Non-Departmental

TABLE OF CONTENTS
NON-DEPARTMENTAL

Non-Departmental Functional Area Summary 439

Non-Departmental

Fund: Non-Departmental General 443

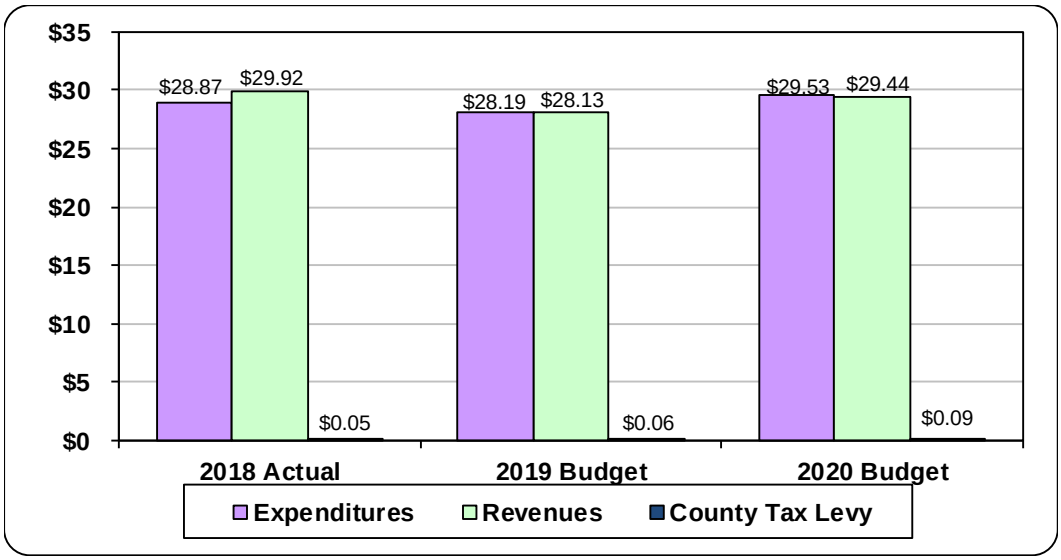
Fund: Health and Dental Insurance.....446

Fund: Contingency 454

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 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 $92,100, an increase of $32,000 in the 2020 budget.
- **Non-Departmental General Fund**: Expenditures decrease by $51,000 in 2020. This is mainly due to the one-time Safety/Efficiency Operational Study for the Waukesha County Main Jail of $90,000 that was budgeted in 2019 and not repeated in 2020. This is partially offset by an increase in strategic planning services by $15,000, mainly to assemble focus groups and conduct an environmental scan (last update was 2013). Unemployment compensation costs increase $20,000, based on recent trends.
- **Health and Dental Insurance Fund:** Total expenditures increase $1.4 million or 5.6% primarily due to the following:
  - **Active Employee Health Insurance Program:** Expenditures increase $1.0 million or 4.7%, mostly due to higher claims costs (by $660,000), based on actuarial recommendation. (Premium rates charged to county departments and employees are budgeted to increase 5% to offset cost increases.) County contributions to employee HSA accounts are budgeted to increase $177,000 based on anticipated higher enrollment in the high-deductible health plan (HDHP). (Note: Family HDHP plans are estimated to cost the county about $1,700 less than the comparable family point of service plan in 2020.) Stop loss insurance coverage for higher-cost claims are budgeted to increase by $172,000.
  - **Retired Employee Health Insurance Program:** Expenditures increase $271,000, mainly due to higher anticipated claims costs of $259,000, based on actuarial recommendation. (Premium rates charged to retirees, who pay 100% of plan costs, are increased to offset costs.) For the 2020 budget, the county plans to initiate a one-year pilot program granting retired employees enrolled in this health plan access to the Waukesha Employee Health and Wellness Center onsite clinic to provide retirees with opportunities to save money for office visits, pharmaceuticals, and other medical services and improve the financial viability of the retiree plan through cost avoidance.
  - **The Waukesha Employee Health and Wellness Center Program:** Expenditures increase by $98,600, mainly due to higher clinic supply costs of $37,600, based on previous actual expenses; a net increase in pharmaceutical, lab fees, and contracted clinic provider administrative fees of $27,600; and an increase in contracted clinic staff costs by $19,100 (or 2.6%). In addition, county's share of clinic costs (shared with the city and school district of Waukesha) is increasing from 43% to 45%, based on higher county utilization of the clinic, per the intergovernmental agreement.
- **Waukesha Employee Health and Wellness Center**: When the center opened in 2014, it was originally projected that it would 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 four years of operation, the utilization of the center by employees, spouses, and dependents has grown, already resulting in an estimated four-year savings of approximately $10.3 million for the county alone and $30.7 million for all three members in total.
- **Contingency Fund** remains at the 2019 budget level of $1.2 million, funded with appropriated general fund balance.

NON-DEPARTMENTAL

Functional Area Summary by Agency

	2018 Actual	2019 Adopted Budget	2019 Estimate	2020 Budget	Change from 2019 Adopted Budget $	%
TOTAL NON-DEPARTMENTAL						
Revenues (a) (b)	$29,915,308	$28,126,100	$27,501,900	$29,439,500	$1,313,400	4.7%
County Tax Levy	$46,200	$60,100	$60,100	$92,100	$32,000	53.2%
Expenditure (b)	$28,872,542	$28,186,200	$26,820,900	$29,531,600	$1,345,400	4.8%
Rev. Over (Under) Exp.	$531,186	$0	$177,600	$0	$0	N/A
Oper Income/(Loss)	$557,780	$0	$563,500	$0	$0	N/A
BREAKDOWN BY AGENCY						
GENERAL NON-DEPARTMENTAL						
Revenues (a)	$2,139,883	$1,782,500	$1,885,500	$1,699,500	($83,000)	-4.7%
County Tax Levy	$46,200	$60,100	$60,100	$92,100	$32,000	53.2%
Expenditure	$1,654,897	$1,842,600	$1,768,000	$1,791,600	($51,000)	-2.8%
Rev. Over (Under) Exp.	$531,186	$0	$177,600	$0	$0	N/A
HEALTH AND DENTAL INSURANCE						
Revenues (a)	$27,775,425	$25,143,600	$25,616,400	$26,540,000	$1,396,400	5.6%
County Tax Levy	$0	$0	$0	$0	$0	N/A
Expenditure	$27,217,645	$25,143,600	$25,052,900	$26,540,000	$1,396,400	5.6%
Oper Income/(Loss)	$557,780	$0	$563,500	$0	$0	N/A
CONTINGENCY						
Revenues (a) (b)	$100,000	$1,200,000	$300,000	$1,200,000	$0	0.0%
County Tax Levy	$0	$0	$0	$0	$0	N/A
Expenditure (b)	$100,000	$1,200,000	$300,000	$1,200,000	$0	0.0%
Rev. Over (Under) Exp.	$0	$0	$0	$0	$0	N/A

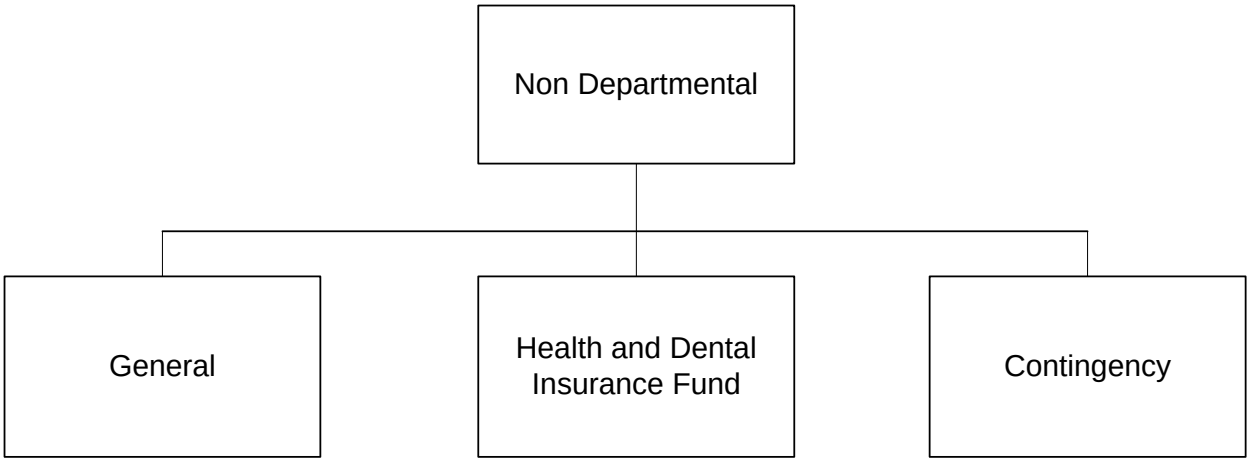
(a) The revenue budget for 2020 includes fund balance appropriations totaling $4,373,400, which includes $672,500 in the General Fund, $2,500,900 in the Health & Dental Insurance Fund, and $1,200,000 in the Contingency Fund. The revenue budget for 2019 includes fund balance appropriations totaling $4,398,500, 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.

(b) Contingency fund use in 2018 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

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 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	2018 Actual	2019 Adopted Budget	2019 Estimate	2020 Budget	Change From 2019 Adopted Budget $	%
Revenues						
General Government (a)	$820,348	$755,000	$729,000	$697,000	($58,000)	-7.7%
Fine/Licenses (b)	$0	$0	$0	$0	$0	N/A
Charges for Services	$0	$0	$0	$0	$0	N/A
Interdepartmental (c)	$124,924	$80,000	$107,000	$0	($80,000)	-100.0%
Other Revenue (b)	$607,661	$390,000	$492,000	$330,000	($60,000)	-15.4%
Appr. Fund Balance (d)	$586,950	$557,500	$557,500	$672,500	$115,000	20.6%
County Tax Levy (Credit)	**$46,200**	**$60,100**	**$60,100**	**$92,100**	**$32,000**	**53.2%**
Total Revenue Sources	**$2,186,083**	**$1,842,600**	**$1,945,600**	**$1,791,600**	**($51,000)**	**-2.8%**
Expenditures						
Personnel Costs (d)	$341,941	$380,000	$363,000	$425,000	$45,000	11.8%
Operating Expenses (d)	$1,203,642	$1,369,500	$1,311,900	$1,276,500	($93,000)	-6.8%
Interdept. Charges	$109,314	$93,100	$93,100	$90,100	($3,000)	-3.2%
Fixed Assets	$0	$0	$0	$0	$0	N/A
Total Expenditures	**$1,654,897**	**$1,842,600**	**$1,768,000**	**$1,791,600**	**($51,000)**	**-2.8%**
Rev. Over (Under) Exp.	$531,186	$0	$177,600	$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 2020 and 2019 budgets. General government revenues also include estimated countywide indirect cost reimbursements (in excess of the amounts budgeted in the Department of Administration) received from state funding sources mainly for the Aging and Disability Resource Center Contract and Child Support.

(b) 2018 actual fines and licenses revenues exclude jail assessment fees of about $548,700, which are accounted for in the Non-Departmental budget, but budgeted in subsequent years to help fund jail equipment replacement, related capital projects, debt service for jail related projects, and inmate medical services. Actual other revenues in 2018 exclude about $598,000 in tax increment district dissolution funds and about $5,300 in unclaimed funds revenue, which are budgeted in later years as General Fund balance due to their 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 2020 Budget includes $150,000 for the Waukesha Center for Growth, $140,000 for retirement payouts from reserves for this purpose, $155,000 of tax increment district dissolution funds from prior years, $70,000 for the county's strategic planning update, $70,000 of prior-year unclaimed funds revenues, $40,000 toward one-time employee severance/retention payments, $30,000 for unanticipated consulting needs, $12,500 for a continuation of the county's contribution to the Milwaukee 7 Regional Economic Development Campaign and $5,000 for Jail Study Implementation. For a description of budgeted General Fund balance use in 2019, see footnote (a) of the Non-Departmental Program/Activity Financial Summary table later in this budget.

2020 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 and other participating local governments, the Wisconsin Small Business Development Center, and private businesses. The county will continue support to Waukesha Area Convention and Visitors Bureau activity related to tourism and promotion.

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.

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.

Non-Represented Employee Maximum Sick Leave/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.

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 ineligible.

Deferred Compensation Plan Consulting & Financial Education for Employees: Continue to provide consulting services to the employee investment advisory committee for the deferred compensation plan and financial education services to active employees. This is offset by revenues (no tax levy) that the plan administrator shares with the county.

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.

Non-Departmental Program/Activity Financial Summary

Exp/Rev Category	Expenditures: *Continuous*	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	Budget Change	% Change
Operating	SEWRPC Allocation	$687,205	$692,000	$692,300	$691,000	($1,000)	-0.1%
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	$10,000	$12,000	$10,000	$10,000	($2,000)	-16.7%
Operating	Wis. River Rail Transit System	$28,000	$30,000	$30,000	$30,000	$0	0.0%
Operating	Loss Control/ADA (a)	$47,578	$35,000	$35,000	$35,000	$0	0.0%
Personnel	Separation Payouts (Vac. & Sick Leave) (a)	$138,909	$140,000	$140,000	$140,000	$0	0.0%
Personnel	Active Non-Rep Empl. Max. Sick Leave/Vac. Payouts	$156,213	$160,000	$163,000	$185,000	$25,000	15.6%
Operating	Section 125 Plan Administration Costs	$5,959	$8,000	$7,000	$8,000	$0	0.0%
Personnel	Unemployment	$46,819	$40,000	$60,000	$60,000	$20,000	50.0%
Personnel	Severance/Retention (a)	$0	$40,000	$0	$40,000	$0	0.0%
Operating	Def Comp Plan Consulting/Financial Edu for Empl. (b)	$12,000	$30,000	$30,000	$30,000	$0	0.0%
Operating	Consulting	$0	$30,000	$15,000	$30,000	$0	0.0%
Operating	Merchant Card Fees	$28,163	$55,000	$35,000	$35,000	($20,000)	-36.4%
Operating	Employment Advertising	$13,321	$15,000	$10,000	$15,000	$0	0.0%
Operating	Property Tax/Special Assessments	$17,528	$40,000	$40,000	$40,000	$0	0.0%
Operating	Printing inc. Adopted Budget Books	$3,620	$5,000	$4,000	$5,000	$0	0.0%
Interdept'l	Work Comp/Liab/Casualty/Other Ins	$109,314	$93,100	$93,100	$90,100	($3,000)	-3.2%
Operating	Other Expenses	$7,334	$10,000	$9,600	$10,000	$0	0.0%
	Short-Term/Temporary/Periodic						
Operating	Fire Department Study (a)	$29,250	$0	$0	$0	$0	N/A
Operating	Strategic Planning (a)	$51,184	$55,000	$49,000	$70,000	$15,000	27.3%
Operating	Safety/Effic. Operat'l Study of Wauk Co. Main Jail (a)	$0	$90,000	$82,500	$0	($90,000)	-100.0%
Operating	Jail Study Implementation (a)	$0	$0	$0	$5,000	$5,000	N/A
	Total Expenditures	**$1,654,897**	**$1,842,600**	**$1,768,000**	**$1,791,600**	**($51,000)**	**-2.8%**
	Revenue:						
Gen Gov't	State Shared Revenues	$635,000	$585,000	$585,000	$585,000	$0	0.0%
Gen Gov't	Other General Government Revenues (c)	$185,348	$170,000	$144,000	$112,000	($58,000)	-34.1%
Interdept'l	Interdepartmental Charge Revenue*	$124,924	$80,000	$107,000	$0	($80,000)	-100.0%
Other	Other Revenue (b)(d)	$607,661	$390,000	$492,000	$330,000	($60,000)	-15.4%
Fund Bal	Fund Balance Appropriation (a)	$586,950	$557,500	$557,500	$672,500	$115,000	20.6%
Tax Levy	Tax Levy	$46,200	$60,100	$60,100	$92,100	$32,000	53.2%
	Total Revenues	**$2,186,083**	**$1,842,600**	**$1,945,600**	**$1,791,600**	**($51,000)**	**-2.8%**
	Revenues Over/(Under) Expenditures	**$531,186**	**$0**	**$177,600**	**$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 **2020 Budget** includes $150,000 for the Waukesha Center for Growth, $140,000 for retirement payouts from reserves for this purpose, $155,000 of tax increment district dissolution funds from prior years, $70,000 for the county's strategic planning update, $70,000 of prior-year unclaimed funds revenues, $40,000 toward one-time employee severance/retention payments, $30,000 for unanticipated consulting needs, $12,500 for a continuation of the county's contribution to the Milwaukee 7 Regional Economic Development Campaign, and $5,000 for the Jail Study Implementation. Appropriated General Fund balance for the **2019 Budget** includes $150,000 for the Waukesha Center for Growth, $140,000 for retirement payouts from reserves for this purpose, $90,000 for a Safety/Efficiency Operational Study of the Waukesha County Main Jail, $70,000 of prior-year unclaimed funds revenues, $55,000 for the county's strategic planning update, $40,000 toward one-time employee severance/retention payments, and $12,500 for a continuation of the county's contribution to the Milwaukee 7 Regional Economic Development Campaign.

(b) Other revenue includes offsetting revenue to pay for the Deferred Compensation Plan consulting and county employee financial education services of $30,000 in the 2019 and 2020 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 of Administration. These revenues received from state funding sources are mostly from the Aging and Disability Resource Center Contract and Child Support.

(d) Other revenues include municipal repayments for the police and emergency response units for the new countywide digital radio system of $190,000 in the 2020 budget ($190,000 in the 2019 budget), procurement card rebates estimated at $45,000 in the 2020 budget ($35,000 in the 2019 budget), and miscellaneous recoveries of $65,000 in the 2020 budget ($35,000 in the 2019 budget). The final repayments from the Waukesha County Small Business Leverage Loan program were budgeted at $100,000 in the 2019 budget, and not expected to continue in the 2020 budget.

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 participants 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 effectiveness of wellness and health benefit changes to the total cost of the program.

Financial Summary	2018 Actual	2019 Adopted Budget (a)	2019 Estimate (b)(d)	2020 Budget (a)	Change From 2019 Adopted Budget $	%
Revenues						
General Government	$68,443	$31,600	$32,400	$32,100	$500	1.6%
Fine/Licenses	$0	$0	$0	$0	$0	N/A
Charges for Services	$4,425,940	$4,511,000	$5,271,000	$4,938,000	$427,000	9.5%
Interdepartmental	$16,860,928	$17,542,000	$16,827,000	$18,626,000	$1,084,000	6.2%
Other Revenue (b)	$3,507,914	$418,000	$845,000	$443,000	$25,000	6.0%
Appr. Fund Balance (a)	$2,912,200	$2,641,000	$2,641,000	$2,500,900	($140,100)	-5.3%
Memo: Reimb. For Facility Improvements (c)	$36,440	$36,440	$36,440	$33,403	($3,037)	-8.3%
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**	**N/A**
Total Revenue Sources	**$27,775,425**	**$25,143,600**	**$25,616,400**	**$26,540,000**	**$1,396,400**	**5.6%**
Expenditures						
Personnel Costs	$0	$0	$0	$0	$0	N/A
Operating Expenses	$27,188,301	$25,115,600	$25,024,000	$26,509,300	$1,393,700	5.5%
Interdept. Charges	$29,344	$28,000	$28,900	$30,700	$2,700	9.6%
Fixed Assets (Memo) (d)	$0	$44,000	$81,000	$80,000	$36,000	81.8%
Total Expenditures	**$27,217,645**	**$25,143,600**	**$25,052,900**	**$26,540,000**	**$1,396,400**	**5.6%**
Rev. Over (Under) Exp.	$557,780	$0	$563,500	$0	$0	N/A

(a) Appropriated fund balance from Health and Dental Insurance Fund reserves for the **2020 Budget** includes $645,000 to cover estimated stop loss insurance coverage for high-cost claims in the Active Employee Health program and $30,000 in the Retiree Health program, partially reflecting premiums in excess of costs in previous years. Both uses of fund balance are being phased down beginning in the 2020 Budget. An additional $281,000 of fund balance is budgeted in the Active Health program to provide flexibility for unknown claims trends. Fund balance of $251,800 is budgeted to fund the Wellness Initiative program, and $1,293,100 is budgeted to fund most of the Waukesha Employee Health and Wellness Center. 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.

(b) Other revenues for 2018 include one-time reimbursements from the county's stop loss insurer of about $2.5 million for high-cost claims. The remainder is revenue from prescription drug rebates.

(c) Beginning in 2015, the county received an annual 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) Total expenditures and net operating income exclude fixed assets to conform with financial accounting standards. Fixed asset purchase orders will be funded with operating revenues, and existing fund balance is included in the fixed asset request. Higher estimated fixed asset purchases in 2019 are due to a carryover of an open purchase order from 2018 of about $37,000.

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 high deductible health plan (HDHP) with a health savings account (HSA) feature. Newly hired employees are limited to enrollment in the HDHP 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 2020 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 HDHP plan receive a higher employer HSA contribution at $1,125/$2,250 for single/family plans (vs. $300/$300 for non-participants).

	2018 Actual	2019 Budget	2019 Estimate (a)	2020 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	$3,257,424	$3,287,000	$4,107,000	$3,439,000	$152,000
Interdepartmental	$16,178,877	$16,815,000	$16,237,000	$17,899,000	$1,084,000
Other Revenue (a)	$3,442,985	$400,000	$800,000	$400,000	$0
Appr. Fund Balance	$789,000	$1,141,000	$1,141,000	$926,000	($215,000)
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$23,668,286**	**$21,643,000**	**$22,285,000**	**$22,664,000**	**$1,021,000**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$23,505,299	$21,640,000	$21,151,800	$22,661,000	$1,021,000
Interdept. Charges	$38	$3,000	$3,000	$3,000	$0
Fixed Assets (Memo)	$0	$0	$0	$0	$0
Total Expenditures	**$23,505,337**	**$21,643,000**	**$21,154,800**	**$22,664,000**	**$1,021,000**
Rev. Over (Under) Exp.	$162,949	$0	$1,130,200	$0	$0

(a) Other revenues for 2018 actuals include one-time reimbursements received by the county's stop loss insurance provider of approximately $2.5 million. Remaining other revenues consist of prescription drug rebates. Stop loss reimbursements cannot be anticipated and are not budgeted.

Program Highlights

Based on actuarial recommendations, this fund estimates necessary premiums to cover costs associated with anticipated claims to be paid in 2020 (described below). Charges for service revenues include the employees' share of estimated premiums and are projected to increase $152,000. Interdepartmental charge revenues include the county's share of estimated premiums and county contributions to employee HSA accounts charged to departments, and are projected to increase $1,084,000. These premium revenues are projected to increase due to a planned increase in premium rates of 5% and due to assuming additional plan participants based on mid-year enrollment levels.

Other revenues consist of prescription drug rebates and remain at the 2019-budgeted level. Appropriated Health Insurance Fund Balance includes $645,000 to cover a portion of estimated stop loss insurance coverage (for higher-cost claims), to partially reflect premiums in excess of costs in previous years. Fund balance use for this purpose is being phased down beginning with a 25% reduction of $215,000 in the 2020 budget. In addition, $281,000 is budgeted to provide flexibility for unknown claims trends (unchanged from the 2019 budget).

Operating expenditures consist mostly of estimated claims costs for the county's self-insured health plans, which are budgeted to increase by about $660,000 or 3.6%, from $18.3 million to $19.0 million. In addition, county contributions to employee HSA accounts are budgeted to increase by $177,000, due to increased participation in the plan. (Note: Family HDHP plans are estimated to cost the county about $1,700 less than the comparable family POS plan in 2020.) Stop loss insurance coverage for higher-cost claims are budgeted to increase by $172,000. Consulting for actuarial and benefit plan design services are budgeted to increase $12,000.

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 high deductible health (with health savings account feature – HDHP) plans. Keep health insurance plan increases from prior-year estimate/actual lower than medical inflation rate.

Performance Measures:

Choice Plus Plan	2018 Actual	2019 Budget	2019 Estimate	2020 Budget
Average Plan % Premium Increase	6%	0%	0%	5%
Average Monthly Plan Cost: Single	$735	$735	$735	$772
Family	$1,983	$1,983	$1,983	$2,082

HDHP Plan	2018 Actual	2019 Budget	2019 Estimate	2020 Budget
Average Plan % Premium Increase	5%	0%	0%	5%
Average Full Monthly Plan Cost: Single*	$648	$648	$648	$676
Family*	$1,685	$1,685	$1,685	$1,760

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

Performance Measure:	2018 Actual	2019 Budget	2019 Estimate	2020 Budget
Medical Inflation Rate**	7.9%	7.0%	7.0%	7.0%

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

Activity		2018	2019	2019	2020	Budget
# of Health Ins. Contracts		Actual (a)	Budget (b)	Estimate (c)	Budget (b)	Chng
POS	Single	140	133	125	109	(24)
	Family	243	231	216	184	(47)
Subtotal		**383**	**364**	**341**	**293**	**(71)**
HDHP	Single	288	286	342	323	37
	Family	489	561	559	628	67
Subtotal		**777**	**847**	**901**	**951**	**104**
Total		**1,160**	**1,211**	**1,242**	**1,244**	**33**

(a) Enrollment as of 12/31/2018.
(b) The 2019 and 2020 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 HDHP plan.
(c) Enrollment as of June 2019.

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.

	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	Budget Change
Staffing (FTE)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
General Government	$0	$0	$0	$0	$0
Fine/Licenses	$0	$0	$0	$0	$0
Charges for Services	$1,018,441	$1,100,000	$1,020,000	$1,375,000	$275,000
Interdepartmental	$0	$0	$0	$0	$0
Other Revenue (a)	$59,163	$15,000	$40,000	$40,000	$25,000
Appr. Fund Balance	$839,000	$59,000	$59,000	$30,000	($29,000)
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$1,916,604**	**$1,174,000**	**$1,119,000**	**$1,445,000**	**$271,000**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$1,835,783	$1,173,100	$1,794,900	$1,444,100	$271,000
Interdept. Charges	$56	$900	$900	$900	$0
Fixed Assets (Memo)	$0	$0	$0	$0	$0
Total Expenditures	**$1,835,839**	**$1,174,000**	**$1,795,800**	**$1,445,000**	**$271,000**
Rev. Over (Under) Exp.	$80,765	$0	($676,800)	$0	$0

(b) Other revenues consist of prescription drug rebates.

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 2020. Charges for service revenues consist of the health insurance premiums paid by retirees (retirees pay 100% of premium costs), and are budgeted to increase $275,000 based on a planned increase in premium rates of 27%. Other revenue consists of prescription drug rebates, and is budgeted to increase $25,000. Appropriated Health Insurance Fund balance is budgeted to cover a portion of stop loss coverage for higher-cost claims (in operating expenses). Fund balance use for this purpose is being phased down beginning with a 50% reduction of $29,000 in the 2020 budget.

Operating expenses include health claims expenses, which increases $259,000, from $1,050,700 to $1,309,700. Stop loss insurance premium costs increase by $12,000.

For the 2020 budget, the county plans to initiate a one-year pilot program granting retired employees enrolled in this health plan access to the Waukesha Employee Health and Wellness Center onsite clinic to provide retirees with opportunities to save money for office visits, pharmaceuticals, and other medical services and improve the financial viability of the retiree plan through cost avoidance. (See clinic program page for more information.)

Activity # of POS Retiree Health Ins. Contracts	2018 Actuals (a)	2019 Budget	2019 Estimate (b)	2020 Budget (c)	Budget Change
Pre-Medicare					
Single	61	57	62	62	5
Family	20	25	20	20	(5)
Subtotal	**81**	**82**	**82**	**82**	**0**
Medicare (c)					
Single	4	5	5	0	(5)
Family	5	3	3	0	(3)
Subtotal	**9**	**8**	**8**	**0**	**(8)**
Total	**90**	**90**	**90**	**82**	**(8)**

(a) Enrollment as of 12/31/2018.
(b) Enrollment as of August 2019.
(c) Beginning in 2020, the county's retiree health insurance plan will no longer cover Medicare-eligible individuals.

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.

	2018 Actual	2019 Budget	2019 Estimate	2020 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	$111,873	$80,000	$100,000	$80,000	$0
Interdepartmental	$682,051	$727,000	$590,000	$727,000	$0
Other Revenue	$5,366	$3,000	$5,000	$3,000	$0
Appr. Fund Balance	$0	$0	$0	$0	$0
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$799,290**	**$810,000**	**$695,000**	**$810,000**	**$0**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$737,974	$808,400	$691,200	$808,400	$0
Interdept. Charges	$0	$1,600	$800	$1,600	$0
Fixed Assets (Memo)	$0	$0	$0	$0	$0
Total Expenditures	**$737,974**	**$810,000**	**$692,000**	**$810,000**	**$0**
Rev. Over (Under) Exp.	$61,316	$0	$3,000	$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 2019 budgeted level. Premium rates are not changing for the 2020 budget.

Operating expenses consist mostly of dental claims costs of $750,000, and are also budgeted to remain at the 2019 budget level.

Activity # of Dental Ins. Contracts	2018 Actual (a)	2019 Budget	2019 Est. (b)	2020 Budget	Budget Change
Self-Funded					
Single	225	255	250	255	0
Family	454	565	470	565	0
Subtotal	**679**	**820**	**720**	**820**	**0**
Fully-Insured*					
Single	126	115	135	135	20
Family	342	250	354	355	105
Subtotal	**468**	**365**	**489**	**490**	**125**
Total	**1,147**	**1,185**	**1,209**	**1,310**	**125**

*The county offers 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 12/31/2018.
(b) Enrollment as of June 2019.

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 60% of the county's health plan contracts are family coverage. In an effort to increase employee participation in wellness-related activities, enrollees 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 HDHP plan receive a higher HSA contribution at $1,125/$2,250 for single/family plans (vs. $300/$300 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.

	2018 Actual	2019 Budget	2019 Estimate	2020 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	$400	$0	$0	$0	$0
Appr. Fund Balance	$251,300	$246,000	$246,000	$251,800	$5,800
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$251,700**	**$246,000**	**$246,000**	**$251,800**	**$5,800**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$201,389	$244,000	$225,500	$249,800	$5,800
Interdept. Charges	$0	$2,000	$2,000	$2,000	$0
Fixed Assets (Memo)	$0	$0	$0	$0	$0
Total Expenditures	**$201,389**	**$246,000**	**$227,500**	**$251,800**	**$5,800**
Rev. Over (Under) Exp.	$50,311	$0	$18,500	$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 $4,200 to $147,300, based on lower actual charges per participant. This budget also includes the contracted Employee Assistance Program (EAP), which provides counseling for employees and helps avoid other, more expensive outside services. The EAP is budgeted to increase by $12,000 to $52,000 for additional dedicated counseling support for Sheriff's department staff. Another $12,000 for this purpose is being budgeted directly in the Sheriff's department budget. Printing expenses for promotional materials is being reduced $2,000 based on lower actual spending. Remaining budgeted items include program incentives and other wellness services (e.g., diabetes management).

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 four years of operation, the utilization of the center by employees, spouses, and dependents has grown, already resulting in an estimated four-year savings of approximately $10.3 million for the county alone and $30.7 million for all three members in total. Most program costs are shared among the three members according to a formula according to the intergovernmental agreement. This formula is updated annually using a three-year rolling average of each entity's share of utilization. For the 2020 budget, the cost-share for the county, school district, and city will be 45%/35%/20%. The cost share for the 2019 budget was 43%/38%/19%. The budget displayed below represents only the county's share of costs (city and school district budget for their own share).

	2018 Actual	2019 Budget	2019 Estimate (b)	2020 Budget	Budget Change
Staffing (FTE)	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
General Government	$68,443	$31,600	$32,400	$32,100	$500
Fine/Licenses	$0	$0	$0	$0	$0
Charges for Services	$38,202	$44,000	$44,000	$44,000	$0
Interdepartmental	$0	$0	$0	$0	$0
Other Revenue	$0	$0	$0	$0	$0
Appr. Fund Balance	$1,032,900	$1,195,000	$1,195,000	$1,293,100	$98,100
Memo: Reimb. For Facility Imprvmnts. (a)	$36,440	$36,440	$36,440	$33,403	($3,037)
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**
Total Revenues	**$1,139,545**	**$1,270,600**	**$1,271,400**	**$1,369,200**	**$98,600**
Personnel Costs	$0	$0	$0	$0	$0
Operating Expenses	$907,856	$1,250,100	$1,160,600	$1,346,000	$95,900
Interdept. Charges	$29,250	$20,500	$22,200	$23,200	$2,700
Fixed Assets (Memo) (b)	$0	$44,000	$81,000	$80,000	$36,000
Total Expenditures	**$937,106**	**$1,270,600**	**$1,182,800**	**$1,369,200**	**$98,600**

Rev. Over (Under) Exp.	$202,439	$0	$88,600	$0	$0

(a) Beginning in 2015, the county received an annual 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.

(b) Total expenditures and net operating income exclude fixed assets to conform with financial accounting standards. Fixed asset purchase orders will be funded with operating revenues, and existing fund balance is included in the fixed asset request. Higher estimated fixed asset purchases in 2019 are due to a carryover of an open purchase order from 2018 of about $37,000.

Program Highlights

For the 2020 budget, the county plans to initiate a one-year pilot program granting retired employees that are enrolled in the county's health insurance plan access to the clinic. Higher retiree claims experience in recent years is requiring substantial increases in premiums charged to retirees (10% in 2019, 27% in 2020) whom pay 100% of premium costs, and granting access to the clinic will offer retirees opportunities to save money for office visits, pharmaceuticals, and other medical services and improve the financial viability of the retiree plan through cost avoidance. Retirees will be charged for office visits/pharmaceuticals similar to county employees enrolled in the high-deductible health plan. Because retiree utilization of the clinic is uncertain, year-one statistics will be tracked to determine if additional charges are necessary in the future to avoid subsidizing retiree clinic usage. If utilization is low or the pilot program proves prohibitively expensive, the program will be discontinued.

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. Appropriated Health Insurance Fund Balance is budgeted to cover remaining program expenditures.

Waukesha Employee Health and Wellness Center (Continued)

Program expenses include the clinic provider's (HealthStat) administrative fee, which increases $104,100, from $184,800 to $288,900, but is mostly offset by decreases to lab service and pharmaceutical expenses of $63,300 and $13,200. Beginning in November 2019, HealthStat will no longer charge mark-ups (administrative fees) for lab services and pharmaceuticals, making those program costs more transparent. The increase in administrative fees is meant to offset the reduction in mark-ups (administrative fees) HealthStat previously earned through the lab services and pharmaceuticals. The net increase in total costs of three accounts of $27,600 is mostly due to anticipated increases in utilization of lab services and pharmaceuticals.

Other program expenses include clinic supplies, which increase by $37,600 based on previous actual expenses. Contracted clinic staff costs increase by $19,100 or 2.6%.

Fixed assets facility improvements (memo item), include $40,000 to replace a rooftop HVAC unit, $15,000 to replace a furnace, $15,000 to replace exam room flooring, and $10,000 for tuckpointing.

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	2018 Actual (a)	2019 Adopted Budget	2019 Estimate	2020 Budget	Change From 2019 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)	$100,000	$1,200,000	$300,000	$1,200,000	$0	0.0%
County Tax Levy (Credit)	**$0**	**$0**	**$0**	**$0**	**$0**	**N/A**
Total Revenue Sources	**$100,000**	**$1,200,000**	**$300,000**	**$1,200,000**	**$0**	**0.0%**
Expenditures						
Personnel Costs (a)	$0	$0	$0	$0	$0	N/A
Operating Expenses (a)	$100,000	$1,200,000	$300,000	$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	**$100,000**	**$1,200,000**	**$300,000**	**$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 2018, $100,000 of operating expenses was allocated to Parks and Land Use to address the repair of the School Section Lake Dam.