

Non- Departmental

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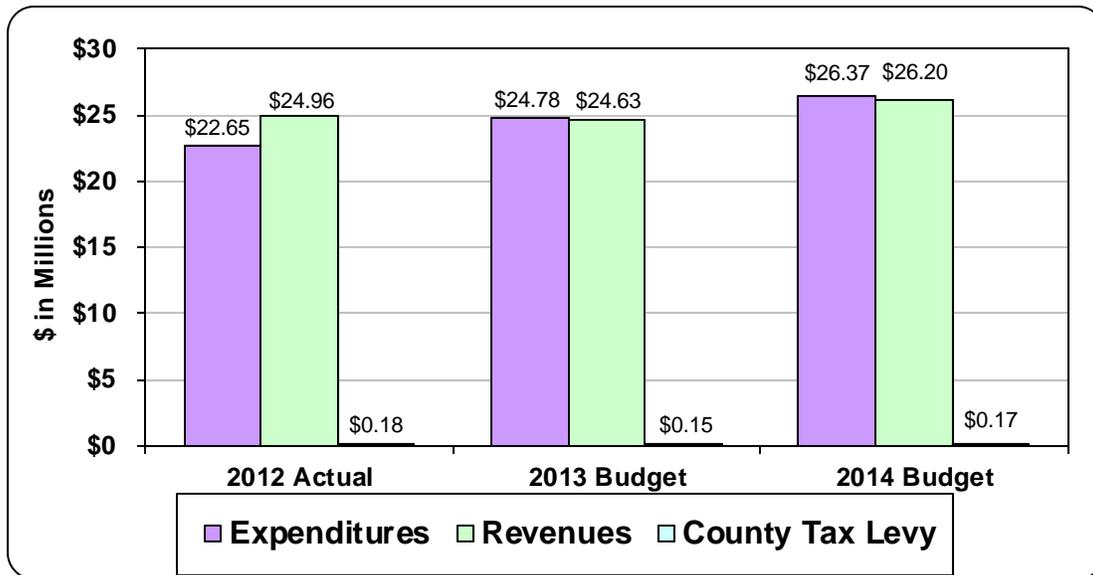
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NON-DEPARTMENTAL

Functional Area Budget Highlights

The Non-Departmental Functional area includes three budgets not directly associated with, or controlled by, a specific County department. The **Non-Departmental General Fund** provides for a wide variety of purposes, which includes significant items such as: membership in the Southeastern Wisconsin Regional Planning Commission; consulting services that benefit the entire County; payment of special assessments on County properties; and receipt of State Shared Revenues. The **Health and Dental Insurance Fund** is an interest-bearing Internal Service Fund, established to provide for and effectively manage the self-funded health benefits for County employees, elected officials, retirees and dependents. This Fund also includes an Employee Wellness (Health Advancement) program, designed to improve employee productivity, morale and healthcare cost savings, through health education and health focused activities. Beginning in 2014, this Fund budgets for an on-site medical/wellness center for employees and retirees enrolled in County Health Insurance plans, with the goal of reducing prescription drug and medical costs. The center will be 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 \$171,200, an increase of \$21,200 from the 2013 Budget.
- **Non-Departmental General Fund** expenditures include an increase in the Waukesha County Small Business Leverage Loan program by \$192,000, from \$108,000 to \$300,000, based on higher levels of program participation in 2012 and estimated for 2013. The program is intended to provide “gap” loan funding for small, established businesses in Waukesha County to promote economic growth. The program is funded with prior-year Tax Increment District dissolution dollars returned to the County.
- **Non-Departmental** expenditures also include a grant to the Waukesha County Historical Society Museum, to help cover operating costs, as a second-year grant extension past the 10-year obligation of county support. A program operations grant, which was previously funded with \$215,000 annually from the Parks and Land Use Budget, is discontinued in 2014. The county’s total grant support to the Museum in the 2013 budget was \$300,000, and is reduced to \$150,000 in 2014.
- **Health and Dental Insurance Fund** budget increases about \$1.4 million, mainly due to the first time budgeting for a shared on-site medical/wellness center, to be operated through a partnership with the School District of Waukesha and the City of Waukesha. The goal of the center is to lower employee health care and prescription drug costs as a result of managing and reducing emergency care, urgent care and higher cost physician and other medical services. A joint feasibility study projected that the center will generate a positive return on investment of approximately \$6.9 million over a five-year period, with the County’s share of savings estimated at \$2.4 million. The center is budgeted at \$1.1 million in 2014 to cover a partial year of operation (estimated to begin in August) and one-time start-up costs. The School District and City will fund their share of center operating costs beginning in 2014, and repay the County for one-time start-up costs over the next five years.
- **Contingency Fund** expenditure appropriations remain at the 2012 budgeted level of \$1.2 million and are funded with appropriated General Fund Balance.

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

	2012 Actual	2013		2014 Budget	Change from 2013	
		Adopted Budget	2013 Estimate		Adopted Budget \$	%
TOTAL NON-DEPARTMENTAL						
Revenues (a)	\$24,959,818	\$24,630,650	\$23,210,133	\$26,195,700	\$1,565,050	6.4%
County Tax Levy	\$175,000	\$150,000	\$150,000	\$171,200	\$21,200	14.1%
Expenditure (b)	\$22,649,807	\$24,780,650	\$22,772,250	\$26,366,900	\$1,586,250	6.4%
Rev. Over (Under) Exp.	\$658,789	\$0	\$127,733	\$0	\$0	N/A
Oper Income/(Loss)	\$1,826,222	\$0	\$460,150	\$0	\$0	N/A

BREAKDOWN BY AGENCY

GENERAL NON-DEPARTMENTAL

Revenues	\$2,776,667	\$1,746,300	\$1,895,533	\$1,924,200	\$177,900	10.2%
County Tax Levy	\$175,000	\$150,000	\$150,000	\$171,200	\$21,200	14.1%
Expenditure	\$2,292,878	\$1,896,300	\$1,917,800	\$2,095,400	\$199,100	10.5%
Rev. Over (Under) Exp.	\$658,789	\$0	\$127,733	\$0	\$0	N/A

HEALTH AND DENTAL INSURANCE

Revenues	\$21,380,851	\$21,684,350	\$20,914,600	\$23,071,500	\$1,387,150	6.4%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Expenditure	\$19,554,629	\$21,684,350	\$20,454,450	\$23,071,500	\$1,387,150	6.4%
Oper Income/(Loss)	\$1,826,222	\$0	\$460,150	\$0	\$0	N/A

CONTINGENCY

Revenues (a)	\$802,300	\$1,200,000	\$400,000	\$1,200,000	\$0	0.0%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Expenditure	\$802,300	\$1,200,000	\$400,000	\$1,200,000	\$0	0.0%
Rev. Over (Under) Exp.	\$0	\$0	\$0	\$0	\$0	N/A

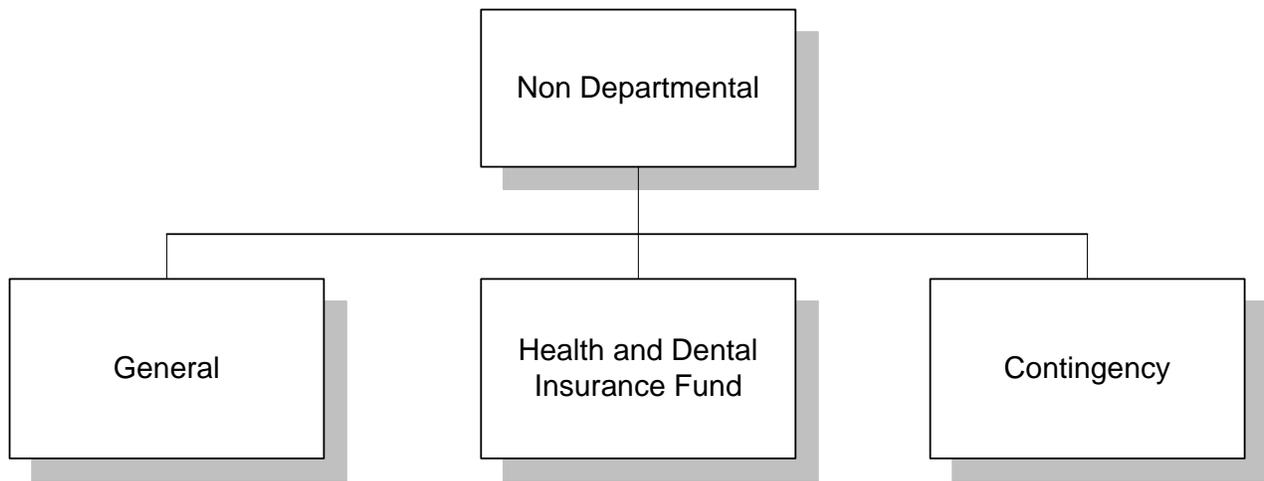
(a) For budget comparative purposes, 2012 Actual Revenues exclude Jail Assessment fees of about \$677,300, which are received in the Non-Departmental Budget, but budgeted (as fund balance appropriation) in subsequent years to help fund jail equipment replacements, capital projects and debt service for jail related projects. Actual revenues for 2012 also exclude about \$79,300 in unclaimed funds revenue, and is budgeted in later years as General Fund Balance due to its unpredictability. Actual revenues for 2012 also exclude Tax Increment Dissolution funds of about \$17,200 which are received in the Non-Departmental Budget and become part of General Fund Balances used in later years.

(b) Revenue Budget for 2014 includes fund balance appropriations totalling \$2,921,200 as follows: General Fund: \$719,200 (of which \$300,000 is from Tax Increment Dissolution (TID) funds); Health and Dental Insurance Fund: \$1,002,000; and Contingency Fund: \$1,200,000. 2013 includes Fund Balance appropriations totalling \$2,099,950 as follows: General Fund: \$400,500 (of which \$108,000 is from TID funds); Health and Dental Insurance Fund: \$499,450; Contingency Fund: \$1,200,000.

Non-Departmental

NON DEPARTMENTAL

FUNCTION / PROGRAM CHART



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



Statement of Purpose

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

Activities

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

Financial Summary	2012	2013	2013	2014	Change From 2013	
	Actual	Adopted Budget	Estimate	Budget	Adopted Budget	
					\$	%
Revenues						
General Government (a)	\$1,120,340	\$1,025,800	\$984,000	\$955,000	(\$70,800)	-6.9%
Fine/Licenses (b)	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$0	\$0	\$0	\$0	\$0	N/A
Interdepartmental (c)	\$155,809	\$110,000	\$171,000	\$130,000	\$20,000	18.2%
Other Revenue (b)	\$276,718	\$210,000	\$177,000	\$120,000	(\$90,000)	-42.9%
Appr. Fund Balance (d)	\$1,223,800	\$400,500	\$563,533	\$719,200	\$318,700	79.6%
County Tax Levy	\$175,000	\$150,000	\$150,000	\$171,200	\$21,200	14.1%
Total Revenue Sources	\$2,951,667	\$1,896,300	\$2,045,533	\$2,095,400	\$199,100	10.5%
Expenditures						
Personnel Costs (d)(e)	\$425,114	\$430,000	\$340,000	\$455,000	\$25,000	5.8%
Operating Expenses (d)(e)	\$1,807,764	\$1,389,500	\$1,501,000	\$1,549,600	\$160,100	11.5%
Interdept. Charges	\$60,000	\$76,800	\$76,800	\$90,800	\$14,000	18.2%
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$2,292,878	\$1,896,300	\$1,917,800	\$2,095,400	\$199,100	10.5%
Rev. Over (Under) Exp.	\$658,789	\$0	\$127,733	\$0	\$0	N/A

Position Summary (FTE)

No Positions are Budgeted in this fund

- (a) General Government revenues for 2014 Budget include State Shared Revenue payments of \$795,000. The 2013 Budget includes Shared Revenue payments of \$645,000 and Computer Exemption aid revenue of \$200,000. General Government revenues also include estimated countywide indirect cost reimbursements (in excess of the amounts budgeted in the Department of Administration) received from the State/Federal funding sources for Child Support and the Aging and Disability Resource Center Contract.
- (b) 2012 Actual Fines and Licenses revenues exclude jail assessment fees of about \$677,300, which is accounted for in the Non-Departmental Budget, but budgeted in subsequent years to help fund jail equipment replacement and related capital projects and debt service for Jail related projects. Actual Other Revenues in 2012 exclude unclaimed funds revenue of about \$79,300, and is budgeted in later years as General Fund Balance due to its unpredictability. Actual Other Revenues in 2012 also exclude about \$17,200 in Tax Increment District (TID) dissolution funds, which are received in the Non-Departmental Budget and appropriated as General Fund Balance in later years for one-time, temporary or periodic expenditures.
- (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 2014 Budget includes \$300,000 in prior-year Tax Increment District (TID) revenues to fund the Small Business Leverage Loan Funding program; \$150,000 for retirement payouts from reserves for this purpose; \$150,000 toward an extension of the Waukesha County Historical Society (WCHS) operations grant; \$70,000 toward one-time employee severance/retention payments; \$36,700 from prior-year unclaimed funds revenues; and \$12,500 for the third year of a 4-year contribution to the Milwaukee 7 Regional Economic Development Campaign. For a description of 2013 Budget and 2013 Estimated General Fund Balance use, see footnote (a) for the Non-Departmental Program/Activity Financial Summary (page 455).
- (e) For comparative purposes to the 2013 and 2014 budget, actual expenditures for 2012 are restated to more appropriately account for third-party administration of Section 125 Plan accounts (County employee flexible spending accounts) as an operating expenditure rather than a personnel cost.

2014 Specific Activities and Purpose:

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

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

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

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

Separation Payouts (Vacation/Sick Leave): Continue budgeting for sick leave payouts that exceed normal budget amounts for large departments (reserves), based on an expected higher level of retirements (as baby boomers reach retirement age). Large service departments provide for most of this cost within their respective budgets. Continue to maintain an account to fund retirement sick leave and vacation payouts in administrative and small departments.

Employee Maximum Sick Leave/Non-Represented Vacation Payouts: Continue to fund the employee incentive payment for those who have maximized their sick leave accrual (maximum of 960 hours) in prior years. Continue to fund payouts for unused vacation time (maximum 40 hours) for non-represented employees who earn more than three weeks of vacation time during a year.

Section 125 Plan Administration Costs: Continue to fund the third-party administration of the County employees' Flexible Spending Account plans, which allow employees to set aside untaxed earnings for out-of-pocket health care expenses, which save the County the employer's cost share of FICA and Medicare payments.

Deferred Compensation Plan Consulting: Continue to provide consulting services to the employee investment advisory committee for the Deferred Compensation plan. This is offset by revenues (no tax levy) that the plan administrator shares with the County.

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

Consulting/Grant/Other: Continue to provide funding for special consulting studies identified during the year.

Merchant Card Fees: Provide funding for credit card and debit card processing fees in non-enterprise activities.

Waukesha County Historical Society Museum Operations Grant: Provide a grant to the Waukesha County Historical Society (WCHS) in expectation of completing plans and studies of future direction and funding of the museum. This second-year grant extension provides the WCHS an additional year of County support past the 10-year obligation per enrolled ordinance (157-76). A program operations grant, which was previously funded with \$215,000 annually from the Parks and Land Use Budget, is discontinued in 2014. The County's total grant in the 2013 budget was \$300,000, reduced to \$150,000 for 2014. In 2014 Waukesha County will examine its relationship with the WCHS and analyze if the County should continue funding the museum and at what level.

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

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

Non-Departmental Program/Activity Financial Summary

Expenditures:	2012	2013	2013	2014	Budget	%
<i>Continuous</i>	Actual	Budget	Estimate	Budget	Change	Change
SEWRPC Allocation	\$652,700	\$659,000	\$659,000	\$668,200	\$9,200	1%
Waukesha Co Econ Dev Corp (WCEDC) Contrib.	\$95,000	\$95,000	\$95,000	\$95,000	\$0	0%
Waukesha County Tourism Initiative	\$10,000	\$10,000	\$10,000	\$10,000	\$0	0%
Wis. River Rail Transit System	\$26,520	\$27,000	\$28,000	\$28,000	\$1,000	4%
Loss Control/ADA	\$0	\$50,000	\$66,000	\$50,000	\$0	0%
Separation Payouts (Vac. & Sick Leave) (a)	\$129,004	\$150,000	\$125,000	\$150,000	\$0	0%
Empl. Max. Sick Leave/Non-Rep. Vac. Payouts (for Active Empl.)	\$131,819	\$135,000	\$133,000	\$150,000	\$15,000	11%
Section 125 Plan Administration Costs	\$15,549	\$30,000	\$20,000	\$15,000	(\$15,000)	-50%
Unemployment	\$95,136	\$85,000	\$82,000	\$85,000	\$0	0%
Severance/Retention (a)	\$59,618	\$60,000	\$0	\$70,000	\$10,000	17%
Deferred Compensation Plan Consulting/Retirement Planning (b)	\$26,961	\$50,000	\$50,000	\$40,000	(\$10,000)	-20%
Consulting	\$29,387	\$40,000	\$65,000	\$40,000	\$0	0%
Merchant Card Fees (c)	\$107,739	\$135,000	\$110,000	\$52,900	(\$82,100)	-61%
Employment Advertising	\$10,596	\$20,000	\$25,000	\$20,000	\$0	0%
Property Tax/Special Assessments	\$134,665	\$50,000	\$50,000	\$50,000	\$0	0%
Printing inc. Adopted Budget Books	\$5,630	\$8,000	\$7,500	\$8,000	\$0	0%
Work Comp/Liab/Casualty/Other Ins	\$60,000	\$76,800	\$76,800	\$90,800	\$14,000	18%
Other Expenses	\$5,074	\$10,000	\$10,000	\$10,000	\$0	0%
Short-Term/Temporary/Periodic						
Wauk. Co. Hist. Society - Capital/Debt Svc	\$118,234	\$0	\$0	\$0	\$0	N/A
Wauk. Co. Hist. Society - Operations Grant (a)	\$117,000	\$85,000	\$85,000	\$150,000	\$65,000	76%
Milwaukee 7 Regional Econ Dev Campaign (a)	\$12,500	\$12,500	\$12,500	\$12,500	\$0	0%
Election Consultant Programming, Training & Recommend. (a)	\$253,746	\$0	\$0	\$0	\$0	N/A
Wauk. Co. Small Business Leverage Loan Funding Program (a)	\$196,000	\$108,000	\$208,000	\$300,000	\$192,000	178%
Total Expenditures	\$2,292,878	\$1,896,300	\$1,917,800	\$2,095,400	\$199,100	10%
Revenue:						
State Shared Revenues/State Computer Aid	\$895,000	\$845,000	\$845,000	\$795,000	(\$50,000)	-6%
Other General Government Revenues (d)	\$225,340	\$180,800	\$139,000	\$160,000	(\$20,800)	-12%
Intedepartmental Charge Revenue*	\$155,809	\$110,000	\$171,000	\$130,000	\$20,000	18%
Fund Balance Appropriation (a)	\$1,223,800	\$400,500	\$563,533	\$719,200	\$318,700	80%
Other Revenue (b)(c)(e)	\$276,718	\$210,000	\$177,000	\$120,000	(\$90,000)	-43%
Tax Levy	\$175,000	\$150,000	\$150,000	\$171,200	\$21,200	14%
Total Revenues	\$2,951,667	\$1,896,300	\$2,045,533	\$2,095,400	\$199,100	10%
Revenues Over/(Under) Expenditures	\$658,789	\$0	\$127,733	\$0	\$0	N/A

* See Footnote (c) to the financial summary table on page 453.

- (a) Appropriated General Fund Balance for the **2014 Budget** includes \$300,000 in prior-year Tax Increment District (TID) revenues to fund the Small Business Leverage Loan Funding program; \$150,000 for retirement payouts from reserves for this purpose; \$150,000 toward an extension of the Waukesha County Historical Society (WCHS) operations grant (see previous page for explanation of 2012-14); \$70,000 toward one-time employee severance/retention payments; \$36,700 from prior-year unclaimed funds revenues; and \$12,500 for the third year of a 4-year contribution to the Milwaukee 7 Regional Economic Development Campaign. The **2013 Estimate** includes about \$163,000 in County Board approved carryovers and open purchase orders (and related expenditure authority) from 2012. The **2013 Budget** includes \$108,000 in prior-year Tax Increment District (TID) revenues to fund the Small Business Leverage Loan Funding program; \$150,000 for retirement payouts from reserve. Fund balance for **2012 Actual** includes approximately \$250,000 of Contingency Funds transferred in to cover one-time consultant costs to program the gubernatorial Recall and August Primary elections, to train county staff and recommend improvements to elections administration in the County Clerk's Office.
- (b) Other Revenue includes offsetting revenue to pay for the Deferred Compensation Plan consulting of \$40,000 in the 2014 Budget and \$50,000 in the 2013 Budget. No County tax levy is used to fund this expenditure.
- (c) The decrease in merchant card fees for 2014 is mostly due to a change in service providers as a result of a request for proposal. Beginning in 2014, charges related to Internet payment portal hosting and associated merchant card fees will be paid for directly by the customers. Previously, the County incurred these costs, and then were reimbursed for most of the costs through an Internet payment convenience surcharge. The new contract results in a reduction in charges to taxpayers that use this service. This revenue also is eliminated in the 2014 budget. This budget will continue to provide funding for credit card and debit card processing fees in other non-enterprise activities.
- (d) Other General Government revenue includes indirect cost recovery in excess of the amounts budgeted in the (Department of Administration) received from state and federal government funding sources including the Aging and Disability Resource Center Contract and Child Support.
- (e) Other Revenues include miscellaneous recoveries (\$50,000 in the 2014 and 2013 Budgets) and procurement card rebate revenue in excess of what is budgeted in the Department of Administration (\$30,000 in the 2014 Budget and \$50,000 in the 2013 Budget).



Fund Purpose

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

Financial Summary	2012	2013	2013	2014	Change From 2013	
	Actual (b)	Adopted Budget (c)	Estimate (b)	Budget (a)(c)	Adopted Budget \$	%
Revenues (a)						
General Government	\$0	\$0	\$0	\$476,500	\$476,500	N/A
Fine/Licenses	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$3,327,675	\$3,097,200	\$3,136,000	\$3,543,000	\$445,800	14.4%
Interdepartmental	\$16,449,580	\$17,628,700	\$17,093,000	\$17,626,000	(\$2,700)	0.0%
Other Revenue (b)	\$1,491,761	\$459,000	\$475,000	\$424,000	(\$35,000)	-7.6%
Appr. Fund Balance (c)	\$111,835	\$499,450	\$210,600	\$1,002,000	\$502,550	100.6%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Total Revenue Sources	\$21,380,851	\$21,684,350	\$20,914,600	\$23,071,500	\$1,387,150	6.4%
Expenditures (a)						
Personnel Costs	\$0	\$0	\$0	\$0	\$0	N/A
Operating Expenses	\$19,551,604	\$21,677,750	\$20,447,900	\$23,002,600	\$1,324,850	6.1%
Interdept. Charges	\$3,025	\$6,600	\$6,550	\$68,900	\$62,300	943.9%
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$19,554,629	\$21,684,350	\$20,454,450	\$23,071,500	\$1,387,150	6.4%
Rev. Over (Under) Exp.	\$1,826,222	\$0	\$460,150	\$0	\$0	N/A

Position Summary (FTE)

No Positions Budgeted in this fund

- (a) The increase in budgeted expenditures and revenues is mostly due to the planned implementation of a new on-site medical/wellness center for active County employees and retirees enrolled in County health insurance programs, planned to begin in August 2014, which will include payments from the Waukesha School District and City of Waukesha.
- (b) Other Revenues for the 2012 actual and 2013 estimate include one-time unbudgeted revenues totaling about \$985,000 and \$51,000, which consist mostly of repayments received from the County's stop loss insurer for high-cost claims.
- (c) Appropriated Fund Balance from Health and Dental Insurance Fund Reserves for the 2014 Budget includes \$216,000 in the Active Employee and Retiree Health Insurance Programs to cover temporary (annually for three years, beginning in 2014) payments required under the Federal Affordable Care Act (ACA), \$153,500 in the Wellness Program and \$632,500 for the new On-Site Medical/Wellness Center. The 2013 Budget includes \$235,300 in the Active Employee Health Insurance Program, \$35,000 in the Employee Dental Insurance Program and \$229,150 in the Wellness Program.

Current & Planned Capital Projects

Proj. #	Project Name	Expected Completion Year	Total Project Costs	Estimated % Complete End of '13	Estimated Operating Impact	A = Annual T = One-Time
200417	On-Site Medical Clinic, Retrofit Facility	2014	\$243,000	0%	(d)	A

- (d) A feasibility study has projected that the center will generate a positive return on investment for the County and its partner organizations totaling approximately \$6.9 million over a 5 year period: With savings of \$2.4 million estimated for the County, \$3.1 million for the school district and \$1.4 million for the City.

Major Departmental Strategic Outcomes and Objectives for 2014

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

Objective 1: Contain health insurance cost trends, and/or the rate of premium increases through effective design changes, education, wellness initiatives and data management.

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

Performance Measure:	2012 Actual	2013 Budget*	2013 Estimate	2014 Budget
Health Plan cost increases*	5%	8%	4%	6%
Medical Inflation Rate**	9%	9%	9%	9%

*Health plan cost increases measured using prior-year actual/estimates as a base. For comparability purposes, the 2013 Budget is restated to use prior-year estimate during 2013 budget development.

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

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

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

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

Performance Measures:

Choice Plus Plan	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Average Plan % Premium Increase	10%	-0.1%	-0.1%	2.0%
Average Monthly Plan Cost: Single	\$639	\$638	\$638	\$651
Family	\$1,689	\$1,687	\$1,687	\$1,721

HSA Plan*	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Average Plan % Premium Increase	6%	3%	3%	1%
Average Full Monthly Plan Cost: Single*	\$560	\$583	\$583	\$588
Family*	\$1,432	\$1,485	\$1,485	\$1,498

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

Objective 3: Demonstrate return on investment (ROI) under the wellness program. In 2013, the County conducted an ROI analysis of the employees who participated in the 3 Steps to Success program over a three-year period (2010-12). There were 277 employees actively engaged and 971 non-engaged during this time period. The analysis looked at medical and pharmacy claims, absenteeism, participation in preventative health screenings and pre-disease risk factors.

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

Performance Measure:	Actively Engaged	Non- Engaged	Total Est. Cost Avoidance
2012 Avg. Health Insurance Claims	\$4,482	\$4,977	\$137,000
2012 Avg. Pharmacy Claims	\$986	\$987	\$300
2012 Avg. Sick Leave Costs	1,004	1,352	\$96,000
2012 Total Estimated ROI			\$233,300

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

Performance Measure (For 2012):	Actively Engaged	Non- Engaged
% Having Annual Physical Exams	67%	36%
% Having Breast Cancer Screenings	82%	54%
% Having Cervical Cancer Screenings	45%	31%
% Having Colon Cancer Screenings	23%	14%

Active Employee Health Insurance

Program Description

This program area accounts for all costs associated with the operation of the Active Employee Health Insurance program. This includes medical, pharmacy, and vision claims payments; and administrative expenses, stop loss insurance premiums, consulting fees and other program-related services/expenses that may arise. This program area recovers its costs through premium charges to internal departments, employees, and COBRA participants. This program area also carries an actuarially determined Incurred But Not Reported reserve balance (outstanding claims paid in next fiscal year) as required for internal service fund accounting. Two health plans are offered to employees: (1) a self-funded Point of Service (POS) plan (Choice Plus) and (2) a self-funded Consumer Driven health plan with a Health Savings Account (HSA) feature. Both plans offer an incentive to employees for participating in the Health Advancement Program, designed to help reduce the County's health insurance costs (see Wellness Program). Program participants in the POS plan pay a lower premium costs share at 15% (vs. 20% for non-participants), and participants in the HSA plan receive a higher employer HSA contribution at \$1,125/\$2,250 for single/family plans (vs. \$750/\$1,500 for non-participants).

	2012 Actual (a)	2013 Budget	2013 Estimate (a)	2014 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	\$2,385,140	\$2,222,000	\$2,292,000	\$2,697,000	\$475,000
Interdepartmental	\$15,776,840	\$16,993,900	\$16,401,000	\$16,934,000	(\$59,900)
Other Revenue (a)	\$1,465,226	\$437,000	\$453,000	\$402,000	(\$35,000)
Appr. Fund Balance	\$0	\$235,300	\$0	\$210,000	(\$25,300)
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$19,627,206	\$19,888,200	\$19,146,000	\$20,243,000	\$354,800
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$18,096,704	\$19,886,600	\$18,870,200	\$20,240,000	\$353,400
Interdept. Charges	\$2,927	\$1,600	\$2,000	\$3,000	\$1,400
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$18,099,631	\$19,888,200	\$18,872,200	\$20,243,000	\$354,800
Rev. Over (Under) Exp.	\$1,527,575	\$0	\$273,800	\$0	\$0

(a) Other Revenues for the 2012 actual and 2013 estimate include one-time unbudgeted revenues totaling about \$985,000 and \$51,000, which consist mostly of repayments received from the County's stop loss insurer for high-cost claims.



Program Highlights

Based on actuarial recommendations, this fund estimates necessary premiums to cover the costs associated with anticipated claims to be paid in 2014 (described below). Charges for Service revenue include the employees' share of estimated premiums (15% or 20% for individuals enrolled in the POS plan, depending on participation in Health Advancement Program, or 10% if in the HSA plan, see program description above). Interdepartmental Charge revenues include the County's share (85%, 80% or 90%) of estimated premiums and employee HSA contributions charged to County departments. Other Revenues include a decrease in prescription drug rebates by \$35,000 to \$340,000, and interest income on Health Insurance Fund Balance, which remains at the 2013 budget level of \$62,000. Appropriated Health Insurance Fund Balance is budgeted at \$210,000 to cover temporary (for three years beginning in 2014) payments required under the Federal Affordable Care Act (ACA).

Operating expenditures increase, mainly due to budgeting for the ACA payment mentioned above at \$210,000, and due to an estimated increase in claims costs by \$181,000 to \$17,684,000. Interdepartmental charges, consist of postage charges for distributing open enrollment information to employees, and increases to be more in-line with prior-year actuals.

Note: Based on actuarial recommendation, \$1.77 million (approximately 10% of the \$17,684,000 in estimated claims costs for 2014) is to be reserved in the Health and Dental Insurance Fund Reserves to be available for appropriation by ordinance if claims exceed appropriations.



Activity	2012	2013	2013	2014	Budget
# of Health Ins. Contracts	Actual (a)	Budget (b)	Estimate (c)	Budget (b)	Chng
POS Single	251	252	238	236	(16)
Family	527	538	495	504	(34)
Subtotal	778	790	733	740	(50)
H.S.A. Single	92	97	112	120	23
Family	306	323	342	368	45
Subtotal	398	420	454	488	68
Total	1,176	1,210	1,187	1,228	18

- (a) Enrollment as of 12/31/2012.
- (b) The 2013 and 2014 budget figures are based on enrollment counts obtained during mid-summer budget development, with adjustments made for vacant positions.
- (c) Enrollment as of 8/21/2012.

Retired Employee Health Insurance

Program Description

This program area accounts for all costs associated with the operation of the Retired Employee Health Insurance program. This includes medical, pharmacy and vision claims payments; and administrative expenses, stop loss insurance premiums, consulting fees and other program-related services/expenses that may arise. This program area recovers its costs through premium charges to retirees. Retirees pay 100% of the premium cost. Actuarial consultants rate the retiree health insurance plan separately from the active employee health insurance plans.

	2012 Actual	2013 Budget	2013 Estimate	2014 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	\$847,469	\$805,000	\$768,000	\$770,000	(\$35,000)
Interdepartmental	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$22,004	\$19,000	\$19,000	\$19,000	\$0
Appr. Fund Balance	\$0	\$0	\$0	\$6,000	\$6,000
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$869,473	\$824,000	\$787,000	\$795,000	(\$29,000)
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$604,829	\$823,100	\$646,600	\$794,100	(\$29,000)
Interdept. Charges	\$98	\$900	\$450	\$900	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$604,927	\$824,000	\$647,050	\$795,000	(\$29,000)
Rev. Over (Under) Exp.	\$264,546	\$0	\$139,950	\$0	\$0



Program Highlights

Based on actuarial recommendation, which is separately rated from the active employee health plans, this fund estimates necessary premiums to cover the costs associated with anticipated claims to be paid in 2014 (described below). Charges for Service revenues consist of health insurance premiums paid by retirees (retirees pay 100% of premium costs). Other revenues consist of prescription drug rebates, budgeted at \$15,000, and interest income at \$4,000. Appropriated Health and Dental Insurance Fund Balance is budgeted at \$6,000 to cover temporary (for three years beginning in 2014) payments required under the Federal Affordable Care Act (ACA).

Operating expenditures are budgeted to decrease mainly due to a decrease in estimated claims costs by \$35,000 to \$691,200.

Note: Based on actuarial recommendation, \$69,000 (approximately 10% of the \$691,200 in estimated claims paid) is to be reserved in the Health and Dental Insurance Fund Balance Reserves to be available for appropriation by ordinance if claims exceed appropriations.



Activity	2012 Actuals (b)	2013 Budget	2013 Estimate (c)	2014 Budget	Budget Change
# of POS Retiree Health Ins. Contracts (a)					
Pre-Medicare					
Single	39	39	41	41	2
Family	11	11	10	10	(1)
Subtotal	50	50	51	51	1
Medicare					
Single	6	6	9	9	3
Family	6	6	2	2	(4)
Subtotal	12	12	11	11	(1)
Total	62	62	62	62	0

- (a) Contract figures and the budget exclude retiree enrollment in the Medicare Advantage healthcare plan, which had 279 participants (as of August 1, 2013), and is not accounted for in the County Budget.
- (b) Enrollment as of March 1, 2012.
- (c) Enrollment as of August 1, 2013.

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.

	2012 Actual	2013 Budget	2013 Estimate	2014 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	\$95,066	\$70,200	\$76,000	\$76,000	\$5,800
Interdepartmental	\$672,740	\$634,800	\$692,000	\$692,000	\$57,200
Other Revenue	\$4,531	\$3,000	\$3,000	\$3,000	\$0
Appr. Fund Balance	\$0	\$35,000	\$0	\$0	(\$35,000)
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$772,337	\$743,000	\$771,000	\$771,000	\$28,000
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$738,236	\$741,400	\$723,000	\$769,400	\$28,000
Interdept. Charges	\$0	\$1,600	\$1,600	\$1,600	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$738,236	\$743,000	\$724,600	\$771,000	\$28,000
Rev. Over (Under) Exp.	\$34,101	\$0	\$46,400	\$0	\$0



Program Highlights

Charges for Service revenue, which consist of the employees' share (10%) of dental premiums, and Interdepartmental Revenues, which consist of the County's share (90%) of Dental premiums, are budgeted to increase a total of \$63,000, based on current-year estimates. Other revenues consist of investment income, which remains at the 2013 budget level.

Operating expenditures increase by \$28,000 to \$741,400, mostly due to an increase in estimated claims costs by \$27,000 to \$711,000.



Activity	2012 Actual (a)	2013 Budget (b)	2013 Est. (c)	2014 Budget (b)	Budget Change
# of Dental Ins. Contracts					
Self-Funded					
Single	178	202	205	211	9
Family	470	527	549	553	26
Subtotal	648	729	754	764	35
DentaCare ❖					
Single	137	142	125	135	(7)
Family	305	296	314	316	20
Subtotal	442	438	439	451	13
Total	1,090	1,167	1,193	1,215	48

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

(a) Enrollment as of 12/31/2012

(b) The 2013 and 2014 budget figures are based on enrollment counts obtained during mid-summer budget development, with adjustments made for vacant positions.

(c) Enrollment as of 8/21/2013.

Wellness Initiative

Program Description

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

Approximately 70% of the County's health plan contracts are family coverage. In an effort to increase employee participation in Wellness related activities, both employees and spouses will be required to participate in the Health Advancement Program's "3 Steps to Success" (biometric screening, health risk assessment and nurse review call) in order to qualify for the following incentives: For 2014, program participants in the POS plan pay a lower premium costs share at 15% (vs. 20% for non-participants), and participants in the HSA plan receive a higher HSA contribution at \$1,125/\$2,250 for single/family plans (vs. \$750/\$1,500 for non-participants).

	2012 Actual	2013 Budget	2013 Estimate	2014 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	\$111,835	\$229,150	\$210,600	\$153,500	(\$75,650)
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$111,835	\$229,150	\$210,600	\$153,500	(\$75,650)
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$111,835	\$226,650	\$208,100	\$151,000	(\$75,650)
Interdept. Charges	\$0	\$2,500	\$2,500	\$2,500	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$111,835	\$229,150	\$210,600	\$153,500	(\$75,650)
Rev. Over (Under) Exp.	\$0	\$0	\$0	\$0	\$0

 **Program Highlights**

Appropriated Health and Dental Insurance Fund Balance from reserves decreases by \$75,650, based on changes in program expenditures.

Operating expenditures decrease in third-party contractor charges for administering the Health Advancement Program (e.g., biometrics) by \$107,050, from \$140,650 to \$33,600, due to the anticipation this program will begin to be administered by a new contractor, budgeted for in the new On-Site Medical/Wellness Center program. This is partially offset by the transfer in of the Employee Assistance Program from the Department of Administration – Human Resources program budget, estimated at \$31,400. Other base operating expenditures include \$29,000 in program incentives for participating employees, \$26,000 for health coaching programs, \$9,000 for cancer screenings and \$22,000 for other program costs.



Activity	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Budget Change
Health Assessment Participation					
# Participating	1,096	1,450	1,302	1,700	250
% of Work Force + Spouses	51%	68%	61%	80%	12%

On-Site Medical/Wellness Center

Program Description

This program area accounts for all costs and revenues associated with the development and implementation of a shared on-site medical/wellness center. The center will be a shared intergovernmental arrangement managed and funded by Waukesha County, City of Waukesha and the Waukesha School District. The center is being developed following a joint feasibility study and a subsequent comprehensive request for proposal process. The feasibility study has projected that the center will generate a positive return on investment for the combined organizations of approximately \$6.9 million over a 5 year period: With savings of \$2.4 million estimated for the County, \$3.1 million for the school district and \$1.4 million for the City. It is anticipated that the clinic will begin operations in August, 2014.

The goal of the center is to lower health care and prescription drug costs as a result of managing and reducing emergency care, urgent care and higher cost physician and other medical related services. The Center will provide services to employees and retirees enrolled in the County health insurance program. Services will include primary and preventative care, wellness programming, biometric and health risk assessments, health coaching and education, limited pharmacy and occupational medicine services. The center is expected to be located in the former Public Health Building, after those operations relocate to the new Health and Human Services building in the fourth quarter of 2013. However, the eventual location will be dependent upon the results of the request-for-proposal, discussed above.

	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Budget Change
Staffing (FTE)	0.00	0.00	0.00	0.00	0.00
General Government	\$0	\$0	\$0	\$476,500	\$476,500
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	\$0	\$0	\$0	\$632,500	\$632,500
County Tax Levy	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$0	\$0	\$0	\$1,109,000	\$1,109,000
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$1,048,100	\$1,048,100
Interdept. Charges	\$0	\$0	\$0	\$60,900	\$60,900
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$0	\$0	\$0	\$1,109,000	\$1,109,000
Rev. Over (Under) Exp.	\$0	\$0	\$0	\$0	\$0



Program Highlights

Program expenditures and revenues reflect an estimated five months of operation, plus one-time start-up costs (discussed below), due to the anticipated August 2014 start date. General Government revenues consist of the Waukesha School District's and City of Waukesha's share of program costs, estimated at \$349,200 and \$127,300. Waukesha County's share is estimated at \$632,500, and planned to be covered with Health and Dental Insurance Fund Balance. The County's share of costs is estimated to be higher proportionally initially in this first year due to providing up-front funding of one-time start-up costs (discussed below), with the School District and City to repay their share over the five following years.

Operating expenditures include contract staffing estimated at \$359,300, one-time start-up costs (e.g., technology, equipment) at \$291,900, contractor management fees at \$143,500, wellness programming (e.g., biometrics) at \$172,900, and supplies and other costs estimated at \$80,500. Interdepartmental charge expenditures consist of estimated facility-related costs (e.g., utilities, housekeeping).

Contingency Fund

Non-Departmental



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	2012	2013	2013	2014	Change From 2013	
	Actual (a)	Adopted Budget	Estimate (b)	Budget	Adopted Budget \$	%
Revenues						
General Government	\$0	\$0	\$0	\$0	\$0	N/A
Fine/Licenses	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$0	\$0	\$0	\$0	\$0	N/A
Interdepartmental	\$0	\$0	\$0	\$0	\$0	N/A
Other Revenue	\$0	\$0	\$0	\$0	\$0	N/A
Appr. Fund Balance (a)(b)	\$802,300	\$1,200,000	\$400,000	\$1,200,000	\$0	0.0%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Total Revenue Sources	\$802,300	\$1,200,000	\$400,000	\$1,200,000	\$0	0.0%
Expenditures						
Personnel Costs	\$0	\$0	\$0	\$0	\$0	N/A
Operating Expenses (a)(b)	\$802,300	\$1,200,000	\$400,000	\$1,200,000	\$0	0.0%
Interdept. Charges	\$0	\$0	\$0	\$0	\$0	N/A
Fixed Assets (a)(b)	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$802,300	\$1,200,000	\$400,000	\$1,200,000	\$0	0.0%
Rev. Over (Under) Exp.	\$0	\$0	\$0	\$0	\$0	N/A

(a) 2012 actual Contingency Fund use includes \$447,300 transferred for election-related issues: (1) To help the County Clerk's Office cover unanticipated recall election costs for the Governor, Lieutenant Governor and a State Legislator; and (2) to the Non-Departmental General Fund Budget to resolve problems, mitigate risks and improve County Clerk election management protocols. 2012 Contingency Fund transfers also included \$355,000 to replace a damaged Chiller in the Administration Center building (Capital Project #201213).

(b) The 2013 Estimate for Contingency Funds used include \$75,000 transferred to cover unanticipated water flow management costs related to the County Highway E, Oconomowoc River Bridge Project (# 200008). In addition, \$45,000 was transferred to the Health & Human Services budget to maintain 24/7 crisis phone coverage through the Mental Health Association. Both funding ordinances were approved by the County Board prior to July 31, 2013.