

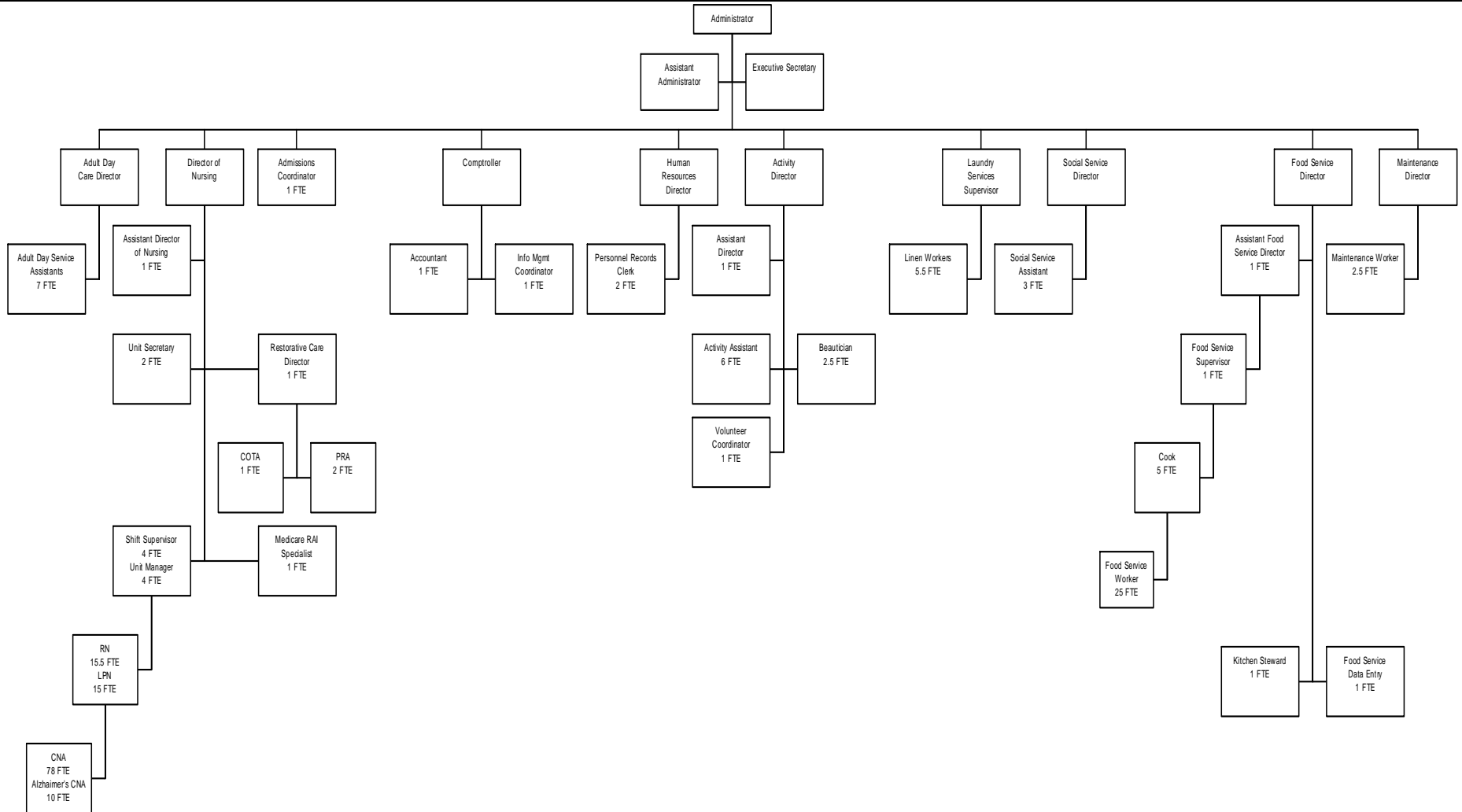
Champaign County FY2010 BUDGET

PROPRIETARY FUNDS SECTION



Nursing Home Fund Summary

CHAMPAIGN COUNTY NURSING HOME – FUND 081-000



Nursing Home Fund Summary

MISSION STATEMENT

The Champaign County Nursing Home provides compassionate long-term, rehabilitative, and memory care services reflective of the community we serve, and in a manner respectful of our 100 year history. Our Adult Day Care provides exceptional daily respite services for local caregivers and members of our community who prefer the safety and comfort of a day care center to staying at home. *We give residents and clients something to look forward to each morning, and something to dream about each night.*

FINANCIAL

<u>Fund 081 Summary</u>	<u>2008 Actual</u>	<u>2009 Original</u>	<u>2009 Projected</u>	<u>2010 Budget</u>
PROPERTY TAXES	\$879,916	\$946,818	\$947,274	\$971,678
FEDERAL, STATE & LOCAL SHARED REVENUE	\$7,285,434	\$12,466,900	\$11,077,468	\$11,414,497
FEES AND FINES	\$5,055,912	\$3,236,243	\$4,180,718	\$4,496,133
MISCELLANEOUS	\$40,584	\$39,203	\$27,985	\$28,824
REVENUE TOTALS	\$13,261,846	\$16,689,164	\$16,233,445	\$16,911,132
PERSONNEL	\$7,728,717	\$7,637,308	\$7,766,150	\$8,084,140
COMMODITIES	\$1,098,751	\$1,322,245	\$1,128,076	\$1,209,592
SERVICES	\$6,001,707	\$6,996,342	\$7,004,325	\$6,712,256
CAPITAL	\$47,608	\$48,708	\$0	\$0
NON CASH EXPENSES	\$0	\$0	\$703,415	\$700,000
INTERFUND EXPENDITURE	\$33,419	\$67,000	\$30,138	\$159,893
DEBT	\$8,730	\$32,192	\$19,290	\$39,994
EXPENDITURE TOTALS	\$14,918,932	\$16,103,795	\$16,651,394	\$16,905,875

ANALYSIS

OPERATIONS ANALYSIS –

The following are the critical assumptions and budget summaries for Fiscal 2010.

1. Inpatient Volume

Nursing Home Fund Summary

Average Daily Census:	195
Total Days	71,775
Occupancy Pct based on 243 beds	81 pct
Pvt Pay	36 pct (70.2 ADC)
Medicaid	50 pct (97.5 ADC)
Medicare	14 pct (27.3 ADC)

The ADC target is more realistic than the 208 I had set for 2009. CCNH has had much better luck at the 195 level than at the higher 208 figure. Where the budget program is aggressive is with the mix. Through March 2009, CCNH has experienced the following mix:

Pvt Pay	65 ADC
Medicaid	99
Medicare	29.3
Total	193.3

Shifting more to Medicare will require increased admissions from the hospitals. Programmatically, CCNH has the opportunity to make its services more attractive to different segments of the Medicare population and to the hospital/physician providers.

For the 2010 budget, the percentage of Private Pay census remains the same as our current level at 36 percent. The total number of actual Private Pay days is projected to increase by 190 because the ADC is a bit higher than what we are currently running. Medicaid is projected to decrease from 52 in the current year to 50 percent in FY 2010. In terms of Average Daily Census, the Medicaid load is expected to be 97.5. Medicare is forecast to increase from 12 to 14 percent of total days, yielding an ADC of 27.3. It is possible that we can improve our Medicare performance even further by pursuing some advanced rehab initiatives. This change of direction is in process, but feasibility will take more time to assess. Accordingly, we are submitting the budget with a less aggressive stance on Medicare.

2. Revenues

General price level escalation	3 pct
Private Pay Rates	\$155 basic rate; \$183 Alz
Medicare per diem	\$398
Medicaid IGT per diem, 2009	\$198.79
Medicaid IGT per diem, 2010	Wild card, floor will be \$198.79
Property Taxes, 2009	\$948k
Property Taxes, 2010	\$965k

The Private Pay element of revenues is straight-forward; multiply the applicable number of days by the correct rate and you've got your number.

Our market survey indicates that CCNH is where it needs to be on rates. Here's a summary of the

Nursing Home Fund Summary

area facility rates:

	Private	Semi-Pvt
Area High	\$341	\$220
Area Low	\$105	\$95
Area Avg	\$194	\$160
CCNH Basic		\$155
CCNH Alz		\$183

We have nine private rooms used for temporary isolation of infection diseases. The daily room rate for a private room is the same as a semi-private room.

Medicare and Medicaid are quite different. We are forecasting no increase for either payer. For Medicare, there is no assurance that an increase will materialize. Increases in rates have been proposed, only to be off-set by other adjustments. With a new RUGs methodology currently in the works by CMS, there is no way to evaluate the impact on CCNH given our current knowledge.

For Medicaid, we understand that HFS' goal is to restructure the IGT by October 1. That's as good a date as any – all of the other dates have come and gone. There is simply no telling what will unfold as the IGT gets restructured. We know that, according to HFS' initial proposal, the current rate would serve as a floor – hence, our recommendation to maintain the current rate.

Property taxes represent about a 2 percent increase over 2009.

3. Expenses

Non-Labor Items

Assume 3 percent for most items

Utilities and food projected higher at 5 percent

Therapy costs on per diem, vary with census

Variable items flex with census

Depreciation included

Interest expense (\$4 m plus \$1.3 m loans) makes a first appearance

IGT transfer expense likely to be revised and eliminated; timing unknown

Where accounts do not vary with the volume of resident days, increases were projected at 3 percent; food and utilities, however, were forecast higher at 5 percent. Office supplies, housekeeping items, and general maintenance are examples of accounts that are not affected by volume.

For those accounts that do feel the impact of volume – Medicare drugs, professional services in the therapy areas, medical supplies, food and nutritional supplements, for example, a 3 percent increase was applied to a cost-per-day and multiplied by the projected volume of resident days.

Nursing Home Fund Summary

Interest expense makes its first appearance in CCNH's turnaround with approximately \$200k to pay interest on \$4m of construction loans plus \$1.3m of County loans. The Grant Match (IGT Transfer expense) is calculated under the current methodology.

CCNH continues to absorb tremendous agency costs. The 2010 budget cuts agency usage by about \$400k from the projected actual level of \$1.6m for 2009. This reduction compares the number of caregiver shifts needed to manage the projected workload to the number of caregiver shifts we expect to be worked. The difference represents the agency expense.

Labor Items

Salaries rise 1 percent

No change in benefit percentages; budget employs County supplied estimates

Changes resulting from collective bargaining will be reflected

We still await some definition from the bargaining process. Once details are better known, we can adjust the budget. The current staffing pattern remains in place; nursing continues to flex its staff according to census requirements. The budget reflects salary increases of 1 percent plus other items such as the productivity incentive.

4. Net Income and Cash Flow

From operations, CCNH is still losing money. The good news is that the loss drops by 40 percent to \$(236)k. For 2009, we are estimating an operating loss of \$(392)k, which figure does not include any interest expense.

With Property Tax revenues included, CCNH projects to end the year with a gain of \$729k. For 2009 we project that figure to be approximately \$555k, so we are estimating a gain of considerable magnitude (31 percent).

Operating performance could significantly enhance or erode CCNH's cash position. For example, if we collect cash faster than expected, we will finish the year with more cash. If census slips, as it might due to an overall economic downturn at the hospitals, we will see cash tighten up.

- The restructuring of the Medicaid IGT could represent additional revenues to CCNH. It is doubtful that this restructuring will be accomplished by October 1, but that is the date the pundits at HFS are shopping around.
- CCNH will get hit with some capital expenditures. One looms with the requirement to add a smoke partition. Depreciation is currently being used to cover routine operating expenses and this limits our flexibility. Keep your fingers crossed.
- Another Tax Anticipation Warrant may be needed in Fiscal 2010.

5. A Word of Caution

Nursing Home Fund Summary

CCNH is in the midst of a turnaround. Turnarounds take time. Typically, turnarounds feel the slightest jolt in the marketplace simply because the margin for error is so small. That's the case at CCNH. We were doing great building up the census and getting the operation whipped into shape, and census dried up. If the decrease in census were due to some negligence on CCNH's part, our plight would be inexcusable. However, we are being buffeted by a general census malaise that has affected all homes.

Securing access to capital will only come from an operation that generates cash. We have gotten past the first hurdle of being able to handle our current obligations. Extinguishing outstanding Accounts Payable and remaining current is the next priority. We will continue to concentrate on boosting productivity and on managing revenues better.

REVENUE ANALYSIS –

Our revenue streams are as follows:

Private Pay - residents pay for services from private funds.

Medicaid - the state welfare system that pays for services provided residents who meet income guidelines.

Title XX - the state welfare system that pays for adult day services who meet income guidelines.

Medicare A - the federal government rehabilitation program for the elderly pays for specific rehabilitation services provided a select group of residents.

Medicare B - the federal government rehabilitation and medical supply reimbursement program.

Private insurance - long-term care and rehabilitation insurance plans carried by a small fraction of our population.

Property tax - levied by the county on Champaign county residents, provided to the home as a result of a 2003 referendum.

EXPENDITURE ANALYSIS –

See comments above regarding variable and fixed expenses for FY10.

FTE HISTORY

2005	2006	2007	2008	2009	2010
236.5	254	254	254	253	203.5

Nursing Home Administration

NURSING HOME – ADMINISTRATION – 081-410

FINANCIAL

<u>Fund 081 Dept 410</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>
	<u>Actual</u>	<u>Original</u>	<u>Projected</u>	<u>Budget</u>
PROPERTY TAXES	\$879,916	\$946,818	\$947,274	\$971,678
FEDERAL, STATE & LOCAL SHARED REVENUE	\$7,285,434	\$12,466,900	\$11,077,468	\$11,414,497
FEES AND FINES	\$5,055,912	\$3,236,243	\$4,180,718	\$4,496,133
MISCELLANEOUS	\$40,584	\$39,203	\$27,985	\$28,824
REVENUE TOTALS	\$13,261,846	\$16,689,164	\$16,233,445	\$16,911,132
PERSONNEL	\$720,528	\$522,686	\$490,907	\$509,830
COMMODITIES	\$40,453	\$36,127	\$39,587	\$40,775
SERVICES	\$2,911,871	\$3,695,073	\$3,358,822	\$3,291,260
CAPITAL	\$16,003	\$0	\$0	\$0
NON CASH EXPENSES	\$0	\$0	\$703,415	\$700,000
INTERFUND EXPENDITURE	\$33,419	\$67,000	\$30,138	\$159,893
DEBT	\$7,205	\$32,192	\$19,290	\$39,994
EXPENDITURE TOTALS	\$3,729,479	\$4,353,078	\$4,642,159	\$4,741,752

DESCRIPTION

Administrative support and accounting departments encompass a range of services including accounts payable, accounts receivable, fiscal controls, budget construction and monitoring, payroll, human resources, information technology, reception, and secretarial services.

These services apply to the entire organization, working directly with residents and their representatives, staff, and the public.

OBJECTIVES

Accounting

- a. Construct timely and accurate balance sheets and income statements, prepared for review by the 15th of the month following the time period they are to reflect.

Nursing Home Administration

- b. Achieve and maintain secure revenue streams with a 1% uncollectible threshold.
- c. Maintain compliance with federal and state payment programs to ensure proper reimbursement for services with a .05% uncollectible threshold.

Human Resources

- a. Maintain an error-free payroll system.
- b. Continuous effective recruiting to achieve a licensed nurse vacancy rate at or below 35% and a CNA vacancy rate at or below 5%.

Reception

- a. Customer complaint threshold of 0% for telephone and front desk management.

PERFORMANCE INDICATORS

Accounting	FY2008	FY2009	FY2010
• Financial statements	by 30 th	by 15 th	by 15 th
• Uncollectible accounts	.01%	.01%	.01%
Human Resources			
• Nurse vacancy rate	35%	55%	35%
• CNA vacancy rate	4%	15%	5%
• IDPH inspection results – deficiencies	1	0	0

Nursing Home Environmental Services

NURSING HOME – ENVIRONMENTAL SERVICES – 081-415

FINANCIAL

<u>Fund 081 Dept 415</u>	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Original</u>	<u>2009</u> <u>Projected</u>	<u>2010</u> <u>Budget</u>
PERSONNEL	\$655,175	\$482,543	\$444,325	\$493,954
COMMODITIES	\$74,322	\$77,595	\$58,271	\$60,019
SERVICES	\$602,682	\$624,310	\$505,267	\$529,378
CAPITAL	\$5,720	\$0	\$0	\$0
EXPENDITURE TOTALS	\$1,337,899	\$1,184,448	\$1,007,863	\$1,083,351

DESCRIPTION

Environmental Services encompass Maintenance, Housekeeping, Laundry, and Central Supply. Maintenance is staffed by three Maintenance Workers scheduled Monday through Friday with staggered shifts to cover from 6:30am – 4:30pm. Weekend and after hours Maintenance coverage is provided by on-call Public Properties staff. Housekeeping is staffed by nine Housekeepers and five Intermediate Housekeepers scheduled seven days a week to cover from 6:30am – 11:00pm. Laundry is staffed by four Linen Service Workers and one Linen Service Supervisor scheduled seven days a week from 5:30am – 2:00pm. The Central Supply Clerk is included in Environmental Services, though works independently.

OBJECTIVES

1. Develop a consistent floor maintenance schedule including buffing and waxing.
2. Maintain cleanliness inspection success rate above 90%.
3. Keep par stock levels between three and seven days.

PERFORMANCE INDICATORS

1. Daily cleanliness inspection results.
2. Written floor care plan.
3. Monitor stock levels in neighborhood storerooms.

Nursing Home Laundry Services

NURSING HOME – LAUNDRY SERVICES – 081-420

FINANCIAL

<u>Fund 081 Dept 420</u>	<u>2008 Actual</u>	<u>2009 Original</u>	<u>2009 Projected</u>	<u>2010 Budget</u>
PERSONNEL	\$169,589	\$144,586	\$146,181	\$168,262
COMMODITIES	\$38,829	\$44,690	\$35,233	\$36,666
CAPITAL	\$702	\$0	\$0	\$0
EXPENDITURE TOTALS	\$209,120	\$189,276	\$181,414	\$204,928

DESCRIPTION

Consolidated with Environmental Services. See description in 081-415

Nursing Home Maintenance

NURSING HOME – MAINTENANCE – 081-425

FINANCIAL

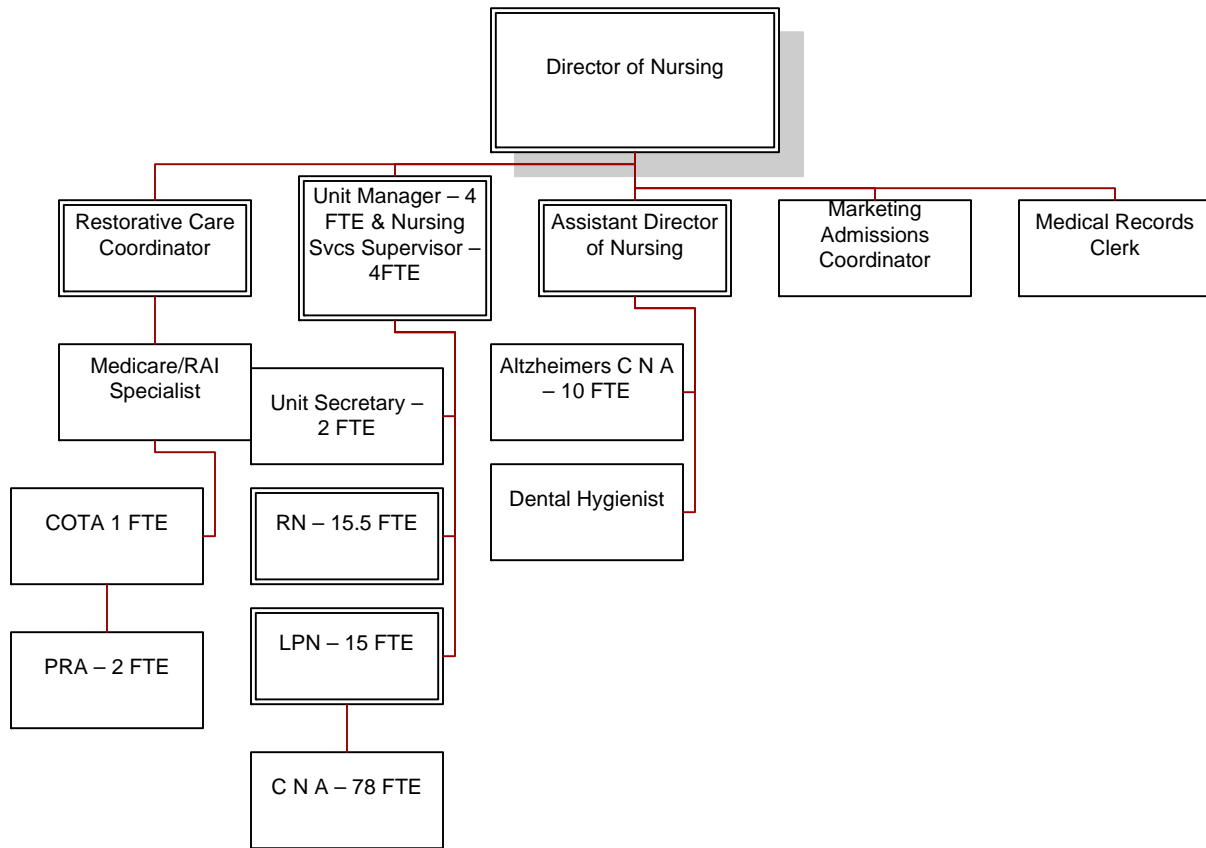
<u>Fund 081 Dept 425</u>	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Original</u>	<u>2009</u> <u>Projected</u>	<u>2010</u> <u>Budget</u>
PERSONNEL	\$156,095	\$144,584	\$77,798	\$88,875
COMMODITIES	\$13,713	\$16,890	\$16,982	\$17,492
SERVICES	\$71,990	\$77,742	\$56,649	\$58,349
CAPITAL	\$22,663	\$41,808	\$0	\$0
EXPENDITURE TOTALS	\$264,461	\$281,024	\$151,429	\$164,716

DESCRIPTION

Consolidated with Environmental Services. See description in 081-415.

Nursing Home Medical Services

NURSING HOME – MEDICAL SERVICES – 081-430



FINANCIAL

Fund 081 Dept 430	2008 Actual	2009 Original	2009 Projected	2010 Budget
PERSONNEL	\$3,809,459	\$4,713,526	\$4,343,609	\$4,430,411
COMMODITIES	\$413,562	\$573,842	\$579,113	\$636,230
SERVICES	\$1,492,043	\$1,690,619	\$1,935,050	\$1,483,960
CAPITAL	\$2,520	\$6,900	\$0	\$0
DEBT	\$1,525	\$0	\$0	\$0
EXPENDITURE TOTALS	\$5,719,109	\$6,984,887	\$6,857,772	\$6,550,601

DESCRIPTION

Medical Services collectively represent our entire clinical staff – both contract and employee, including nursing, rehab, MD, DDS, DPM, dental hygiene, and medical records.

Staffing levels for Charge Nurses and Certified Nursing Assistants follow an acuity matrix that designates staffing levels in single shift increments. The matrix keeps staffing aligned with the needs of residents as identified by direct care staff and is enormously successful. Variation from the calculated staffing levels is rare, occurring for brief periods during unusual care needs.

Dentistry and Podiatry are provided by independent physicians.

We employ one full-time Dental Hygienist who conducts routine dental screenings, assists the Dentist with procedures, and labels dentures, hearing aids, and eyeglasses.

We employ one full-time Medical Records Clerk who is primarily responsible for securing and maintaining medical records within industry standards.

OBJECTIVES

1. Achieve a facility acquired pressure ulcer level of zero for one quarter.
2. Achieve a facility acquired contracture level of zero for two quarters.
3. Achieve fall protection levels that include no falls with fracture for two quarters.
4. Maintain a resident satisfaction level of 4.25 or greater on our scale of 5.00.

PERFORMANCE INDICATORS

1. Facility acquired pressure ulcers.
2. Facility acquired contractures.
3. Fall records.
4. Monthly resident satisfaction scores.

Nursing Home Activities

NURSING HOME – ACTIVITIES – 081-440

FINANCIAL

<u>Fund 081 Dept 440</u>	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Original</u>	<u>2009</u> <u>Projected</u>	<u>2010</u> <u>Budget</u>
PERSONNEL	\$227,063	\$198,689	\$192,734	\$217,460
COMMODITIES	\$3,335	\$3,809	\$3,016	\$3,063
SERVICES	\$2,000	\$1,551	\$1,731	\$1,783
EXPENDITURE TOTALS	\$232,398	\$204,049	\$197,481	\$222,306

DESCRIPTION

Therapeutic recreation is staffed by three Activity Assistants, one Assistant Activity Director, one Activity Director, two Beauticians, and one Volunteer Services Coordinator. The combined efforts of this department provide our residents with engaging activities, a connection to the community, and the pampering that makes CCNH a wonderful place to live.

OBJECTIVES

1. Maintain 100% compliance with one-to-one activity programming.
2. Keep volunteerism hours above 500 each month.
3. Develop a source of donation income to support facility projects.

PERFORMANCE INDICATORS

1. Monthly 1:1 activity tracking.
2. Monthly volunteer hours reporting.
3. Written plan for donation growth.

Nursing Home Social Services

NURSING HOME – SOCIAL SERVICES – 081-441

FINANCIAL

<u>Fund 081 Dept 441</u>	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Original</u>	<u>2009</u> <u>Projected</u>	<u>2010</u> <u>Budget</u>
PERSONNEL	\$194,766	\$170,165	\$157,423	\$183,374
SERVICES	\$358	\$756	\$1,553	\$1,600
EXPENDITURE TOTALS	\$195,124	\$170,921	\$158,976	\$184,974

DESCRIPTION

Social Services are staffed with two full-time Social Service Assistants and one Director scheduled seven days a week from 8:00am – 4:30pm. The department is responsible for coordinating internal and external services to keep all of our resident’s needs met, including admission and discharge planning.

OBJECTIVES

1. Maintain a smooth admission process.
2. Coordinate and lead discharge meetings.

PERFORMANCE INDICATORS

1. Resident satisfaction surveys.
2. Monthly discharge planning report.

Nursing Home Medical Services Physical Therapy

NURSING HOME – MEDICAL SERVICES – PHYSICAL THERAPY – 081-445

FINANCIAL

<u>Fund 081 Dept 445</u>	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Original</u>	<u>2009</u> <u>Projected</u>	<u>2010</u> <u>Budget</u>
PERSONNEL	\$50,280	\$41,256	\$64,095	\$67,009
COMMODITIES	\$749	\$2,113	\$536	\$616
SERVICES	\$329,290	\$385,314	\$502,927	\$592,829
EXPENDITURE TOTALS	\$380,319	\$428,683	\$567,558	\$660,454

Nursing Home Medical Services Occupational Therapy

**NURSING HOME – MEDICAL SERVICES – OCCUPATIONAL THERAPY –
081-446**

FINANCIAL

<u>Fund 081 Dept 446</u>	<u>2008 Actual</u>	<u>2009 Original</u>	<u>2009 Projected</u>	<u>2010 Budget</u>
PERSONNEL	\$52,594	\$31,108	\$30,457	\$34,229
COMMODITIES	\$0	\$0	\$2,258	\$2,596
SERVICES	\$411,129	\$489,957	\$489,583	\$577,099
EXPENDITURE TOTALS	\$463,723	\$521,065	\$522,298	\$613,924

Nursing Home Medical Services Speech Therapy

NURSING HOME - MEDICAL SERVICES – SPEECH THERAPY – 081-448

FINANCIAL

<u>Fund 081 Dept 448</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>
	<u>Actual</u>	<u>Original</u>	<u>Projected</u>	<u>Budget</u>
COMMODITIES	\$0	\$0	\$493	\$507
SERVICES	\$156,777	\$0	\$125,534	\$147,974
EXPENDITURE TOTALS	\$156,777	\$0	\$126,027	\$148,481

Nursing Home Dietary

NURSING HOME – DIETARY – 081-450

FINANCIAL

<u>Fund 081 Dept 450</u>	<u>2008 Actual</u>	<u>2009 Original</u>	<u>2009 Projected</u>	<u>2010 Budget</u>
PERSONNEL	\$896,729	\$645,741	\$838,217	\$860,780
COMMODITIES	\$496,228	\$548,639	\$380,309	\$398,870
SERVICES	\$21,468	\$27,314	\$26,660	\$27,459
EXPENDITURE TOTALS	\$1,414,425	\$1,221,694	\$1,245,186	\$1,287,109

DESCRIPTION

Dietary services lead the dining experience three times a day, seven days a week with a team of Cooks and Food Service Workers. The team also stocks neighborhood nutrition rooms for 24/7 convenient access to snack items.

OBJECTIVES

1. Provide prompt, courteous tableside service.
2. Create and serve meals reflective of resident preference.
3. Control food costs within established parameters.

PERFORMANCE INDICATORS

1. Resident satisfaction surveys and resident food committee reports.
2. Monthly income statement review of food costs.

Nursing Home Activities Beauty Shop

NURSING HOME – ACTIVITIES – BEAUTY SHOP – 081-455

See description in 081-440.

FINANCIAL

<u>Fund 081 Dept 455</u>	<u>2008 Actual</u>	<u>2009 Original</u>	<u>2009 Projected</u>	<u>2010 Budget</u>
PERSONNEL	\$58,674	\$32,020	\$44,770	\$46,953
COMMODITIES	\$1,153	\$2,215	\$935	\$1,074
EXPENDITURE TOTALS	\$59,827	\$34,235	\$45,705	\$48,027

Nursing Home Adult Day Care

NURSING HOME – ADULT DAY CARE – 081-460

FINANCIAL

<u>Fund 081 Dept 460</u>	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Original</u>	<u>2009</u> <u>Projected</u>	<u>2010</u> <u>Budget</u>
PERSONNEL	\$226,468	\$171,452	\$255,525	\$275,342
COMMODITIES	\$15,324	\$13,044	\$10,012	\$10,313
SERVICES	\$1,501	\$3,561	\$374	\$385
EXPENDITURE TOTALS	\$243,293	\$188,057	\$265,911	\$286,040

DESCRIPTION

The Adult Day Care provides daytime care and services to the elderly who are unable to remain home alone. This program serves two customers – home caregivers and the disabled elderly. The program is designed to allow family caregivers respite during a normal business week, and provide exercise, socialization, and assistance with activities of daily living for clients. We provide transportation via handicapped accessible vans that travel anywhere in Champaign County, accept people of all payor source, and provide services at a flat rate for the 30+ clients.

The Adult Day Care core service has remained the same for the last fifteen years, though the philosophy changed in the summer of 2005. Adult Day Care expanded its transportation service, expanded its recreation program, and started becoming involved in local health events to gain exposure to this plentiful market. The changes were successful, resulting in statewide recognition through the Life Services Network and the acquisition of another handicapped accessible van through a grant program.

In FY09 we received our second and third van from IDOT. The continuous replacement offered through this generous grant keeps our fleet in great shape.

OBJECTIVES

1. Complete and execute identified outreach programs.
2. Maintain an average daily census 30 clients.
3. Balance revenue to expenses.

PERFORMANCE INDICATORS

1. Census.
2. Outreach programs in identified categories.
3. Income statement.

Nursing Home Medical Services Alzheimer's

NURSING HOME - MEDICAL SERVICES – ALZHEIMER'S – 081-462

FINANCIAL

<u>Fund 081 Dept 462</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>
	<u>Actual</u>	<u>Original</u>	<u>Projected</u>	<u>Budget</u>
PERSONNEL	\$511,297	\$338,952	\$680,109	\$707,661
COMMODITIES	\$1,083	\$3,281	\$1,331	\$1,371
SERVICES	\$598	\$145	\$175	\$180
EXPENDITURE TOTALS	\$512,978	\$342,378	\$681,615	\$709,212

Self-Funded Insurance

SELF-FUNDED INSURANCE – FUND 476

The fund accounts for risk financing activities. Revenue comes from the Tort Immunity Fund to cover costs relevant to the County’s General Corporate Fund departments; and from billings to various County Special Revenue Funds to cover their representative share of cost. The Self-Funded Insurance Fund provides financing for the County’s auto liability and property, general liability, and worker’s compensation claims payments, and for stop-loss insurance premiums for auto, liability, property and workers compensation.

FINANCIAL

<u>Fund 476 Summary</u>	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Original</u>	<u>2009</u> <u>Projected</u>	<u>2010</u> <u>Budget</u>
FEES AND FINES	\$1,444,067	\$1,463,157	\$1,381,788	\$1,477,000
MISCELLANEOUS	\$138,348	\$10,500	\$44,806	\$7,500
REVENUE TOTALS	\$1,582,415	\$1,473,657	\$1,426,594	\$1,484,500
PERSONNEL	\$657,007	\$1,061,941	\$892,678	\$1,182,891
COMMODITIES	\$142	\$300	\$114	\$300
SERVICES	\$813,623	\$747,155	\$650,879	\$798,309
INTERFUND EXPENDITURE	\$17,236	\$10,092	\$10,092	\$14,936
EXPENDITURE TOTALS	\$1,488,008	\$1,819,488	\$1,553,763	\$1,996,436

FUND BALANCE

<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Projected</u>	<u>2010</u> <u>Budgeted</u>
\$926,327	\$580,496	\$287,222

The fund balance goal is \$1,500,000 to allow adequate funding for unanticipated claims.

ANALYSIS

In 1986, the county established a self-funded worker’s compensation insurance plan which was accounted for in the Tort Immunity (Special Revenue) Fund through FY1992. In FY1993, the County created a

Self-Funded Insurance

separate internal service fund – the Self-Funded Insurance Fund, and moved self-funded worker's compensation to that fund. The County also began self-funding liability and auto insurance in FY1994 through the Self-Funded Insurance Fund. The billings to various funds for the self-funded portion of worker's compensation, liability and property are based upon projections provided through an actuarial study documenting the County's Loss Reserve and Funding Analysis. In fiscal years 2003-2005, actual claims were 9.4% - \$159,723 above the analysis for that period, and the General Corporate Fund's share of the expenses was under-funded by \$500,000.

In FY2006, the County Board appropriated \$758,957 from the County's General Corporate Fund to the Tort Immunity Fund to correct under-funding from previous years, and the FY2007 property tax levy for the Tort Immunity Fund also receives a 53% increase in FY2007 to bring the level of funding to an appropriate level to meet anticipated expenses. Again in FY2008, the Tort Immunity Fund tax levy received an adjusted increase of 13.8% to correct previous under-funding. With FY2009, the 6.8% growth in property taxes allowed under the Property Tax Extension Limitation Law enabled balanced budget for Tort Immunity. These corrections to the Tort Immunity funding source and billings for claims for the self-funded portion of the program are expected to enable restoration of an appropriate funding to this Fund in FY2009 and beyond. Unfortunately, the actuarial required contribution for FY2010 requires an increase greater than can be funded with current revenues. The Liability Insurance property tax levy increased by only 2.5%, when the required increase based on the actuarial study is 19%. This leads to a \$200,000 shortfall in revenue to be appropriated from that fund. The result is a detrimental effect on the fund balance for the Self Funded Insurance fund by the end of FY2010.

Property Liability Insurance

PROPERTY LIABILITY INSURANCE – 476-118

The Property Liability Insurance budget receives revenues and appropriates expenditures for the County’s property and liability self-funded claims, and for stop-loss insurance premiums.

FINANCIAL

<u>Fund 476 Dept 118</u>	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Original</u>	<u>2009</u> <u>Projected</u>	<u>2010</u> <u>Budget</u>
FEES AND FINES	\$685,826	\$675,000	\$674,000	\$762,000
MISCELLANEOUS	\$131,071	\$3,000	\$44,806	\$0
REVENUE TOTALS	\$816,897	\$678,000	\$718,806	\$762,000
SERVICES	\$808,790	\$737,155	\$649,379	\$788,309
INTERFUND EXPENDITURE	\$14,886	\$5,210	\$5,210	\$5,210
EXPENDITURE TOTALS	\$823,676	\$742,365	\$654,589	\$793,519

Worker's Compensation Insurance

<i>WORKER'S COMPENSATION INSURANCE – 476-119</i>

The Worker's Compensation Insurance budget receives revenues and appropriates expenditures for the County's worker's compensation self-funded claims, and for stop-loss insurance premiums.

<i>FINANCIAL</i>

<u>Fund 476 Dept 119</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>	<u>2010</u>
	<u>Actual</u>	<u>Original</u>	<u>Projected</u>	<u>Budget</u>
FEES AND FINES	\$758,241	\$788,157	\$707,788	\$715,000
MISCELLANEOUS	\$7,277	\$7,500	\$0	\$7,500
REVENUE TOTALS	\$765,518	\$795,657	\$707,788	\$722,500
PERSONNEL	\$657,007	\$1,061,941	\$892,678	\$1,182,891
COMMODITIES	\$142	\$300	\$114	\$300
SERVICES	\$4,833	\$10,000	\$1,500	\$10,000
INTERFUND EXPENDITURE	\$2,350	\$4,882	\$4,882	\$9,726
EXPENDITURE TOTALS	\$664,332	\$1,077,123	\$899,174	\$1,202,917

Employee Health Insurance Fund

EMPLOYEE HEALTH INSURANCE FUND – 620-120

This internal service fund receives revenues comprised of employer and employee contributions, and appropriates expenditures for administration of the County’s group health insurance plans.

FINANCIAL

<u>Fund 620 Dept 120</u>	<u>2008 Actual</u>	<u>2009 Original</u>	<u>2009 Projected</u>	<u>2010 Budget</u>
MISCELLANEOUS	\$4,637,908	\$4,970,000	\$4,884,521	\$5,372,972
REVENUE TOTALS	\$4,637,908	\$4,970,000	\$4,884,521	\$5,372,972
PERSONNEL	\$4,632,113	\$4,968,400	\$4,893,205	\$5,380,685
COMMODITIES	\$233	\$600	\$200	\$200
SERVICES	\$10,625	\$1,000	\$250	\$13,000
EXPENDITURE TOTALS	\$4,642,971	\$4,970,000	\$4,893,655	\$5,393,885

FUND BALANCE

<u>2008 Actual</u>	<u>2009 Projected</u>	<u>2010 Budgeted</u>
\$108,544	\$99,410	\$78,497