

Non- Departmental

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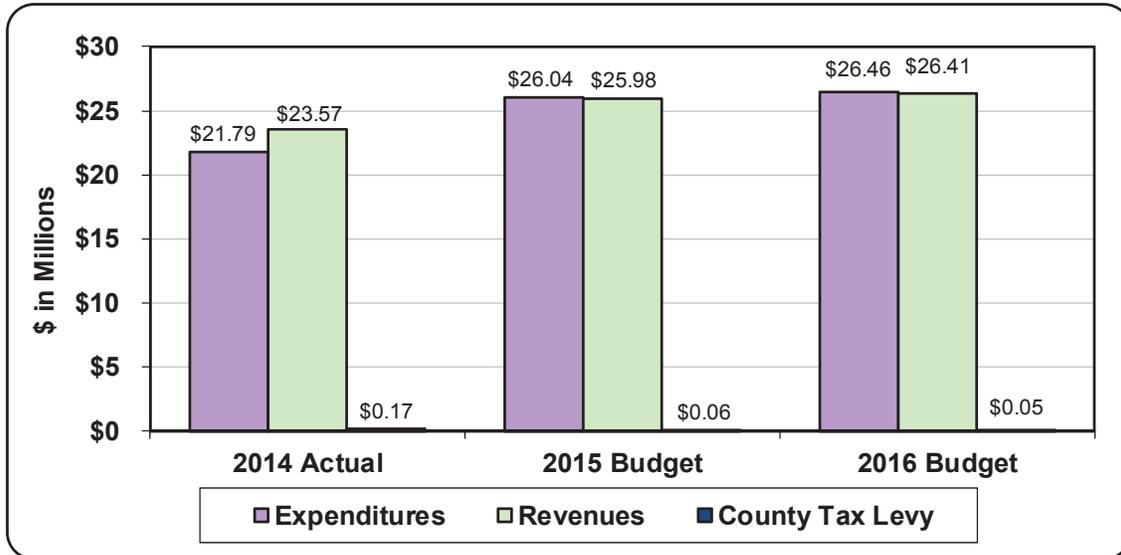
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NON-DEPARTMENTAL

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 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 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 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 \$46,200, a decrease of \$15,000 from the 2015 Budget.
- **Non-Departmental General Fund:** In 2015, with the closure of the Waukesha County Economic Development Corporation, the County convened a workgroup of businesses, business organizations and local municipalities to develop a multi-year business growth strategy for Waukesha County. The County will seek proposals from organizations to serve as the economic development organization for Waukesha County and implement the objectives in the business growth strategy. Waukesha County funds will be leveraged with funds from the City of Waukesha and the Wisconsin Small Business Development Center. The County's budgeted support for an economic development organization increases by \$55,000, from \$95,000 to \$150,000.
- **The Non-Departmental General Fund** also budgets \$50,000 to fund an initial study of different levels of collaboration between independent municipal fire departments. This first study will include municipalities in Lake County and surrounding municipalities participating and contributing in part to the County's appropriation.
- **Non-Departmental General Fund** revenues include the first time budgeting revenues for municipal reimbursements for the Countywide election upgrade (at 1/3 of equipment costs) at \$190,000 in 2016.
- **The Waukesha Employee Health and Wellness Center (Health and Dental Insurance Fund)** budget decreases by \$22,000 to \$858,600. The budget includes contracted staffing, estimated at \$496,400; contractor management and consulting fees, estimated at \$200,800; laboratory fees, estimated at \$60,800; facility-related expenses, estimated at \$55,500; \$8,000 for furniture and equipment; and supply and other operational costs, estimated at \$37,100.
- **Waukesha Employee Health and Wellness Center** – Based on the results of the request for proposal process, it is projected that the center will generate a positive return on investment for the combined organizations of approximately \$7.7 million over a 5 year period: With savings of \$3.1 million estimated for the County, \$3.4 million for the school district and \$1.2 million for the City.
- **Contingency Fund** expenditure appropriations remain at the 2015 budgeted level of \$1.2 million and are funded with appropriated General Fund Balance.

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

	2014 Actual	2015		2016 Budget	Change from 2015 Adopted Budget	
		Adopted Budget	2015 Estimate		\$	%
TOTAL NON-DEPARTMENTAL						
Revenues (a)	\$23,573,657	\$25,977,800	\$23,675,241	\$26,408,900	\$431,100	1.7%
County Tax Levy	\$171,200	\$61,200	\$61,200	\$46,200	(\$15,000)	-24.5%
Expenditure	\$21,791,554	\$26,039,000	\$23,563,152	\$26,455,100	\$416,100	1.6%
Rev. Over (Under) Exp.	\$1,223,471	\$0	\$173,289	\$0	\$0	N/A
Oper Income/(Loss)	\$729,832	\$0	\$0	\$0	\$0	N/A

BREAKDOWN BY AGENCY

GENERAL NON-DEPARTMENTAL

Revenues	\$2,623,383	\$1,798,300	\$1,829,541	\$1,860,400	\$62,100	3.5%
County Tax Levy	\$171,200	\$61,200	\$61,200	\$46,200	(\$15,000)	-24.5%
Expenditure	\$1,571,112	\$1,859,500	\$1,717,452	\$1,906,600	\$47,100	2.5%
Rev. Over (Under) Exp.	\$1,223,471	\$0	\$173,289	\$0	\$0	N/A

HEALTH AND DENTAL INSURANCE

Revenues	\$20,862,274	\$22,979,500	\$21,665,700	\$23,348,500	\$369,000	1.6%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Expenditure	\$20,132,442	\$22,979,500	\$21,665,700	\$23,348,500	\$369,000	1.6%
Oper Income/(Loss)	\$729,832	\$0	\$0	\$0	\$0	N/A

CONTINGENCY

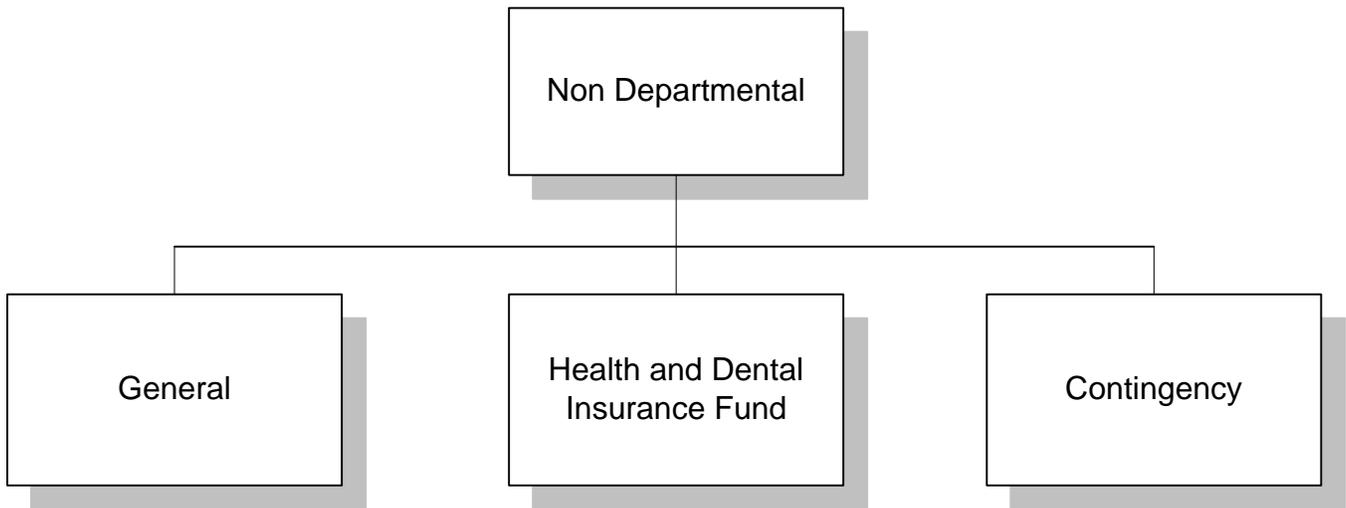
Revenues (a)	\$88,000	\$1,200,000	\$180,000	\$1,200,000	\$0	0.0%
County Tax Levy	\$0	\$0	\$0	\$0	\$0	N/A
Expenditure	\$88,000	\$1,200,000	\$180,000	\$1,200,000	\$0	0.0%
Rev. Over (Under) Exp.	\$0	\$0	\$0	\$0	\$0	N/A

(a) Revenue Budget for the 2016 Budget includes Fund Balance appropriations totaling \$3,408,600, which includes: \$384,100 in the General Fund, \$1,824,500 in the Health & Dental Insurance Fund, and \$1,200,000 in the Contingency Fund. The 2015 Budget includes Fund Balance Appropriations totalling \$3,105,200, which includes: \$300,300 in the General Fund, \$1,514,900 in the Health & Dental Insurance Fund, and \$1,200,000 in the Contingency Fund.

Non-Departmental

NON DEPARTMENTAL

FUNCTION / PROGRAM CHART



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



General Fund

Non-Departmental

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	2014	2015	2015	2016	Change From 2015	
	Actual	Adopted Budget	Estimate	Budget	Adopted Budget	
					\$	%
Revenues						
General Government (a)	\$1,255,753	\$873,000	\$873,000	\$865,000	(\$8,000)	-0.9%
Fine/Licenses (b)	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$0	\$0	\$0	\$0	\$0	N/A
Interdepartmental (c)	\$109,869	\$145,000	\$136,000	\$111,300	(\$33,700)	-23.2%
Other Revenue (b)	\$515,383	\$480,000	\$511,000	\$500,000	\$20,000	4.2%
Appr. Fund Balance (d)	\$742,378	\$300,300	\$309,541	\$384,100	\$83,800	27.9%
County Tax Levy (Credit)	\$171,200	\$61,200	\$61,200	\$46,200	(\$15,000)	-24.5%
Total Revenue Sources	\$2,794,583	\$1,859,500	\$1,890,741	\$1,906,600	\$47,100	2.5%
Expenditures						
Personnel Costs (d)	\$280,754	\$475,000	\$412,000	\$380,000	(\$95,000)	-20.0%
Operating Expenses (d)	\$1,199,574	\$1,284,500	\$1,205,500	\$1,395,500	\$111,000	8.6%
Interdept. Charges	\$90,784	\$100,000	\$99,952	\$131,100	\$31,100	31.1%
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$1,571,112	\$1,859,500	\$1,717,452	\$1,906,600	\$47,100	2.5%
Rev. Over (Under) Exp.	\$1,223,471	\$0	\$173,289	\$0	\$0	N/A

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

- General Government revenues include State Shared Revenue Payments of \$735,000 for the 2016 Budget and \$745,000 for the 2015 Budget. General Government revenues also include estimated countywide indirect cost reimbursements (in excess of the amounts budgeted in the Department of Administration) received from the State funding sources for the Aging and Disability Resource Center Contract.
- 2014 Actual Fines and Licenses revenues exclude jail assessment fees of about \$593,300, which are accounted for in the Non-Departmental Budget, but budgeted in subsequent years to help fund jail equipment replacement and related capital projects and debt service for jail related projects. Actual Other Revenues in 2014 exclude unclaimed funds revenue of about \$54,800, and is budgeted in later years as General Fund Balance due to its unpredictability.
- 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.
- Appropriated General Fund Balance for the 2016 Budget includes \$140,000 for retirement payouts from reserves for this purpose; \$40,000 toward one-time employee severance/retention payments; \$40,000 to partially fund a study of local fire departments; \$51,600 from prior-year unclaimed funds revenues; \$12,500 for the contribution to the Milwaukee 7 Regional Economic Development Campaign (or the alternative option, if pursued); and \$100,000 from prior-year Tax Increment District (TID) revenues returned to the county to provide loans under the Waukesha County Small Business Leverage Loan Program. For a description of 2015 Budget and 2015 Estimated General Fund Balance use, see footnote (a) for the Non-Departmental Program/Activity Financial Summary on the Program/Financial Activity page in this document.

2016 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: In 2015, with the closure of the Waukesha County Economic Development Corporation, the County convened a workgroup of businesses, business organizations and local municipalities to develop a multi-year business growth strategy for Waukesha County. The County will seek proposals from organizations to serve as the economic development organization for Waukesha County and implement the objectives in the business growth strategy. Waukesha County funds will be leveraged with funds from the City of Waukesha and the Wisconsin Small Business Development Center. The County will continue support to Waukesha Area Convention and Visitors Bureau activity related to tourism and promotion

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

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

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

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

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

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

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

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

Fire Study: The first study of different levels of collaboration between independent municipal fire departments. The first study will include municipalities in Lake Country and surrounding municipalities participating and contributing in part to the County's appropriation.

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

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.

Waukesha County Historical Society Museum Operations Grant:

The final year of two-year grant extension was 2014. Prior to the two-year extension, for ten years, beginning in 2003, the County provided a \$215,000 grant annually from the Parks and Land Use budget and an operations grant totaling \$1.7 million. Initial County grant of \$1.3 million to fund capital infrastructure needs of the Historical Society's old courthouse facility.

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. A one-year extension (of the \$50,000 four-year commitment) is being budgeted and funded with General Fund Balance for Waukesha County's contribution to the Milwaukee 7's Regional Economic Development Campaign. The County is seeking demonstrable economic objective(s), pointing to evidence of success before making another commitment beyond 2016. If the agreement on these objective(s) cannot be reached, an alternative economic development option may be pursued. This will be reviewed with the appropriate County Board committee(s).

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 (TID) dissolution dollars returned to the County. Expanded employment and/or tax base by businesses will be closely monitored. In 2016, the program is funded with loan repayments from prior-year loans and prior-year TID revenue.

Non-Departmental Program/Activity Financial Summary

Exp/Rev Category	Expenditures: Continuous	2014	2015	2015	2016	Budget	%
		Actual	Budget	Estimate	Budget	Change	Change
Operating	SEWRPC Allocation	\$668,160	\$674,000	\$674,000	\$682,000	\$8,000	1.2%
Operating	Economic Development	\$95,000	\$95,000	\$95,000	\$150,000	\$55,000	57.9%
Operating	Waukesha County Tourism Initiative	\$10,000	\$10,000	\$10,000	\$12,000	\$2,000	20.0%
Operating	Wis. River Rail Transit System	\$28,000	\$29,000	\$28,000	\$29,000	\$0	0.0%
Operating	Loss Control/ADA (a)	\$10,937	\$40,000	\$35,000	\$40,000	\$0	0.0%
Personnel	Separation Payouts (Vac. & Sick Leave) (a)	\$84,370	\$140,000	\$125,000	\$140,000	\$0	0.0%
Personnel	Empl. Max. Sick Leave/NonRep. Vac. Payouts (Active Empl.)	\$150,198	\$145,000	\$132,000	\$140,000	(\$5,000)	-3.4%
Operating	Section 125 Plan Administration Costs	\$12,182	\$16,000	\$14,000	\$14,000	(\$2,000)	-12.5%
Personnel	Unemployment	\$41,107	\$80,000	\$75,000	\$60,000	(\$20,000)	-25.0%
Personnel	Severance/Retention (a)	\$0	\$110,000	\$80,000	\$40,000	(\$70,000)	-63.6%
Operating	Deferred Comp. Plan Consulting/Retirement Planning (b)	\$12,000	\$25,000	\$18,000	\$25,000	\$0	0.0%
Operating	Consulting	\$19,771	\$40,000	\$38,000	\$40,000	\$0	0.0%
Operating	Merchant Card Fees	\$56,610	\$55,000	\$55,000	\$55,000	\$0	0.0%
Operating	Employment Advertising	\$12,883	\$20,000	\$20,000	\$20,000	\$0	0.0%
Operating	Property Tax/Special Assessments	\$42,365	\$50,000	\$40,000	\$50,000	\$0	0.0%
Operating	Printing inc. Adopted Budget Books	\$3,112	\$8,000	\$6,000	\$6,000	(\$2,000)	-25.0%
Interdept'l	Work Comp/Liab/Casualty/Other Ins	\$90,784	\$100,000	\$99,952	\$131,100	\$31,100	31.1%
Operating	Other Expenses	\$19,633	\$10,000	\$10,000	\$10,000	\$0	0.0%
Short-Term/Temporary/Periodic							
Operating	Fire Department Study (a)	\$0	\$0	\$0	\$50,000	\$50,000	N/A
Operating	Wauk. Co. Hist. Society - Operations Grant (a)	\$150,000	\$0	\$0	\$0	\$0	N/A
Operating	Milwaukee 7 Regional Econ Dev Campaign (or Alternative) (a)	\$12,500	\$12,500	\$12,500	\$12,500	\$0	0.0%
Operating	Wauk. Co. Small Business Leverage Loan Fund Program (a)	\$51,500	\$200,000	\$150,000	\$200,000	\$0	0.0%
Total Expenditures		\$1,571,112	\$1,859,500	\$1,717,452	\$1,906,600	\$47,100	2.5%
Revenue:							
Gen Gov't	State Shared Revenues/State Computer Aid	\$1,127,620	\$745,000	\$745,000	\$735,000	(\$10,000)	-1.3%
Gen Gov't	Other General Government Revenues (c)	\$128,133	\$128,000	\$128,000	\$130,000	\$2,000	1.6%
Interdept'l	Intedepartmental Charge Revenue*	\$109,869	\$145,000	\$136,000	\$111,300	(\$33,700)	-23.2%
Other	Other Revenue (b)(d)(e)	\$515,383	\$480,000	\$511,000	\$500,000	\$20,000	4.2%
Fund Bal	Fund Balance Appropriation (a)	\$742,378	\$300,300	\$309,541	\$384,100	\$83,800	27.9%
Tax Levy	Tax Levy	\$171,200	\$61,200	\$61,200	\$46,200	(\$15,000)	-24.5%
Total Revenues		\$2,794,583	\$1,859,500	\$1,890,741	\$1,906,600	\$47,100	2.5%
Revenues Over/(Under) Expenditures		\$1,223,471	\$0	\$173,289	\$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 **2016 Budget** includes \$140,000 for retirement payouts from reserves for this purpose; \$40,000 toward one-time employee severance/retention payments; \$51,600 from prior-year unclaimed funds revenues; \$100,000 from prior-year Tax Increment District (TID) revenues returned to the county; \$40,000 (with a \$10,000 contribution from municipal partners) for a study of local fire departments' potential collaborations; and \$12,500 for an extension of the County's contribution to the Milwaukee 7 Regional Economic Development Campaign (or the alternative option, if pursued). The **2015 Estimate** includes about \$9,200 in carried over open purchase orders (and related expenditure authority) from 2014. The **2015 Budget** includes \$140,000 for retirement payouts from reserves for this purpose; \$110,000 toward one-time employee severance/retention payments; \$37,800 from prior-year unclaimed funds revenues; and \$12,500 for the fourth (\$50,000 over four years) contribution to the Milwaukee 7 Regional Economic Development Campaign.
- (b) Other Revenue includes offsetting revenue to pay for the Deferred Compensation Plan consulting of \$25,000 in the 2015 and 2016 Budgets. 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) received from state funding sources including the Aging and Disability Resource Center Contract.
- (d) Other Revenues include \$190,000 for the repayment of loans to municipal fire, police and emergency response units for the new Countywide digital radio system; \$120,000 for the first year of repayment of election system costs by municipalities; repayments of principal and interest from the Waukesha County Small Business Leverage Loan Program, estimated at \$100,000 in 2016 (\$200,000 in the 2015 Budget) ; procurement card rebate revenue in excess of what is budgeted in the Department of Administration (\$15,000 in the 2016 and 2015 Budgets); and miscellaneous recoveries (\$50,000 in 2016 and 2015 Budgets).
- (e) In 2011, the County made a repayment to the U.S. Department of Housing and Urban Development (HUD) for \$300,450 in federal HOME Investment Partnership grant funds that were originally advanced to the Hebron House of Hospitality for a low and moderate income housing project, which was not able to be completed (enrolled ordinance 166-26). 2014 Actuals reflect the reimbursement from the Hebron House of Hospitality.



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 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	2014	2015	2015	2016	Change From 2015	
	Actual	Adopted Budget (a)	Estimate (b)	Budget (a)	Adopted Budget \$	%
Revenues						
General Government	\$8,952	\$44,600	\$30,700	\$33,000	(\$11,600)	-26.0%
Fine/Licenses	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$3,355,425	\$3,541,000	\$3,140,000	\$3,476,000	(\$65,000)	-1.8%
Interdepartmental	\$16,638,445	\$17,521,000	\$16,652,000	\$17,657,000	\$136,000	0.8%
Other Revenue (b)	\$473,278	\$358,000	\$583,000	\$358,000	\$0	0.0%
Appr. Fund Balance (a)	\$386,174	\$1,514,900	\$1,260,000	\$1,824,500	\$309,600	20.4%
Memo: Reimb. For Facility Improvements (c)	\$0	\$42,750	\$36,440	\$36,440	(\$6,310)	-14.8%
County Tax Levy (Credit)	\$0	\$0	\$0	\$0	\$0	N/A
Total Revenue Sources	\$20,862,274	\$22,979,500	\$21,665,700	\$23,348,500	\$369,000	1.6%
Expenditures						
Personnel Costs	\$0	\$0	\$0	\$0	\$0	N/A
Operating Expenses	\$20,116,030	\$22,950,000	\$21,650,100	\$23,326,300	\$376,300	1.6%
Interdept. Charges	\$16,412	\$29,500	\$15,600	\$22,200	(\$7,300)	-24.7%
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$20,132,442	\$22,979,500	\$21,665,700	\$23,348,500	\$369,000	1.6%
Rev. Over (Under) Exp.	\$729,832	\$0	\$0	\$0	\$0	N/A

- (a) Appropriated Fund Balance from Health and Dental Insurance Fund Reserves for the **2016 Budget** includes \$110,000 to cover temporary payments (annual for three years, beginning in 2015) required under the Federal Affordable Care Act (ACA). In addition \$625,000 is budgeted 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, to partially reflect premiums in excess of costs in previous years. Fund Balance of \$263,900 is budgeted to fund the Wellness Initiative Program, and \$795,600 is budgeted to fund a portion of the Waukesha Employee Health and Wellness Center. The **2015 Budget** includes \$210,000 to cover to temporary payments required under the Federal Affordable Care Act (ACA). In addition, \$305,000 is budgeted to cover half of estimated stop loss insurance coverage in the Active Employee Health program and the full amount in the Retiree Health program (\$30,000), to partially reflect premiums in excess of costs in previous years. Fund Balance of \$263,900 is budgeted to fund the Wellness Initiative program and \$736,000 to fund a portion of the Waukesha Employee Health and Wellness Center.
- (b) Other Revenues estimated for 2015 include a one-time stop-loss reimbursement received from the County's stop loss insurer of about \$160,000 for high-cost claims, plus primarily prescription drug rebates.
- (c) Beginning in 2015, the County receives a reimbursement from the City and School District of Waukesha for their share of one-time facility improvement costs for the Waukesha Employee Health and Wellness Center, as specified in the signed intergovernmental agreement, spread evenly over four years. This annual reimbursement is currently estimated at \$36,440.

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. A separate vision plan is fully-insured and not budgeted in this fund, but is paid out of departmental budgets and accounted for in General Fund balance sheet accounts (directly paid to insurer). 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 Initiative 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. \$500/\$1,000 for non-participants).

	2014 Actual	2015 Budget	2015 Estimate (a)	2016 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	\$2,597,742	\$2,673,000	\$2,447,000	\$2,674,000	\$1,000
Interdepartmental	\$15,964,152	\$16,829,000	\$15,931,000	\$16,930,000	\$101,000
Other Revenue (a)	\$448,556	\$340,000	\$560,000	\$340,000	\$0
Appr. Fund Balance	\$0	\$485,000	\$400,800	\$735,000	\$250,000
County Tax Levy (Credit)	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$19,010,450	\$20,327,000	\$19,338,800	\$20,679,000	\$352,000
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$18,563,151	\$20,324,000	\$19,336,800	\$20,676,000	\$352,000
Interdept. Charges	\$0	\$3,000	\$2,000	\$3,000	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$18,563,151	\$20,327,000	\$19,338,800	\$20,679,000	\$352,000
Rev. Over (Under) Exp.	\$447,299	\$0	\$0	\$0	\$0

(a) Other Revenues estimated for 2014 include a one-time stop-loss reimbursement received from the County's stop loss insurer of about \$160,000 for high-cost claims, plus primarily prescription drug rebates.



Program Highlights

Based on actuarial recommendations, this fund estimates necessary premiums to cover the costs associated with anticipated claims to be paid in 2016 (described below). Charges for Service revenue include the employees' share of estimated premiums and are expected to remain nearly at the 2015 budgeted level of about \$2.7 million, mainly due to an increase in the number employees selecting the HSA health plan over the POS plan. (Note: Family HSA plans are estimated to cost the county about \$1,250 less than the comparable family POS plan.) Interdepartmental Charge revenues include the County's share of estimated premiums and contributions to employee HSA accounts charged to County Departments. The increase is largely due to an increase in HSA contributions by \$77,000. Other Revenues consist of prescription drug rebates and remain at the 2015 budgeted level. Appropriated Health Insurance Fund Balance includes \$110,000 to cover temporary payments (for three years, beginning in 2015) required under the Federal Affordable Care Act (ACA), which is a decrease of \$100,000 from the 2015 budget. In addition, fund balance of \$625,000 is budgeted to cover estimated stop loss insurance coverage (for higher-cost claims), to partially reflect premiums in excess of costs in previous years.

Operating expenditures consist mostly of estimated claims costs for the County's self-insured health plans, which are budgeted to increase by about \$247,000 or 1.4%, from about \$17.6 million to \$17.9 million. In addition, County HSA contributions are budgeted to increase by \$77,000 to \$1,036,000, due to increased participation in that plan (mentioned above), and stop loss insurance is budgeted to increase by \$75,000 to \$625,000. Operating expenditure increases are partially offset by a decrease in ACA payments by \$100,000 (mentioned above).

Active Employee Health Insurance (Continued)

Major Departmental Strategic Outcomes and Objectives for 2016

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

Objective 1: 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.

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

Performance Measures:

Choice Plus Plan	2014 Actual	2015 Budget	2015 Estimate	2016 Budget
Average Plan % Premium Increase	2%	1.0%	1.0%	2.5%
Average Monthly Plan Cost: Single	\$651	\$658	\$658	\$660
Family	\$1,721	\$1,738	\$1,738	\$1782
HSA Plan	2014 Actual	2015 Budget	2015 Estimate	2016 Budget
Average Plan % Premium Increase	1.0%	1.4%	1.4%	2.3%
Average Full Monthly Plan Cost: Single*	\$588	\$595	\$595	\$597
Family*	\$1,498	\$1,516	\$1,516	\$1,546

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

Performance Measure:	2014 Actual	2015 Budget	2015 Estimate	2016 Budget
Medical Inflation Rate**	8%	8%	8%	9%

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



Activity	2014 Actual (a)	2015 Budget (b)	2015 Estimate (c)	2016 Budget (b)	Budget Chng
# of Health Ins. Contracts					
POS Single	224	227	217	223	(4)
Family	449	465	404	447	(18)
Subtotal	673	692	621	670	(22)
H.S.A. Single	127	130	161	149	19
Family	359	400	391	396	(4)
Subtotal	486	530	552	545	15
Total	1,159	1,222	1,173	1,215	(7)

(a) Enrollment as of 12/31/2014.

(b) The 2015 and 2016 budget figures are based on enrollment counts obtained during mid-summer budget development, with adjustments made for vacant positions.

(c) Enrollment as of 8/1/2015.

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. 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.

	2014 Actual	2015 Budget	2015 Estimate	2016 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	\$653,680	\$692,000	\$588,000	\$692,000	\$0
Interdepartmental	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$20,881	\$15,000	\$20,000	\$15,000	\$0
Appr. Fund Balance	\$0	\$30,000	\$21,000	\$30,000	\$0
County Tax Levy (Credit)	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$674,561	\$737,000	\$629,000	\$737,000	\$0
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$516,237	\$736,100	\$628,400	\$736,100	\$0
Interdept. Charges	\$0	\$900	\$600	\$900	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$516,237	\$737,000	\$629,000	\$737,000	\$0
Rev. Over (Under) Exp.	\$158,324	\$0	\$0	\$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 2016 (described below). Charges for Service revenues consist of health insurance premiums paid by retirees (retirees pay 100% of premium costs). Premium revenues and claims costs (included in operating expenses) are budgeted to remain at the 2015 budgeted level. Appropriated Health Insurance Fund Balance is budgeted to cover stop loss coverage for higher-cost claims, more than offset by premiums in excess of costs in previous years. Other revenues consist of anticipated prescription drug rebates revenues.



Activity	2014 Actuals (b)	2015 Budget	2015 Estimate (c)	2016 Budget	Budget Change
# of POS Retiree Health Ins. Contracts (a)					
Pre-Medicare					
Single	39	45	37	40	(5)
Family	7	10	8	10	0
Subtotal	46	55	45	50	(5)
Medicare					
Single	5	10	7	7	(3)
Family	4	5	2	3	(2)
Subtotal	9	15	9	10	(5)
Total	55	70	54	60	(10)

- (a) Contract figures and the budget exclude retiree enrollment in the Medicare Advantage healthcare plan, which had 344 participants (as of August 19, 2015), and is not accounted for in the County Budget.
- (b) Enrollment as of December 31, 2014.
- (c) Enrollment as of August 19, 2015.

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.

	2014 Actual	2015 Budget	2015 Estimate	2016 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	\$102,439	\$76,000	\$79,000	\$80,000	\$4,000
Interdepartmental	\$674,293	\$692,000	\$721,000	\$727,000	\$35,000
Other Revenue	\$3,841	\$3,000	\$3,000	\$3,000	\$0
Appr. Fund Balance	\$0	\$0	\$0	\$0	\$0
County Tax Levy (Credit)	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$780,573	\$771,000	\$803,000	\$810,000	\$39,000
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$648,764	\$769,400	\$802,200	\$808,400	\$39,000
Interdept. Charges	\$0	\$1,600	\$800	\$1,600	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$648,764	\$771,000	\$803,000	\$810,000	\$39,000
Rev. Over (Under) Exp.	\$131,809	\$0	\$0	\$0	\$0



Program Highlights

Charges for Service revenue consist of the employees' share (10%) of dental premiums, and the County's share (90%) is in Interdepartmental Revenues. Premium rates are not changing for the 2016 budget, but total premium revenues and dental claims expenditures (in operating expenses) are budgeted to increase a total of \$39,000 due to an anticipated increase in the number of employees choosing to enroll in the County's self-funded dental plan (see table below).



Activity	2014 Actual (a)	2015 Budget (b)	2015 Est. (c)	2016 Budget (b)	Budget Change
Self-Funded					
Single	203	211	227	230	19
Family	559	553	563	565	12
Subtotal	762	764	790	795	31
DentaCare ❖					
Single	111	135	104	115	(20)
Family	293	316	272	275	(41)
Subtotal	404	451	376	390	(61)
Total	1,166	1,215	1,166	1,185	(30)

- ❖ DentaCare is a fully-insured dental insurance plan and is not budgeted in this Fund. This plan is budgeted in departmental budgets and accounted for in General Fund Balance Sheet Accounts (directly paid to insurer).
- (a) Enrollment as of 12/31/2014
- (b) The 2015 and 2016 budget figures are based on enrollment counts obtained during prior-year mid-summer budget development, with adjustments made for vacant positions.
- (c) Enrollment as of 8/1/2015.

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, which are designed to support positive lifestyle change, thereby resulting in improved employee productivity, morale and healthcare cost savings for the County and the employees. Program components include biometric screenings, health risk assessments, health coaching, program marketing and communications, and participation incentives.

Approximately 70% of the County's health plan contracts are family coverage. In an effort to increase employee participation in Wellness related activities, both employees and spouses are required to participate in the Health Advancement Program'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: For 2016, program participants in the POS plan pay a lower premium cost 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. \$500/\$1,000 for non-participants).

In 2016 a component to the health plan incentive is being implemented for individuals who were identified to have four or more risk factors. The Health and Wellness Center will do outreach to these individuals and, **in order to be eligible for the incentive**, they must meet with the health coach or one of the clinicians to review and discuss their health risks.

	2014 Actual	2015 Budget	2015 Estimate	2016 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	\$161,337	\$263,900	\$203,900	\$263,900	\$0
County Tax Levy (Credit)	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$161,337	\$263,900	\$203,900	\$263,900	\$0
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$168,937	\$261,400	\$203,400	\$261,400	\$0
Interdept. Charges	\$0	\$2,500	\$500	\$2,500	\$0
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$168,937	\$263,900	\$203,900	\$263,900	\$0
Rev. Over (Under) Exp.	(\$7,600)	\$0	\$0	\$0	\$0



Program Highlights

Appropriated Health Insurance Fund Balance from reserves is budgeted to cover program expenditures, which remain at the 2015 budgeted level.

Operating expenses mostly include biometric screening costs, budgeted at \$161,500; program incentives, budgeted at \$36,000; and employee assistance program costs, budgeted at \$31,400.



Activity	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Budget Change
Health Assessment Participation					
# Participating	1,349	1,700	1,493	1,700	0
% of Work Force + Spouses	75%	95%	83%	95%	0%

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 inter-governmental 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 is projected that the combined organizations will generate a positive return on investment of \$7.7 million over a 5 year period. The County is estimated to save \$3.1 million, the School District \$3.4 million, and the City \$1.2 million over this five year period.

	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Budget Change
Staffing (FTE)	0.00	0.00	0.00	0.00	0.00
General Government	\$8,952	\$44,600	\$30,700	\$33,000	(\$11,600)
Fine/Licenses	\$0	\$0	\$0	\$0	\$0
Charges for Services	\$1,564	\$100,000	\$26,000	\$30,000	(\$70,000)
Interdepartmental	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0	\$0
Appr. Fund Balance	\$224,837	\$736,000	\$634,300	\$795,600	\$59,600
Memo: Reimb. For Facility Imprvmnts. (a)	\$0	\$42,750	\$36,440	\$36,440	(\$6,310)
County Tax Levy (Credit)	\$0	\$0	\$0	\$0	\$0
Total Revenues	\$235,353	\$880,600	\$691,000	\$858,600	(\$22,000)
Personnel Costs	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$218,941	\$859,100	\$679,300	\$844,400	(\$14,700)
Interdept. Charges	\$16,412	\$21,500	\$11,700	\$14,200	(\$7,300)
Fixed Assets	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$235,353	\$880,600	\$691,000	\$858,600	(\$22,000)
Rev. Over (Under) Exp.	\$0	\$0	\$0	\$0	\$0

(a) Beginning in 2015, the County receives a reimbursement from the City and School District of Waukesha for their share of one-time facility improvement costs for the Waukesha Employee Health and Wellness Center, as specified in the signed intergovernmental agreement, spread evenly over four years. This annual reimbursement is currently estimated at \$36,440.



Program Highlights

General Government revenues consist of the City and School District's estimated share of facility-related costs, and are budgeted to decrease \$11,600 for lower anticipated costs. Charges for Service revenues consist of estimated office visit revenues from County employees and dependents enrolled in the County's health plans, and are budgeted to decrease by \$70,000. Appropriated Health Insurance Fund Balance is budgeted to cover remaining program expenditures.

Program expenditures include contracted staffing, estimated at \$496,400; contractor management and consulting fees, estimated at \$200,800; laboratory fees, estimated at \$60,800; facility-related expenses, estimated at \$55,500 (including \$12,700 in interdepartmental charges); \$8,000 for furniture and equipment; and supply and other operational costs, estimated at \$37,100.

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	2014 Actual (a)	2015 Adopted Budget	2015 Estimate	2016 Budget	Change From 2015 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)	\$88,000	\$1,200,000	\$180,000	\$1,200,000	\$0	0.0%
County Tax Levy (Credit)	\$0	\$0	\$0	\$0	\$0	N/A
Total Revenue Sources	\$88,000	\$1,200,000	\$180,000	\$1,200,000	\$0	0.0%
Expenditures						
Personnel Costs	\$0	\$0	\$0	\$0	\$0	N/A
Operating Expenses (a)	\$88,000	\$1,200,000	\$180,000	\$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	\$88,000	\$1,200,000	\$180,000	\$1,200,000	\$0	0.0%
Rev. Over (Under) Exp.	\$0	\$0	\$0	\$0	\$0	N/A

(a) Actual Contingency Fund use in 2014 includes \$88,000 transferred to the Emergency Preparedness Budget to address over budget personnel (OT) expenditures related to costs incurred to maintain coverage while hiring and training new (high turnover year) telecommunicators.

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