

## DEPARTMENT BUDGET SUMMARY

Non-Departmental accounts include County-wide costs for insurance premiums and claims (including workers' compensation), fringe benefits for retirees (health and life insurance premiums), miscellaneous expenses, County building rent and overhead charges to certain County agencies, and contingents held for future County Board actions such as the General Fund and Affordable Housing Investment Fund.

<b>BUDGET SUMMARY</b>				
	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>% Change:</b>
	<b><u>Actual</u></b>	<b><u>Adopted</u></b>	<b><u>Proposed</u></b>	<b><u>'05 to '06</u></b>
<b>Insurance Costs</b>	\$4,039,706	\$5,269,511	\$4,442,000	-16%
<b>Retiree Benefits/Health</b>				
<b>Adjustment</b>	7,033,550	6,648,000	6,648,000	-
<b>Miscellaneous</b>	14,225,908	8,665,341	9,406,179	9%
<b>Contingents</b>	-	5,000,000	15,900,000	218%
<b>Total Expenditures</b>	\$25,299,164	\$25,582,852	\$36,396,179	42%

**INSURANCE COSTS:** The County's risk financing program is comprised of commercially purchased insurance coverage and retained risks paid for through a program of self-insurance. The County maintains a Self-Insurance Reserve (\$3,500,000) and a General Fund Operating Reserve funded at two percent of General Fund expenditures (currently \$14,400,000). Insurance is purchased primarily for its property, general liability and automobile liability exposures subject to prudent deductible/retention levels. Insurance is provided for real and personal property, crime, garage keepers, professional liability and constitutional office coverage. Retained exposures include general liability, automobile damage and related liability up to specific retention levels.

The liability program is self-insured up to \$1 million per occurrence. The program includes general liability, police legal liability, public officials' liability and automobile liability. The County has a commercially purchased excess liability policy with limits of \$10 million per occurrence/\$20 million annual aggregate.

The County has exposure for property losses to a current deductible of \$50,000. Losses above the deductible level are covered by a commercially purchased policy.

<b>INSURANCE COSTS</b>				
	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>% Change:</b>
	<b><u>Actual</u></b>	<b><u>Proposed</u></b>	<b><u>Proposed</u></b>	<b><u>'05 to '06</u></b>
<b>Insurance Costs</b>	\$4,039,706	\$5,269,511	\$4,442,000	-16%

↓ The decrease in Insurance Costs stemmed from a decrease in worker's compensation payout estimates.

**RETIREE BENEFITS/HEALTH ADJUSTMENT:** This account includes the employer's share of retirees' health and life insurance costs. The actual expenditures also include the year-end health care adjustment for the County's indemnity plan. Accumulated premiums collected less actual claims paid determine the health adjustment amount, either savings or additional costs determined at year-end.

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<b>RETIREE BENEFITS/HEALTH ADJUSTMENT</b>				
	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>% Change:</b>
	<b><u>Actual</u></b>	<b><u>Adopted</u></b>	<b><u>Proposed</u></b>	<b><u>'05 to '06</u></b>
<b>Retirees' Health</b>				
<b>Insurance</b>	\$5,536,480	\$6,200,000	\$6,200,000	-
<b>Health Adjustment</b>	1,079,751	-	-	-
<b>Retirees' Life Insurance</b>	417,319	448,000	448,000	-
<b>Total Expenditures</b>	\$7,033,550	\$6,648,000	\$6,648,000	-

- ❖ FY 2006 reflects stable funding and no growth in retiree benefits and health adjustment.

**MISCELLANEOUS EXPENSES:** These County expenses include: rent, overhead charge-backs to some County agencies, the cost of the County's annual external audit and other consulting fees, national and state association memberships (NLC, NACO, VML, VACO) and other miscellaneous expenses not allocated to County departments.

<b>MISCELLANEOUS</b>				
	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>% Change:</b>
	<b><u>Actual</u></b>	<b><u>Adopted</u></b>	<b><u>Proposed</u></b>	<b><u>'05 to '06</u></b>
<b>Building Rent</b>	\$7,063,059	\$8,273,091	\$9,013,929	9%
<b>Intra-County Charges</b>	(576,571)	(562,000)	(562,000)	-
<b>Audit/Consultants</b>	215,635	246,500	246,500	-
<b>Memberships</b>	110,686	105,000	105,000	-
<b>Special Events</b>	-	308,000	308,000	-
<b>Pay Enhancements</b>	218,134	259,750	259,750	-
<b>Housing Projects</b>	3,797,998	-	-	-
<b>Miscellaneous</b>	3,396,967	35,000	35,000	-
<b>Total Expenditures</b>	\$14,225,908	\$8,665,341	\$9,406,179	9%

- ↑ Building rent includes lease-based increases for Courthouse Plaza office and parking lot rental and leased office space for the Department of Economic Development.

**CONTINGENTS:** The non-departmental accounts also hold the County Board's contingents. These contingents are appropriated funds established to cover unforeseen expense items or new projects initiated after a fiscal year has begun (General Contingent), for a particular purpose (Affordable Housing Investment Fund), or as a set-aside for future County Board decisions. For FY 2006, a \$1,000,000 **General Fund General Contingent** is proposed, as well as a \$4,000,000 **Affordable Housing Investment Fund (AHIF) Contingent**. The AHIF Contingent is supported with \$1,201,029 in estimated federal HOME funds and \$2,798,971 in local tax funds.

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In order to fund premium increases for retirement, health insurance and cost-of-living adjustments (COLA) or other compensation enhancements for County employees, a compensation contingent of \$10,900,000 is proposed for FY 2006.

<b>CONTINGENTS</b>			
	<b>FY 2005</b>	<b>FY 2006</b>	<b>% Change:</b>
	<b><u>Adopted</u></b>	<b><u>Proposed</u></b>	<b><u>'05 to'06</u></b>
<b>General Contingent</b>	\$1,000,000	\$1,000,000	-
<b>AHIF</b>	4,000,000	4,000,000	-
<b>Compensation Contingent</b>	-	10,900,000	-
<b>Total Expenditures</b>	\$5,000,000	\$15,900,000	218%

- ❖ Allocations totaling \$1,000 have been approved from the General Contingent through December 2004.
- ❖ After adding \$4,123,603 in prior year carryover funds, loan repayments and new federal funding to FY 2005, allocations totaling \$7,921,872 have been approved from the AHIF Contingent through December 2004.