



## SHOOTING STRAIGHT

### HCSO BUDGET FACT v. FICTION

**Fiction:** HCSO Health care costs are not going up in 2011.

**Fact:** In June, 2010 we were given Budget Instructions in preparing a 2011 Budget Proposal that directed HCSO to plan for a 7% increase in health care costs from 2010 to 2011 totaling \$740,000. On September 7 the County Board voted to transition from a health insurance contract with Health-Partners to a self-insured program. The County will have some savings, but we are not certain whether any savings to the County will be passed along to HCSO to offset the increases we were required to budget. So at this point we don't know for sure whether, or how much, HCSO will have increases in health care costs for 2011.

**Fiction:** There are no step increases for employees impacting the budget.

**Fact:** There are many employees who have earned step increases in 2010, and the costs of their raises has a \$498,000 impact on the Sheriff's Office budget in 2011.

**Fiction:** There are no PERA increases impacting the budget.

**Fact:** In 2011, the rate for Police & Fire PERA increases from 14.1% to 14.4%, and the rate for Coordinated PERA increases from 7% to 7.25%. Corrections PERA remains unchanged at 8.75% in 2011. The increase in pension rates will have a \$105,000 impact to the Sheriff's Office budget in 2011.

The Budgeting process is very fluid, and there are any number of variables impacting the bottom line for the Sheriff's Office, most of which we have little control over – including contract negotiations (determined through Union- County Board negotiations), health insurance coverage costs (determined by market factors and Board initiation), and PERA increases (determined by state law), maximum tax levy (set by the Board, with levy limits set by state law).

By law, the County Board, and not the Sheriff, set the Sheriff's Budget each year, and no final decision is made until December. So, like all Departments in the County, the Sheriff is given instructions by OBF with the Board's expectations concerning personal services costs (wage increases, health insurance costs, and PERA contributions). The Sheriff prepares a proposal in June, and adjustments are made in the months leading up to final adoption. The Sheriff and Command Staff have taken a very active role in documenting the need for upward adjustments and advocating for public safety funding as a budget priority.

Click the links above and below this document for the full Shooting Straight!