$31,600	($1,400)	-4.2%
Fine/Licenses	$0	$0	$0	$0	$0	N/A
Charges for Services	$4,278,147	$4,515,000	$4,424,000	$4,511,000	($4,000)	-0.1%
Interdepartmental	$16,347,705	$17,786,000	$16,934,000	$17,542,000	($244,000)	-1.4%
Other Revenue (b)	$1,930,506	$418,000	$1,936,000	$418,000	$0	0.0%
Appr. Fund Balance (a)	$1,070,975	$2,112,200	$2,009,200	$2,641,000	$528,800	25.0%
Memo: Reimb. For Facility Improvements (c)	$36,440	$36,440	$36,440	$36,440	$0	0.0%
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**	**N/A**
Total Revenue Sources	**$23,654,682**	**$24,864,200**	**$25,335,900**	**$25,143,600**	**$279,400**	**1.1%**
Expenditures (d)						
Personnel Costs	$0	$0	$0	$0	$0	N/A
Operating Expenses	$22,116,248	$24,843,700	$26,630,700	$25,115,600	$271,900	1.1%
Interdept. Charges	$16,656	$20,500	$27,100	$28,000	$7,500	36.6%
Fixed Assets (Memo)	$0	$30,000	$60,000	$44,000	$14,000	46.7%
Total Expenditures	**$22,132,904**	**$24,864,200**	**$26,657,800**	**$25,143,600**	**$279,400**	**1.1%**
Rev. Over (Under) Exp.	$1,521,778	$0	($1,321,900)	$0	$0	N/A

(a) Appropriated fund balance from Health and Dental Insurance Fund Reserves for the **2019 Budget** includes $860,000 to cover estimated stop loss insurance coverage for high-costs claims in the Active Employee Health program, and $59,000 in the Retiree Health program, partially reflecting premiums in excess of costs in previous years. An additional $281,000 of fund balance is budgeted in the Active Health program to provide flexibility for unknown claims trends. Fund Balance of $246,000 is budgeted to fund the Wellness Initiative program, and $1,195,000 is budgeted to fund most of the Waukesha Employee Health and Wellness Center. For the **2018 Budget** appropriated fund balance includes $720,000 to cover estimated stop loss insurance coverage for high-cost claims in the Active Employee Health program and $39,000 in the Retiree Health program, partially reflecting premiums in excess of cost in previous years. An additional $69,000 of fund balance is budgeted in the Active Employee Health Program to provide flexibility for unknown claims trends. Fund balance of $251,300 is budgeted to fund the Wellness Initiative program, and $1,032,900 is budgeted to fund most of the Waukesha Employee Health and Wellness Center.

(b) Other Revenues estimated for 2017 include one-time reimbursements from the county's stop loss insurer of about $1.1 million for high-cost claims. The remainder is revenue from prescription drug rebates.

(c) Beginning in 2015, the county receives a reimbursement of $36,440 from the city and school district of Waukesha for their share of one-time facility improvement costs for the Waukesha Employee Health and Wellness Center, as specified in the signed intergovernmental agreement, spread evenly over four years. Beginning in 2019, the city and school district will continue their contribution toward facility improvements to extend the useful life of the building at least five years.

(d) Expenditures are projected to be about $1.8 million over budget in 2018 due to higher claims costs in both the active and retired employee health insurance programs. Management will propose an ordinance to fund additional needed expenditure authority with above-budget stop loss insurance reimbursements and Health and Dental Insurance Fund balance.

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 claims payments. The program also accounts for 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. Newly-hired employees are limited to enrollment in the HSA plan. Both plans offer an incentive to employees for participating in the Health Risk Assessment Program, designed to help reduce the County's health insurance costs (see Wellness Initiative Program). The 2019 Budget assumes that program participants in the POS plan will pay a lower premium costs share at 20% (vs. 25% for non-participants). Participants in the HSA plan receive a higher employer HSA contribution at $1,125/$2,250 for single/family plans (vs. $500/$1,000 for non-participants).

	2017 Actual	2018 Budget (b)	2018 Estimate (a)(b)	2019 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	$3,239,302	$3,395,000	$3,284,000	$3,287,000	($108,000)
Interdepartmental	$15,655,439	$17,059,000	$16,242,000	$16,815,000	($244,000)
Other Revenue (a)	$1,884,994	$400,000	$1,900,000	$400,000	$0
Appr. Fund Balance	$0	$789,000	$789,000	$1,141,000	$352,000
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$20,779,735**	**$21,643,000**	**$22,215,000**	**$21,643,000**	**$0**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$18,530,522	$21,640,000	$22,778,100	$21,640,000	$0
Interdept. Charges	$3,299	$3,000	$3,000	$3,000	$0
Fixed Assets (Memo)	$0	$0	$0	$0	$0
Total Expenditures (b)	**$18,533,821**	**$21,643,000**	**$22,781,100**	**$21,643,000**	**$0**
Rev. Over (Under) Exp.	$2,245,914	$0	($566,100)	$0	$0

(a) Other revenues for 2017 actuals include one-time reimbursements received by the county's stop loss insurance provider of approximately $1.1 million. Stop loss reimbursements for 2018 are estimated at $1.1 million. Remaining other revenues consist of prescription drug rebates. Stop loss reimbursements cannot be anticipated and are not budgeted.

(b) Expenditures are projected to be over budget in 2018 due to higher claims expenses. Management will propose an ordinance to fund additional expenditure authority with above-budget stop loss insurance reimbursements.

Program Highlights

Based on actuarial recommendations, this fund estimates necessary premiums to cover costs associated with anticipated claims to be paid in 2019 (described below). Charges for service revenues include the employees' share of estimated premiums and are projected to decrease $108,000 due to more employees enrolling in the HSA plan, which has a lower premium than the Choice Plus plan. Interdepartmental charge revenues include the county's share of estimated premiums and contributions to employee HSA accounts charged to departments, and decrease about $244,000 also due to the shift in employees from the POS to the HSA, plan mentioned above. (Note: Family HSA plans are estimated to cost the county about $1,500 less than the comparable family POS plan in 2019.) Other revenues consist of prescription drug rebates and remain at the 2018 budgeted level. Appropriated Health Insurance Fund Balance includes $860,000 to cover estimated stop loss insurance coverage (for higher-cost claims), to partially reflect premiums in excess of costs in previous years. In addition, $281,000 is budgeted to provide flexibility for unknown claims trends.

Operating expenditures remain at the 2018 budgeted level overall, and consist mostly of estimated claims costs for the county's self-insured health plans, which are budgeted to decrease by $124,700 due to more employees enrolling in the lower-cost HSA plan, partially offset by an increase in county contributions to employee HSA accounts by $114,000. Stop loss insurance coverage for higher-cost claims are budgeted to increase by $140,000, while the budget for loss reserve (for claims incurred during one year, but reported in the following year) decreases $137,000.

Active Employee Health Insurance (Continued)

Major Departmental Strategic Objectives

Finance Pillar: Protect taxpayer investments

Objective 1: Health Plan Costs. Control Health Plan rate of cost increase (or reduce costs). Contain health insurance cost trends, and/or the rate of premium increases through effective design changes, education, wellness initiatives and data management.

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

Performance Measures:

Choice Plus Plan	2017 Actual	2018 Budget	2018 Estimate	2019 Budget
Average Plan % Premium Increase	5%	6%	6%	0%
Average Monthly Plan Cost: Single	$693	$735	$735	$735
Family	$1,871	$1,983	$1,983	$1,983

HSA Plan	2017 Actual	2018 Budget	2018 Estimate	2019 Budget
Average Plan % Premium Increase	5%	5%	5%	0%
Average Full Monthly Plan Cost: Single*	$622	$648	$648	$648
Family*	$1,614	$1,685	$1,685	$1,685

*County contribution to employee health savings accounts is included in monthly figures (added to premium).

Performance Measure:	2017 Actual	2018 Budget	2018 Estimate	2019 Budget
Medical Inflation Rate**	9%	7.9%	7.9%	7.0%

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

Activity		2017	2018	2018	2019	Budget
# of Health Ins. Contracts		Actual (a)	Budget (b)	Estimate (c)	Budget (b)	Chng
POS	Single	165	157	155	133	(24)
	Family	303	277	261	231	(46)
Subtotal		**468**	**434**	**416**	**364**	**(70)**
H.S.A.	Single	255	249	283	286	37
	Family	446	528	478	561	33
Subtotal		**701**	**777**	**761**	**847**	**70**
Total		**1,169**	**1,211**	**1,177**	**1,211**	**0**

(a) Enrollment as of 12/31/2017.
(b) The 2018 and 2019 budget figures are based on enrollment counts obtained during mid-summer budget development, with adjustments made for vacant positions. Beginning in 2017, all new hires are limited to enrollment in the HSA plan.
(c) Enrollment as of 7/29/2018.

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 and pharmacy claims payments. This program also accounts for 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.

	2017 Actual	2018 Budget (b)	2018 Estimate (b)	2019 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	$886,720	$1,000,000	$986,000	$1,100,000	$100,000
Interdepartmental	$0	$0	$0	$0	$0
Other Revenue (a)	$40,618	$15,000	$30,000	$15,000	$0
Appr. Fund Balance	$35,000	$39,000	$39,000	$59,000	$20,000
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$962,338**	**$1,054,000**	**$1,055,000**	**$1,174,000**	**$120,000**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$1,738,851	$1,053,100	$1,836,900	$1,173,100	$120,000
Interdept. Charges	$659	$900	$900	$900	$0
Fixed Assets (Memo)	$0	$0	$0	$0	$0
Total Expenditures (b)	**$1,739,510**	**$1,054,000**	**$1,837,800**	**$1,174,000**	**$120,000**
Rev. Over (Under) Exp.	($777,172)	$0	($782,800)	$0	$0

(a) Other revenues consist of prescription drug rebates.
(b) Expenditures are projected to be over budget in 2018 due to higher claims expenses. Management will propose an ordinance to fund additional expenditure authority with Health Insurance Fund balance generated by premium revenues in excess of retired employees claims expenses in prior years.

Program Highlights

Based on actuarial recommendation, which is separately rated from the active employee health plans, this program estimates necessary premiums to cover the costs associated with the claims anticipated to be paid in 2019. Charges for service revenues consist of the health insurance premiums paid by retirees (retirees pay 100% of premium costs), and are budgeted to increase 10% or $100,000. Appropriated Health Insurance Fund balance is budgeted to cover stop loss coverage for higher-cost claims (in operating expenses), more than offset by premiums in excess of costs in previous years.

Operating expenses increase by $120,000 and consist mostly of health claim expenses, increasing $94,500. Stop loss insurance premium costs increase by $20,000.

Activity # of POS Retiree Health Ins. Contracts (a)	2017 Actuals (b)	2018 Budget	2018 Estimate (c)	2019 Budget	Budget Change
Pre-Medicare					
Single	52	57	56	57	0
Family	17	25	23	25	0
Subtotal	**69**	**82**	**79**	**82**	**0**
Medicare					
Single	5	5	4	5	0
Family	3	3	6	3	0
Subtotal	**8**	**8**	**10**	**8**	**0**
Total	**77**	**90**	**89**	**90**	**0**

(a) Contract figures and the budget exclude retiree enrollment in the fully-insured Medicare Advantage healthcare plan, which had 418 participants (as of July 2018), and is not accounted for in the county budget.
(b) Enrollment as of 12/31/2017.
(c) Enrollment as of July 2018.

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.

	2017 Actual	2018 Budget	2018 Estimate	2019 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	$109,916	$80,000	$110,000	$80,000	$0
Interdepartmental	$692,266	$727,000	$692,000	$727,000	$0
Other Revenue	$4,894	$3,000	$6,000	$3,000	$0
Appr. Fund Balance	$0	$0	$0	$0	$0
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$807,076**	**$810,000**	**$808,000**	**$810,000**	**$0**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$747,285	$808,400	$780,200	$808,400	$0
Interdept. Charges	$0	$1,600	$800	$1,600	$0
Fixed Assets (Memo)	$0	$0	$0	$0	$0
Total Expenditures	**$747,285**	**$810,000**	**$781,000**	**$810,000**	**$0**
Rev. Over (Under) Exp.	$59,791	$0	$27,000	$0	$0

Program Highlights

Charges for service revenue consist mostly of the employees' share (10%) of dental premiums, and the county's share (90%) is in interdepartmental revenues, both of which remain at the 2018 budgeted level. Premium rates are not changing for the 2019 budget.

Operating expenses consist mostly of dental claims costs of $750,000, and are also budgeted to remain at the 2018 budget level.

Activity # of Dental Ins. Contracts	2017 Actual (a)	2018 Budget (b)	2017 Est. (c)	2019 Budget (b)	Budget Change
Self-Funded					
Single	256	255	259	255	0
Family	549	565	538	565	0
Subtotal	**805**	**820**	**797**	**820**	**0**
DentaCare ❖					
Single	103	115	100	115	0
Family	241	250	241	250	0
Subtotal	**344**	**365**	**341**	**365**	**0**
Total	**1,149**	**1,185**	**1,138**	**1,185**	**0**

❖ DentaCare is a fully-insured dental insurance plan and is not budgeted in this fund. This plan is budgeted in departmental budgets and accounted for in General Fund balance sheet accounts (directly paid to insurer).

(a) Enrollment as of 12/31/2017

(b) The 2017 and 2018 budget figures are based on enrollment counts obtained during prior-year mid-summer budget development, with adjustments made for vacant positions.

(c) Enrollment as of 7/29/2018.

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 assist health plan members in understanding disease management and prevention along with programming. This is designed to 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, health coaching, program marketing and communications, and participation incentives.

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 are required to participate in the county's Health Risk Assessment program (biometric screening; health risk questionnaire; and based on certain thresholds, a review of health risks with a health coach) in order to qualify for the following incentives: Program participants in the POS plan pay a lower premium cost share at 20% (vs. 25% for non-participants), and participants in the HSA plan receive a higher HSA contribution at $1,125/$2,250 for single/family plans (vs. $500/$1,000 for non-participants). In addition to the biometrics, any employee or spouse who has four or more risk factors must meet with the health coach, one of the providers or their own physician in order to receive the health plan incentives.

	2017 Actual	2018 Budget	2018 Estimate	2019 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	$262,238	$251,300	$224,500	$246,000	($5,300)
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$262,238**	**$251,300**	**$224,500**	**$246,000**	**($5,300)**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$268,993	$249,300	$222,500	$244,000	($5,300)
Interdept. Charges	$0	$2,000	$2,000	$2,000	$0
Fixed Assets (Memo)	$0	$0	$0	$0	$0
Total Expenditures	**$268,993**	**$251,300**	**$224,500**	**$246,000**	**($5,300)**
Rev. Over (Under) Exp.	($6,755)	$0	$0	$0	$0

Program Highlights

Appropriated Health Insurance Fund Balance is budgeted to cover program expenditures. Operating expenses mostly include biometric screening costs, which are budgeted to decrease by $5,300 to $151,500, reflecting projected participation (see activity table, below). This budget also includes the contracted Employee Assistance Program, which provides counseling for employees and helps avoid other, more expensive outside services, and is budgeted to remain at the 2018 budgeted level of $40,000. Remaining budgeted items include program incentives and other wellness services (e.g., diabetes management).

Activity	2017 Actual	2018 Budget	2018 Estimate	2019 Budget	Budget Change
Health Assessment Participation					
# Participating*	1,326	1,600	1,326	1,500	(100)
% of Work Force + Spouses	76%	92%	76%	86%	-6%

*Figures reflect participation in the annual Health Risk Assessment (HRA) event and exclude new hires during the year who complete the health risk assessment.

Waukesha Employee Health and Wellness Center

Program Description

This program area accounts for all the costs and revenues associated with the on-site Waukesha Employee Health and Wellness Center. The center has been established through an intergovernmental agreement between the county, city and school district of Waukesha. The center is managed by a private sector organization whose primary focus and business objectives are the development, implementation, and management of employer-sponsored on-site medical clinics. The center began operation in November of 2014. Based on the results of a feasibility study and a comprehensive request for proposal process, it was projected that the combined organizations would generate a positive return on investment of $7.7 million over a five-year period. The county was estimated to save $3.1 million, the school district $3.4 million, and the city $1.2 million over this five-year period. After three years of operation, the utilization of the center by employees, spouses, and dependents has grown, already resulting in an estimated three-year savings of approximately $5.9 million for the county alone and $20.8 million for all three members in total. Most program costs are shared among the three members according to a formula. Originally, the formula split costs 40% to the county, 44% to the school district, and 16% to the city. After a contractual three-year utilization review, this formula is adjusted to distribute 43% of costs to the county, 38% to the school district, and 19% to the city, beginning in November 2018. The budget below consists of the county's share of costs, with the city and school district being billed directly for their share. The exception is facility costs, which the county incurs and then bills the city and school district for their share.

	2017 Actual	2018 Budget	2018 Estimate	2019 Budget	Budget Change
Staffing (FTE)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
General Government	$27,349	$33,000	$32,700	$31,600	($1,400)
Fine/Licenses	$0	$0	$0	$0	$0
Charges for Services	$42,209	$40,000	$44,000	$44,000	$4,000
Interdepartmental	$0	$0	$0	$0	$0
Other Revenue	$0	$0	$0	$0	$0
Appr. Fund Balance	$773,737	$1,032,900	$956,700	$1,195,000	$162,100
Memo: Reimb. For Facility Imprvmnts. (a)	$36,440	$36,440	$36,440	$36,440	$0
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$843,295**	**$1,105,900**	**$1,033,400**	**$1,270,600**	**$164,700**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$830,597	$1,092,900	$1,013,000	$1,250,100	$157,200
Interdept. Charges	$12,698	$13,000	$20,400	$20,500	$7,500
Fixed Assets (Memo)	$0	$30,000	$60,000	$44,000	$14,000
Total Expenditures	**$843,295**	**$1,105,900**	**$1,033,400**	**$1,270,600**	**$164,700**

Rev. Over (Under) Exp.	$0	$0	$0	$0	$0

(a) Beginning in 2015, the County receives a reimbursement from the City and School District of Waukesha for their share of one-time facility improvement costs for the Waukesha Employee Health and Wellness Center, as specified in the signed intergovernmental agreement, spread evenly over four years. This annual reimbursement is currently estimated at $36,440. Beginning in 2019, the city and school district will continue their contribution toward facility improvements to extend the useful life of the building at least five years.

Program Highlights

General government revenues consist of the city and school district's estimated share of facility-related costs. Charges for service revenues consist of estimated office visit revenues from county employees and dependents enrolled in the county's HSA health plan, and increase $4,000 due to higher utilization during the current year. Appropriated Health Insurance Fund Balance is budgeted to cover remaining program expenditures.

Program expenses include contracted clinic staffing, which increases $100,800 to $729,900, largely due to additional physician assistant staffing needs and budgeting for the replacement of a physical therapy assistant with a care coordinator (registered nurse). Pharmaceutical costs are budgeted at $122,600, an increase of $65,100, due to higher clinic utilization.

Fixed assets include facility improvements to extend the useful life of the facility at least five years. This includes $16,000 to replace HVAC mechanicals, $14,000 to upgrade the fire panel, $8,000 for painting, and $6,000 for roof maintenance.

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	2017 Actual (a)	2018 Adopted Budget	2018 Estimate	2019 Budget	Change From 2018 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 (a)	$343,000	$1,200,000	$100,000	$1,200,000	$0	0.0%
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**	**N/A**
Total Revenue Sources	**$343,000**	**$1,200,000**	**$100,000**	**$1,200,000**	**$0**	**0.0%**
Expenditures						
Personnel Costs (a)	$197,000	$0	$0	$0	$0	N/A
Operating Expenses (a)	$146,000	$1,200,000	$100,000	$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	**$343,000**	**$1,200,000**	**$100,000**	**$1,200,000**	**$0**	**0.0%**
Rev. Over (Under) Exp.	$0	$0	$0	$0	$0	N/A
Position Summary (FTE)						
Regular Positions	0.00	0.00	0.00	0.00	0.00	
Extra Help	0.00	0.00	0.00	0.00	0.00	
Overtime	0.00	0.00	0.00	0.00	0.00	
Total FTEs	0.00	0.00	0.00	0.00	0.00	

(a) In 2017 the Medical Examiner allocated $146,000 of operating expenses to address medical services/toxicology. The Sheriff allocated $197,000 of personnel expenses to the main jail and patrol overtime costs.