

# City of Appleton, Wisconsin



## 2004 ADOPTED OPERATING BUDGET AND SERVICE PLAN

### EXECUTIVE SUMMARY

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*"...meeting community needs....enhancing quality of life"*

**OFFICE OF THE MAYOR**

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December 17, 2003

Members of the Common Council and Community  
City of Appleton  
Appleton, Wisconsin

Dear Appletonians:

I present to you the 2004 Budget and Service Plan, including the five-year Capital Improvement Plan. Several factors have made the development of this 2004 Budget a significant challenge. Some factors are the result of decisions made during the debate on the State of Wisconsin budget as they worked to close a deficit of \$3.2 billion, and some factors are a reflection of the state of the economy. The major factors having an impact on the development of this budget include:

- A reduction in state shared revenue and expenditure restraint of \$1,237,555;
- A reduction in interest income on City investments of approximately \$500,000;
- A decrease in other City revenue, such as federal grants, other intergovernmental transfers and fines and forfeitures of approximately \$600,000;
- An increase in health insurance costs of approximately \$700,000;
- A mandatory increase in the City's contribution to the Wisconsin Retirement System of \$224,994;
- A new fee from the State for the assessment of manufacturing property of \$16,194.

This combination of revenue reductions and expenditure increases amounts to a net change of just under \$3.2 million. Therefore, this budget contains a significant decrease in expenditures so as to minimize the impact on our tax levy and our property taxpayers.

Development of the 2004 Budget began in February of this year when all departments engaged in a budget contingency planning process which was designed to help us focus on our priorities as a city and as an organization. That early process, and the resulting discussions, served as a valuable tool in the development of this budget. During the development process, I set several broad parameters within which decisions would be made. Those parameters were:

- Adhere to any existing fund balance or budget policies;
- Maintain our investment in the City's infrastructure;
- Revenue shortfall will not be covered by debt or new fees;
- Develop a budget with no increase in the property tax levy;
- Make decisions based on the mission of the City of Appleton to provide quality services responsive to the needs of the community and enhance the quality of life.

I would like to take this opportunity to thank all of our department heads and their staff for their hard work on this budget. The process of developing this budget has been one of openness and collaboration, and I thank the staff for working hard to keep the best interests of the City in mind, sometimes in spite of their own department's wants and desires. I would also like to thank Budget Manager John Hoft-March, Deputy Director Tony Saucerman and Director Lisa Maertz of the Finance Department for their tireless efforts in preparing this document. The financial

condition of our city remains excellent in large part due to the work of this outstanding staff. They deserve a great deal of credit for the jobs they do on a daily basis on behalf of our community.

The major changes of the 2004 Budget are as follows:

### **PERSONNEL**

The 2004 Budget contains reductions in part-time help, temporary help, seasonal help and budgeted overtime, as well as the elimination of funding for, or the outright elimination of, several full-time positions. In analyzing the personnel reductions, the goal was to find ways to reduce the City's overhead, share responsibilities among remaining staff and still strive to meet the mission of the City and the specific goals of our programs. Some of these reductions will result in changes in the way some services are delivered and some will result in changed levels of service. However, the overarching goal is to minimize the impact on our customers, the citizens of Appleton.

The final reductions in personnel are as follows:

#### **Part-time, Temporary and Seasonal positions**

DPW	Eliminate funding for 6 of 12 traffic seasonals
Econ. Dev.	Eliminate funding for Intern position
H.R.	Eliminate part-time help
Library	Reduce part-time staff in conjunction with reduced hours
Parks & Rec.	Reduce part-time aquatic staff
Parks & Rec.	Eliminate Basket Attendants at all pools
Parks & Rec.	Reduce Recreation staff and one week of Playground Programs
Parks & Rec.	Reduce part-time staff at Administration Building to summers only
Parks & Rec.	Reduce seasonal staff in Parks, Athletic Field Maintenance and Other City Maintenance
Parking	Eliminate 3 part-time Parking Cashiers
Planning	Eliminate funding for Intern position
Police	Reduce midday hours for Crossing Guards
Sanitation	Reduce part-time seasonal summer clerical help at Municipal Service Building related to Sanitation
Water	Reduce part-time seasonal summer clerical help at Municipal Service Building related to Water

#### **Full-time positions**

Assessor	Eliminate the vacant Property Assessor position
DPW/WW/Water	Eliminate the vacant Engineering Tech. Position
DPW	Eliminate one clerical position at the Municipal Service Building
DPW	Eliminate the Purchasing/Inventory Supervisor at the Municipal Service Building
DPW	Reduce a Secretary III position to .5 FTE
Econ. Dev./Planning	Eliminate a clerical position so that Economic Development and Planning Departments share the remaining clerical position
Finance	Eliminate one Clerk Operator II position
Fire	Fund one of three expected vacancies, with the other two to be funded from unexpended 2003 personnel budget
Mayor	Eliminate funding for Executive Assistant position
Parks & Rec.	Eliminate one Mechanic position with remaining Mechanic position moved to CEA
Parks & Rec.	Eliminate one Deputy Director position
Parks & Rec.	Eliminate the vacant Landscape Architect position
Parks & Rec.	Continue to hold open the vacant Park Caretaker position
Parks & Rec.	Eliminate a .3 Greenskeeper
Parking	Eliminate Parking Supervisor position and replace with contracted labor
Planning	Hold open the .75 FTE Planner II position which will become vacant due to a retirement
Planning	Convert the vacant Deputy Director position to a Planner III position

Police	Hold open anticipated vacancies in 2004 (equal to 4 FTE)
Police	Hold open the vacant Resource Development position and transfer hiring process to Human Resources
Police	Convert two part-time Community Engagement positions to one full-time position and reduce one officer
Sanitation	Eliminate the back-up Automated Driver position
Stormwater	Eliminate the Stormwater Program Coordinator position and replace it with a full-time Civil Engineer dedicated to stormwater
Wastewater	Eliminate the vacant Lab Tech position
Wastewater	Eliminate one clerical position
Wastewater	Eliminate one Maintenance Supervisor position
Water	Eliminate vacant Stock Clerk position
Valley Transit	Reduction of 1.4 FTE Operator positions for reduction in services

#### **Other related personnel reductions**

- Reduced sanitation Automated Operator incentive pay
- Reduced budgeted overtime in Forestry
- Eliminate weekend overtime in Parks
- Reduced overtime in Water
- Reduced overtime in Wastewater
- Non-represented cost-of-living adjustment budgeted at 1.5%
- Non-represented performance adjustments limited to 1.5% and 1%
- Eliminate all local mileage reimbursement except for Public Health Nursing
- Non-represented tuition reimbursement limited to 50% of the cost of UW system tuition
- Non-represented employees to share 50% of Vision Insurance monthly premiums
- Eliminate Valley Transit discount fare for City employees
- Budgeted amount for Food and Provisions limited to \$20 per FTE maximum
  - Reduce funding for Health Smart program to include Employee Assistance Program and health screenings only
  - Eliminate funding for employee recognition banquet, luncheon and quarterly award and replace with departmental recognition capped at \$15 per FTE

Other major changes included in this 2004 Budget are:

Mayor	Applesource to be published semi-annually instead of quarterly
Police	Postpone replacement of vehicles for one year
Valley Transit	Eliminate evening service on Saturdays
Valley Transit	Eliminate two morning Route 20 trips
Valley Transit	No service on July 3 and July 5
Valley Transit	Eliminate rider survey in 2004
Library	Reduce hours to summer hours year-round except Sundays
Info. Services	Eliminate training room and share training facility with Outagamie County
DPW/WW/SW	Reduce funding for the aerial topographic program
DPW	Eliminate funding for arterial sidewalks in 2004
Econ. Dev.	Reduce City contribution to Appleton Downtown Inc.
Econ. Dev.	Reduce membership contribution to Fox Cities Economic Development Partnership
Parks & Rec.	Transfer ownership of Badger Pool to Appleton Area School District as of July 1, 2004
Unclassified	Eliminate funding in 2004 for Historical Society Endowment Fund match
Various	Fee increase for Real Estate Inquiry Form
DPW	Increase building permit fee to 80% of the local average for building permits

There is no doubt that the way in which we deliver service to our citizens in many areas will be affected by these changes. However, in light of the fragile condition of the federal, state and local economy, I feel it is in the best interest of our citizens to find ways to continue delivering quality services at reduced costs so as to minimize the impact on their personal budget. Therefore, the net result of the changes being proposed is as follows:

## FISCAL

Taxes – The total tax levy for the year 2003 was \$28,004,767. The tax levy adopted by this Budget and Service Plan is \$28,111,449, an increase of \$106,692 or .4%. The corresponding equalized tax rate in 2003 for City of Appleton services was \$8.5018 per thousand. The adopted rate for 2004 is- \$8.1788, or a net **decrease** of 3.23%. This proposed budget meets all requirements for the State's Expenditure Restraint Program, as well as the City of Appleton's Tax Levy Ordinance.

Debt – The five-year CIP Plan has a modest amount of debt projected despite two large projects (the Police Station project and the College Avenue Bridge). There is \$1.2 million budgeted for the Police Station project in 2004 and \$6 million per year in 2005-2007. The \$1.2 million in 2004 is for the potential acquisition of the St. Joseph School property should that option be the preferred option for the project. In 2008, \$8,650,000 is budgeted for the construction of a new College Avenue Bridge. This budget meets the requirements of our debt policy, keeping outstanding general obligation debt within 40% of the limit prescribed by law in 2004 and in all years of the CIP Plan.

Fund Balances – The fund balance policies that we have put in place will be met by this budget. In 2003, we maintained the City's outstanding bond ratings. These outstanding bond ratings enable the City to borrow funds at very low interest rates, which in turn save our taxpayers and ratepayers significant dollars. The fund balance policies that we have adopted continue to ensure the City's outstanding bond ratings and financial stability.

Internal Financing – The City has internally refinanced some debt structures to avoid the external costs associated with the external market. An update of the status of these issues follows:

TIF District One will pay back the general fund the amount of \$1,755,349.

TIF District Two will have no impact on the general fund in 2004.

TIF District Three will require an advance from the general fund of \$974,576 and an advance from the Parking Utility of \$913,034 to meet debt service requirements incurred from the Washington Street and East Ramp parking structures. This advance is a continuation of the internal debt refinancing which has been done in previous years.

TIF District Four will have no impact on the general fund in 2004.

TIF District Five will require an advance of \$25,374 from the general fund.

TIF District Six will completely pay back the general fund in 2004 in the amount of \$76,556.

Reid Golf Course will pay back \$60,125 to the general fund.

## ECONOMIC DEVELOPMENT

In spite of the slowdown in the economy, the City of Appleton continues to see a steady level of economic development activity. This budget will allow us to continue down the path of economic development by enabling us to prepare land and secure prospects for new development and redevelopment. New development dollars continue to be focused in the northeast corridor between Ballard Road and French Road and north into the new Apple Hill Farms area, and in the southeast corridor in the Eisenhower/441 area. This budget allows for the continued development of the first phase of the Southpoint Commerce Park. The phasing of the additional acreage is critical as we see our inventory of available land diminish in our very successful Northeast Industrial Park. Redevelopment dollars are again focused in the downtown and along the riverfront in the form of our commitment to complete the development of the Vulcan Heritage Park.

## CONCLUSION

The City of Appleton is in sound financial condition as evidenced by our continued strong general purpose and revenue bond ratings, as well as our adherence to all external and internal financial policies. This budget has met the challenge of holding the tax levy to a minimal increase in light of extreme negative pressure in both revenues and expenses. I believe the approach to the development of this budget was not the easy approach, but the right

approach. The list of changes is quite extensive and quite varied and, with these changes, there is no doubt that the way in which we deliver service to our citizens in many areas will be affected. But now more than ever it is important that all of us remember the mission and vision of the City of Appleton and how the jobs that each of us do, every day, help us move closer to achieving them. Our goal is not to make excuses, but to do the absolute best job we can in delivering services to the citizens of Appleton. I am confident that we are all up to meeting the challenges ahead. Although this 2004 budget contains major changes in a number of areas, they are changes that will continue to keep Appleton in sound financial condition not only in 2004, but well into the future.

Sincerely,

TIMOTHY M. HANNA  
Mayor of Appleton



# CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

## COMBINED SUMMARY OF EXPENSES - ALL FUNDS

The City of Appleton follows the accounting methodology known as fund accounting, whereby revenues and expenditures are categorized by fund. Each individual fund represents a specific purpose or activity. Fund accounting is a means of separating and tracking those revenues and expenditures related to each specific purpose. For reporting purposes, funds are grouped by fund type.

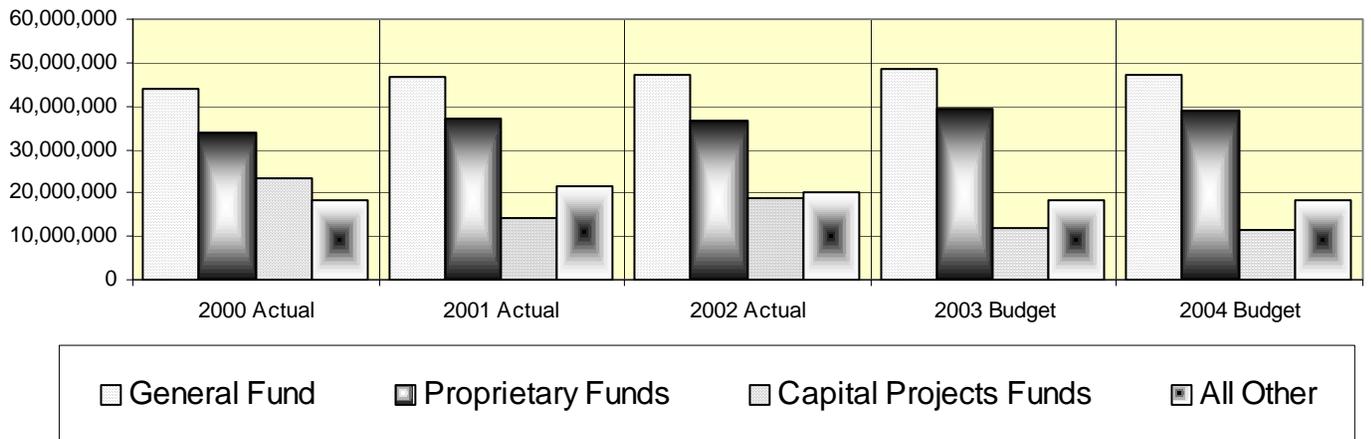
**Table 1: TOTAL EXPENSES - ALL FUNDS <sup>1</sup>**

Funds	2000 Actual	2001 Actual	2002 Actual	2003 Budget	2004 Budget
General Fund	44,032,436	46,656,694	47,232,258	48,468,733	47,212,421
Debt Service Funds	8,092,524	8,542,516	9,359,561	8,013,408	8,388,085
Special Revenue Funds	10,204,688	13,157,627	10,992,141	10,442,383	10,026,925
Capital Projects Funds	23,555,352	14,021,268	18,602,227	11,841,891	11,449,436
Proprietary Funds	33,911,246	37,299,335	36,456,878	39,547,900	39,022,278
Trust Funds	7,391	6,649	7,391	7,541	57,541
<b>Total - All Funds</b>	<b>\$119,803,637</b>	<b>\$119,684,089</b>	<b>\$122,650,456</b>	<b>\$118,321,856</b>	<b>\$116,156,686</b>

<sup>1</sup> Proprietary funds are shown net of capital investments, which are capitalized and depreciated, and of depreciation charged to contributed capital. Beginning with the 2003 Budget, figures reflect the elimination of the chargeback (credit) of depreciation on contributed assets (\$2,718,000 budgeted in 2002) in accordance with Governmental Accounting Standards Board Statement #34 (GASB 34). This accounting change is for financial reporting purposes and has no impact on proprietary fund rates or actual cash expenses.

<sup>2</sup> Proprietary funds are shown without the Central Building Maintenance (CBM) fund, which was discontinued as an internal service fund in 2003.

**Fig. 1: COMBINED SUMMARY OF EXPENSES**



The table and chart above show total City-wide expenditures for all funds for several years. The General Fund accounts for all of the routine operations of the city. The Proprietary Funds category consists of the Enterprise Funds (the Water, Wastewater, Stormwater and Parking Utilities, the Reid Municipal Golf Course, and Valley Transit) and the Internal Service Funds (the Central Equipment Agency and the Insurance Fund). The increases in Proprietary Fund expenses beginning in 2001 are largely due to higher operating and maintenance expense of the new 24 million gallon per day (MGD) water filtration plant. Debt Service Funds account for the payment of interest and principal on general long-term debt, Special Revenue Funds account for various special revenue sources which are legally restricted to expenditures for specific purposes, Capital Projects Funds account for the acquisition or construction of major capital facilities other than those financed by Proprietary Funds and Trust Funds, and Trust Funds account for assets held on behalf of outside parties.

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

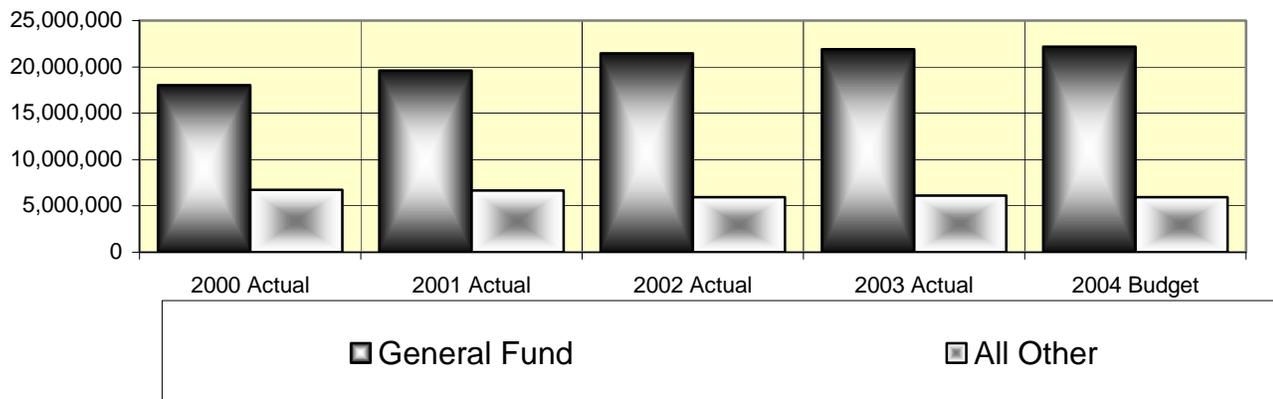
### PROPERTY TAXES

Property taxes support various types of expenditures made by the City of Appleton. Expenditures within individual funds differ in the degree to which they are financed through property taxes.

**Table 2: PROPERTY TAX LEVY BY FUND**

Funds	2000 Actual	2001 Actual	2002 Actual	2003 Budget	2004 Budget
General Fund	18,018,813	19,607,425	21,463,055	21,900,099	22,173,800
Debt Service Funds	2,365,826	2,937,127	3,000,396	2,922,956	2,917,334
Special Revenue Funds	2,589,837	2,780,415	2,663,594	2,721,342	2,573,944
Capital Projects Funds	1,790,579	932,672	291,146	460,370	446,371
<b>Total - All Funds</b>	<b>\$24,765,055</b>	<b>\$26,257,639</b>	<b>\$27,418,191</b>	<b>\$28,004,767</b>	<b>\$28,111,449</b>

**Fig. 2: PROPERTY TAX LEVY BY FUND**



This chart illustrates the allocation of property tax revenues to various City operations. The General Fund, which accounts for the day-to-day functioning of city government, is funded primarily from property taxes and intergovernmental revenues such as the State Shared Revenue program. Enterprise Funds, which generally function as independent business enterprises, are primarily funded by user fees, while the majority of capital projects are funded by borrowing.

### CERTIFIED APPORTIONMENT OF PROPERTY TAXES

Property taxes in the City of Appleton include levies for various purposes in addition to City government, including schools and other levels of government.

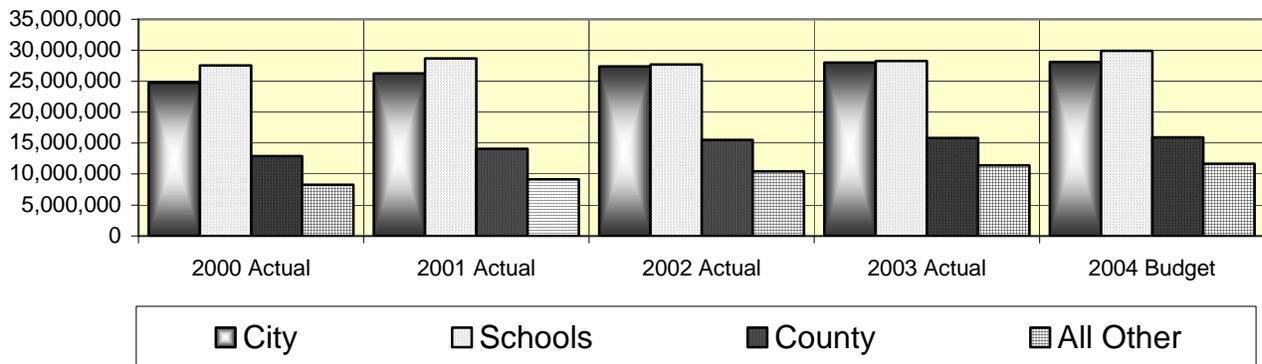
Of the net 2004 property tax levy, approximately 35% was levied for various City operations as illustrated in Table 3 and in Figure 3 following. Another 36% was levied by the Appleton, Menasha, and Kimberly school districts to finance their operations, 20% by the various counties in which Appleton is located, and 8% by vocational schools (e.g. FVTC).

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

**Table 3: CERTIFIED APPORTIONMENT OF PROPERTY TAXES**

Apportionment	2000 Actual	2001 Actual	2002 Actual	2003 Budget	2004 Budget
City	\$ 24,765,055	\$ 26,257,639	\$ 27,418,190	\$ 28,004,767	\$ 28,111,450
VTAE	5,106,666	5,498,876	5,839,202	6,176,522	6,183,265
Schools	27,523,568	28,700,544	27,701,334	28,249,470	29,904,077
State	584,552	617,029	651,434	696,839	728,084
County	12,897,079	14,103,437	15,507,509	15,834,707	15,942,915
TIF Districts	2,583,518	3,030,564	3,953,255	4,557,093	4,771,889
<b>Total - All Portions</b>	<b>\$73,460,438</b>	<b>\$78,208,089</b>	<b>\$81,070,924</b>	<b>\$83,519,398</b>	<b>\$85,641,680</b>
Less State Credits	4,580,382	4,586,896	4,657,410	4,462,806	4,301,871
<b>Net Tax Levy</b>	<b>\$68,880,056</b>	<b>\$73,621,193</b>	<b>\$76,413,514</b>	<b>\$79,056,592</b>	<b>\$81,339,809</b>

**Fig. 3: CERTIFIED APPORTIONMENT OF PROPERTY TAXES**



### **AX LEVY**

The actual property tax levy is calculated as a rate to be applied to the assessed value of property. As market values of property increase, so does the assessed value of those properties and, consequently, the tax levy or mill rate required to raise a given amount of money declines.

**Table 4: TAX LEVY/\$1,000 EQUALIZED ASSESSED VALUE**

Tax Levy	2000 Actual	2001 Actual	2002 Actual	2003 Budget	2004 Budget
City	8.7840	8.8562	8.8510	8.5018	8.1477
VTAE	1.8113	1.8547	1.8850	1.8751	1.7990
Schools (Average)	9.7624	9.6801	8.9424	8.5405	8.7004
State	0.2000	0.2000	0.2000	.2000	.2000
County (Average)	4.5745	4.7568	5.0060	4.8071	4.6385
<b>Net Tax Levy (Average)</b>	<b>\$ 25.1322</b>	<b>\$ 25.3478</b>	<b>\$ 24.8844</b>	<b>\$ 23.9245</b>	<b>\$ 23.4856</b>

Since the City of Appleton falls within three counties and four school districts, those tax rates are averaged for this presentation. Appleton utilities are financed entirely by user fees and special assessments and are therefore not included in property tax rates. As this chart shows, the overall tax levy has declined by approximately 6.6% from 2000 to 2004 while the City's tax levy is approximately 7.25% lower in 2004 than it was in 2000.

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

### GENERAL FUND SOURCES OF REVENUE

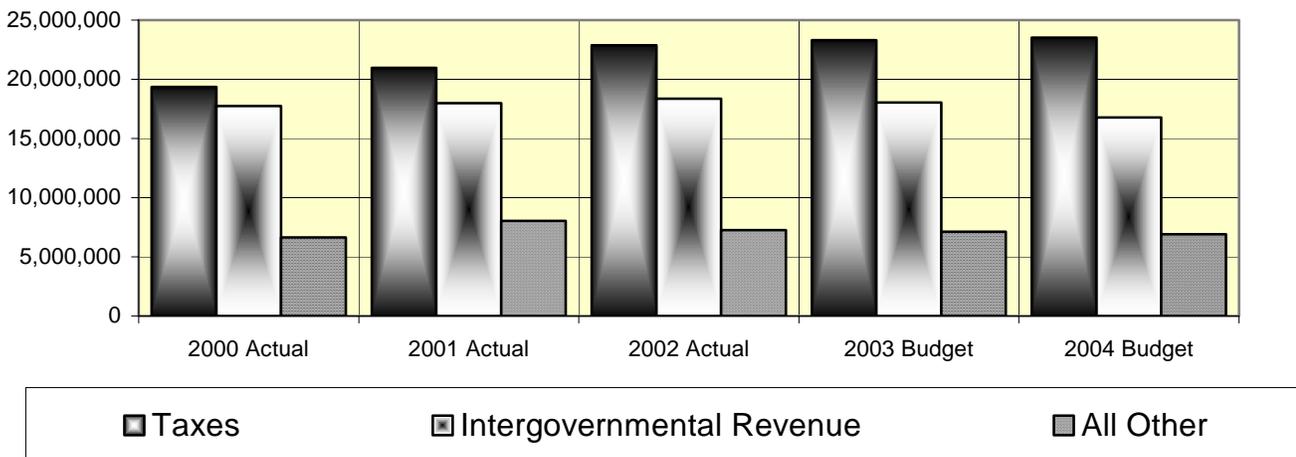
The General Fund, which accounts for the day-to-day functioning of city government, is supported by revenue from a variety of sources, including the property tax.

**Table 5: GENERAL FUND SOURCES OF REVENUE**

Source	2000 Actual	2001 Actual	2002 Actual	2003 Budget	2004 Budget
Taxes	19,360,992	20,959,626	22,868,041	23,308,091	23,522,928
Intergovernmental Revenue	17,753,544	17,989,613	18,373,064	18,033,934	16,778,005
Licenses and Permits	750,035	791,011	884,000	751,300	872,250
Special Assessments	841,833	1,711,955	1,599,912	1,479,361	1,611,000
Fines and Forfeitures	1,374,275	550,333	355,125	525,000	375,000
Interest Income	2,417,544	1,895,338	1,627,303	1,890,000	1,400,000
Charges for Services	444,667	1,629,233	1,550,236	1,515,114	1,470,404
Other Revenue	628,710	1,091,984	813,435	713,983	995,884
<b>Total General Fund Revenue</b>	<b>\$43,571,600</b>	<b>\$46,619,093</b>	<b>\$48,071,116</b>	<b>\$48,216,783</b>	<b>\$47,025,471</b>
Other Financing Sources	170,950	354,411	420,992	251,950	186,950
<b>Total Revenue &amp; Other</b>	<b>\$43,742,550</b>	<b>\$46,973,504</b>	<b>\$48,492,108</b>	<b>\$48,468,733</b>	<b>\$47,212,421</b>

The largest single source of funding for General Fund operations is the property tax, which will provide approximately \$22,173,800 or 47% of revenues in 2004. The next largest is intergovernmental transfers, of which \$12,792,061 is from the State government under the State Shared Revenue and Expenditure Restraint programs. These two programs combined are down from \$14,037,674 in 2003, a decline of 9%. Overall, Intergovernmental Revenue, which also includes State aids for street reconstruction, accounts for approximately 36% of revenues (down from 37% in 2003). The remaining 18% of revenues will come from various other sources, as illustrated above.

**Fig. 4: GENERAL FUND SOURCES OF REVENUE**



### GENERAL FUND EXPENDITURES

The General Fund accounts for the day-to-day functioning of city government, including maintenance of certain City-owned facilities and street maintenance and reconstruction projects.

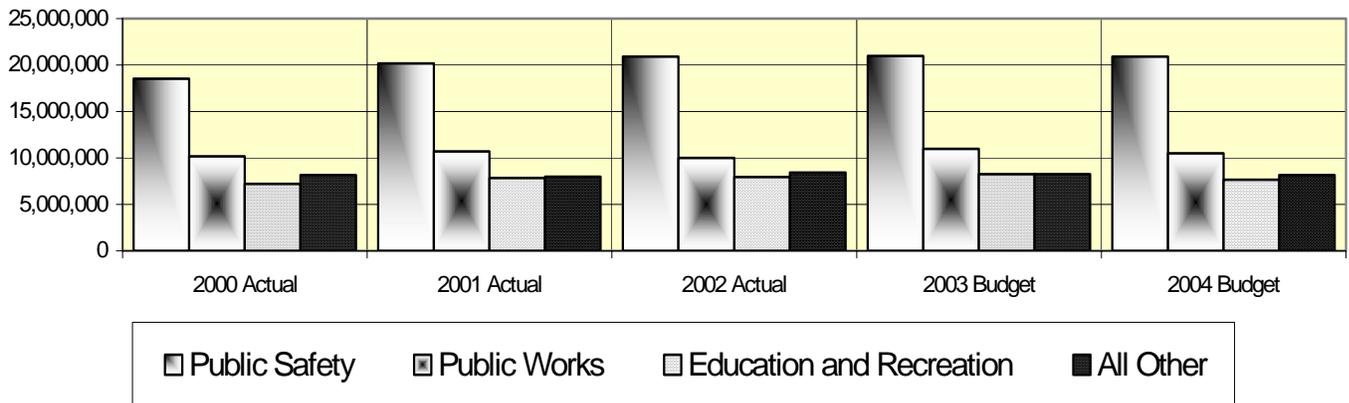
## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

**Table 6: GENERAL FUND EXPENDITURES**

Expenditures	2000 Actual	2001 Actual	2002 Actual	2003 Budget	2004 Budget
General Government	5,512,102	5,598,666	6,071,785	6,852,544	6,897,783
Planning	805,833	807,327	840,388	893,408	731,246
Education and Recreation	7,189,058	7,820,153	7,924,529	8,265,473	7,669,986
Public Works	10,168,740	10,691,032	9,989,650	10,966,466	10,488,718
Public Safety	18,533,332	20,180,176	20,894,939	20,984,513	20,910,089
<b>Total Expenditures</b>	<b>\$42,209,065</b>	<b>\$45,097,354</b>	<b>\$45,721,291</b>	<b>\$47,962,404</b>	<b>\$46,697,822</b>
Other Financing Uses	1,823,373	1,559,338	1,510,967	506,329	514,599
<b>Total Expenditures &amp; Other</b>	<b>\$44,032,438</b>	<b>\$46,656,692</b>	<b>\$47,232,258</b>	<b>\$48,468,733</b>	<b>\$47,212,421</b>

The largest single expenditure for the General Fund is for public safety, which in 2004 accounts for approximately 44% of General Fund expenditures. Of that total budgeted expenditure for 2004, approximately 58% is for police protection, 37% for fire protection, and the balance for public health. The next largest portion of the budget (approximately 22%) is spent on public works, which includes street and sidewalk repair and reconstruction, traffic administration, street lighting, and snow removal. General Government and Education and Recreation expenditures account for approximately 15% and 16% of General Fund expenditures, respectively.

**Fig. 5: GENERAL FUND EXPENDITURES**



### **General Government**

Included in General Government are the legislative, administrative, and service functions, which contribute to the overall business operations of the city.

**Table 7: GENERAL GOVERNMENT EXPENDITURES BY DEPARTMENT**

General Government Expenditures	2000 Actual	2001 Actual	2002 Actual	2003 Budget	2004 Budget
Common Council	121,638	127,628	127,856	124,625	127,287
Mayor	245,861	261,622	272,678	293,033	207,213
City Clerk	574,291	525,068	676,868	560,537	642,521
City Assessor	442,014	450,248	413,614	405,762	425,901
Finance	761,323	790,970	808,801	839,738	827,012
Information Services	1,149,980	1,392,118	1,666,894	1,627,929	1,570,827
Human Resources	483,098	499,309	508,943	543,385	564,875
City Attorney	332,722	362,538	383,927	380,804	399,104
Unclassified	1,401,175	1,189,165	1,212,204	2,076,731	2,133,043
<b>Total - General Government</b>	<b>\$5,512,102</b>	<b>\$5,598,666</b>	<b>\$6,071,785</b>	<b>\$6,852,544</b>	<b>\$6,897,783</b>

# CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

## **The Common Council**

The legislative powers of the City are vested in the Council with the responsibility of establishing policy, adopting an annual budget and service plan and carrying out the duties defined by State Statutes and City Ordinances.

## **The Mayor's Office**

The Mayor's Office is ultimately responsible for coordination of the day-to-day operations of the City and the pursuit of initiatives to ensure accountable, affordable, and accessible government. Programs within the Mayor's Office include:

- Administration - the general management and oversight of City operations,
- Citizen Outreach - including the Applesource newsletter, representation of the City at various public functions, and general communication with the citizens of Appleton, and
- Intergovernmental - working with other local governments in our area and with intergovernmental organizations such as the Wisconsin Alliance of Cities, the League of Wisconsin Municipalities, and the East Central Wisconsin Regional Planning Commission.

The 2004 budget reflects holding the position of Executive Assistant to the Mayor vacant for 2004. The position remains on the Table of Organization but is not funded in the 2004 budget (\$72,859). The budget also reflects reducing the frequency of the Applesource newsletter to semi-annual from quarterly.

## **City Clerk**

The Office of the City Clerk is the center of document retention and distribution for the City of Appleton.

Responsibilities include:

- managing the retention and retrieval of all official City documents and compliance with the open records and open meetings Laws,
- administration of all municipal elections, including coordination and certification of nomination papers and financial statements for candidates,
- providing secretarial and research support to the City Council,
- serving as information distribution center and providing centralized mail and copy services for all City departments,
- maintaining weekly schedule of meetings, publishing all legal notices in the official newspaper and keeping open lines of communications with the news media,
- administering oaths, receiving and recording petitions, claims, lawsuits and official notices,
- issuing over 30 types of Licenses and Permits as prescribed by state law and City ordinances,
- coordinating and issuing special events licenses, and
- acting as the official keeper of the City Seal.

Fluctuations in the budget for the Clerk's Office are primarily the result of the number of elections scheduled in any given year, including Mayoral, Presidential, Congressional and State elections. In 2004, there will be four elections.

## **City Assessor**

The City Assessor is an elected official who maintains ownership and legal descriptions for all real property in the city. The Assessor works to maintain assessed property values at 100% of market value to ensure the most equitable distribution of the property tax burden. The Assessor's Office also inspects and assesses all new residential and commercial construction. The 2003 locally assessed value increased \$106,579,509 over the 2002 value. This included approximately \$4.5 million in new annexation value, \$2.8 million in value that was formerly exempt (this includes the Voster property that was owned by the city and is now platted into residential lots), and \$77.6 million in new construction value. We also had approximately \$1.8 million in property value come off the assessment roll. A good portion of this value was the transition to tax exempt status of the former Conway Apartments, now owned by the Appleton Housing Authority, plus a few properties now owned by Lawrence University and various churches.

Public relations and education regarding assessment and tax issues is another important responsibility of the Assessor, as are timely and accurate responses to requests for information from property owners and the general public regarding assessment questions. Through the Open Book process and the Board of Review, the Assessor provides a forum for individual property owners to question their property assessments and ensures that those assessments are fair and equitable.

## **CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY**

The 2004 budget removes one Property Assessor position from the table of organization. It became vacant due to a retirement in late 2002 and was not funded in the 2003 budget.

### **Finance Department**

The City of Appleton Finance Department is responsible for providing professional financial management services as mandated by state statute and required by the Common Council, the Mayor's Office, City departments, and other governmental units.

Specific responsibilities include:

- timely financial reporting to the Common Council, the financial community, and federal and state agencies;
- coordination of the annual City audit,
- providing an efficient, centralized collection location for convenient payment of all City-generated billings,
- serving as the collection point for all payroll data and monitor the processing of the City's payroll and related reports to ensure compliance with the City personnel policy and government regulations,
- producing timely payments to employees and vendors for contracted obligations to maintain a high level of credibility,
- accounting for real and personal property taxes in a timely and efficient manner at the least possible cost;
- maintaining parking ticket records and issuing reminder and state suspension notices to ensure that the proper amount is billed,
- providing administration of the City's accounts receivable and collection functions (NSF, small claims, special assessments),
- providing accurate service invoices for the City and producing reminder notices for delinquent accounts to sustain an adequate cash flow,
- leading the City's implementation of performance measurement, and
- leading the City's implementation of centralized purchasing.

The 2004 budget removes one FTE cashier position from the table of organization (\$36,057).

### **Information Services**

The Information Services Department (IS) provides all City departments with reliable, timely and accurate technology services that are both cost effective and responsive to departmental needs. The department manages the City's AS400 computer, its attendant software, and the PC (personal computer) network. Information Services also provides management, coordination and support for the City's Geographic Information System (GIS), telephone and voicemail systems, Internet connectivity, and the City's web pages.

In 2002, a core switch was installed, beginning the migration of Wide Area Network (WAN) connections to the fiber optic cable backbone developed and funded through a five entity cooperative agreement. In 2003 the core switch and fiber optic cable permitted the elimination of three independent network servers and the incorporation of their functions into the main City file server. This transition to the fiber optic network has also allowed us to drop leased data lines as the contracts on those lines expire, resulting in significant savings to the City.

Other projects completed in 2003 include the development of an asset management system, the completion of the payroll system, the complete redesign and update of the City's website ([www.appleton.org](http://www.appleton.org)) and establishment of an intranet, and replacement/upgrade of approximately 70 desktop and 40 laptop PCs, keeping the City on a 3-year replacement cycle.

Major projects planned for 2004 include continued development of the geographic information system (GIS), upgrade of the oldest third of our network PCs to maintain replacement on a three year cycle, continued investigation into the possibilities of using the fiber optic network to carry telephone communications, and further investigation of electronic means of payment for City invoices.

### **Human Resources**

The Human Resources Department (HR) is responsible for providing departmental support in meeting the City's organizational needs. Specific responsibilities include:

- Classification & compensation
- Performance evaluations

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

- Recruitment
- Development and administration of policies
- Record retention/administration
- Fringe benefits administration
- Employee and labor relations
- Staff training and development
- Supervisory training and development

The department is also responsible for administration of the City’s self-insurance program, including claims administration, liaison with the City Attorney’s office in legal actions, and provision of training for risk reduction. See the Internal Service Funds section below for a further discussion of the Insurance Fund.

A major change for 2004 is the HR department’s assumption of recruiting and hiring responsibilities for the Police department. These activities have heretofore been carried out by the Police department itself, with the aid of an officer in the Resource Development Unit (RDU). Transfer of these activities to HR enables the Police department to hold that officer position vacant for 2004 and does not entail any addition staff in HR. Approximately \$20,000 in recruitment-related expense has been transferred from Police to HR.

### **City Attorney**

The mission of the office of the City Attorney encompasses two general areas: (1) representing the City in civil and quasi-criminal proceedings; and (2) serving as legal advisor to the City, its agencies, officials and, in some instances, its employees. More specifically, these missions include:

- prosecuting and defending claims and lawsuits for and against the City, its officials, and its employees according to law;
- prosecuting ordinance and traffic violations in Outagamie County Circuit Court;
- providing legal services to City-owned utilities; and
- serving as in-house counsel for the Police Department.

As legal advisor to the City, the office of the City Attorney prepares documents and instruments, drafts legislation, renders formal and informal legal opinions, and performs such other services as required by law.

### **Unclassified City Hall**

Included are various expenditures which are not program or department-specific. Examples include reserves and contingencies, particularly the reserve for wage settlements under collective bargaining agreements currently under negotiation, City Center facility expenses, and miscellaneous expenditures such as insurance and retiree pension payments.

### **Community Development**

The efforts of the Planning and Economic Development Departments form the basis of the City’s community development activities. Other community development activities of the City include the building inspections function of the Public Works Department

**Table 8: COMMUNITY DEVELOPMENT EXPENDITURES**

<b>Community Development Expenditures</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2004 Budget</b>
Planning	414,703	413,412	438,744	457,133	386,718
Economic Development	391,130	393,915	401,644	436,275	344,528
<b>Total – Community Development</b>	<b>\$805,833</b>	<b>\$807,327</b>	<b>\$840,388</b>	<b>\$893,408</b>	<b>\$731,246</b>

### **Planning**

The Appleton Planning Department serves the community (both internal and external customers) with land use development coordination, local regulation administration, comprehensive planning promotion, and special project management in order to enhance the quality of life and the economic vitality of Appleton.

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

The Planning Department provides current, long range, and historic planning and technical data services to Appleton's residents. Specific near-term goals include the following:

- Promote the philosophy of the VISION 20/20: Comprehensive Plan in all development reviews and via development of implementation plans.
- Facilitate thought provoking dialog and coordinate review on all development projects in the City of Appleton between all City departments.
- Provide technical information regarding development trends and projections to aid other departments in their daily and long range operations.
- Coordinate and implement the Focus Fox River riverfront master plan. Produce development plans and implementation plans to ensure a logical and sound utilization of the riverfront corridor.
- Provide support for the Design Review Commission.

Significant changes for 2004 include the conversion of the Deputy Director position to a Senior Planner position and a .5 FTE reduction in the Administrative Secretary position (1 FTE position will be shared between the Planning and Economic Development departments, reduction of \$26,342). The Senior Planner position is not funded in the 2004 budget (\$69,952) and will not be filled. The 2004 budget also deletes the .5 FTE Intern position (\$19,750).

### **Economic Development**

Appleton's Economic Development Department administers programs and provides resources to promote Appleton as a leader in the Fox Cities, enhance and diversify the tax base, and improve the quality of life for Appleton's citizens. Specific programs of the Economic Development Office include:

- Marketing - comprised of activities conducted to promote the City of Appleton for private investment and development. Included are advertising, creation and distribution of promotional materials, and liaison functions with various development-related organizations as the City's representative.
- Business Retention - comprised of activities undertaken to maximize the City's likelihood of retaining its businesses. Among the sub-programs are business retention visits, business recognition awards, database maintenance, and assistance with securing non-City support.
- New and Redevelopment Projects - comprised of activities undertaken to assist the development community in its efforts to commence development initiatives in the City of Appleton. Development coordination, prioritization, and direction are among the functions performed within this program. Economic Development serves as the executive director and staff to the Appleton Redevelopment Authority and as City representative to various development-related organizations.
- Business Park - This program is comprised of activities conducted to plan the City's industrial and business parks, market these parks, and maintain City-owned property awaiting sale.
- Housing and Neighborhood Initiatives - comprised of activities which encourage, facilitate, and implement the improvement, preservation, and revitalization of physical properties and neighborhoods. Included within this program are the Housing Rehabilitation sub-programs and the Neighborhood Revitalization sub-program. This program requires the involvement of residential and corporate citizens to produce the safest, strongest, most stable, cohesive, and livable residential environments.

Major projects in 2003 included the opening of Phase III of the Northeast Business Park, continued development in the Southpoint Commerce Park, the launch of the Neighborhood Revitalization Program's fifth neighborhood project (Midtown West, between Richmond and Mason Streets and Oklahoma Street and Wisconsin Avenue), and beginning work on the restoration of the historic Vulcan hydroelectric building and its conversion to a restaurant. Plans for 2004 include support for a multi-family housing development along Mason Street and Kaamps Avenue (TIF #5, west Wisconsin Avenue) and continuation of development in the Northeast Business Park (TIF #4) and the Southpoint Commerce Park (TIF #6).

As with the Planning Department, Economic Development's staffing will be reduced by .5 FTE in 2004 with the change to an Administrative Secretary position shared with the Planning Department (\$26,342). The 2004 budget also reflects the elimination of the .5 FTE Intern position (\$19,383).

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

### EDUCATION and RECREATION

City funded educational and recreational opportunities include the Appleton Public Library and the City's network of parks and program of recreational activities, classes, and organized sports.

**Table 9: EDUCATION AND RECREATION EXPENDITURES**

<b>Education and Recreation Expenditures</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2004 Budget</b>
Library	3,200,487	3,477,463	3,667,333	3,697,348,	3,672,285
Parks & Recreation	3,988,571	4,342,690	4,257,196	4,568,125	3,997,701
<b>Total - Education and Recreation</b>	<b>\$7,189,058</b>	<b>\$7,820,153</b>	<b>\$7,924,529</b>	<b>\$8,265,473</b>	<b>\$7,669,986</b>

### **Library**

The Library provides a collection of circulating materials as well as reference and information service, programs for all ages, public computing, and public access meeting rooms.

2003 accomplishments have included:

- Continued implementation of the long range plan, with an emphasis on reviews of the marketing and technology plans
- Opened new computer lab
- Continued formal cooperation with schools and community groups via Prime Time Family Reading program, homework resources on website, student art exhibits, Harmony Cafe coffeehouse concerts
- Addressed building infrastructure & furnishing concerns with replacement and refurbishment of upholstered chairs and replacement of selected computer workstations
- Increased library usage:
  - 5% increase in circulation
  - 30% increase in patron assistance
  - 30% increase in website use

Major 2004 objectives include:

- Continue implementation of long range plan & coordinate with City planning efforts
- Seek ways to increase cooperation with schools & other community organizations
- Address building infrastructure & furnishing concerns
- Continue to seek increased efficiency and improved service by automating circulation routines
- Be responsive to needs for electronic services, particularly in areas of local history and community information
- Maintain awareness of library as community center and assess impact of downtown issues
- Maintain high quality library services, including circulation, reference & readers' advisory programs, public meetings, etc.,

The 2004 Budget includes a \$70,000 reduction in part-time staff resulting from a reduction in Library hours of approximately 14 hours per week during the school year and five hours per week during the summer. Other reductions include equipment purchases, programming and marketing, and building repair projects.

### **Parks and Recreation**

The Parks and Recreation Department (APRD) is responsible for maintaining Appleton's parks and recreational facilities and for administering City recreational programs. Specific objectives of the department include:

- providing administrative services and support staff for the management of the recreation, parks, forestry and golf course divisions of the department,
- providing an urban forestry program to create a safe environment, enhancing natural beauty while striving to promote and preserve the City's urban forest, including continuing a cost effective gypsy moth control program and replacing diseased and storm-damaged trees,
- providing quality athletic fields for APRD youth/adult programs, casual/sandlot play, public and/or parochial school teams, and not-for-profit organized youth/adult sport programs,
- providing and maintaining parks, open spaces, and recreational facilities for use by the community,
- providing support services for other City departments and community events,
- maintaining trails and non-park City property for safe use by the public and the beautification of the city,

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

- providing year-round recreational opportunities for youth and adults in sports and leisure activities, and
- providing swimming pool facilities, recreational swimming opportunities, and instructional services on a year-round basis.

The 2004 budget includes a number of reductions in part-time staff (reduce Aquatics part-time staff, eliminate basket attendants during swim lessons at all pools, reduces recreation staff and shortens the summer playground program by one week, reduces seasonal staff in maintenance functions, etc.). It also eliminates the Landscape Architect position (not funded in 2003), one Deputy Director position (\$88,765), two Mechanics positions (one position is deleted, the other is transferred to the Central Equipment Agency, \$94,984), and continues to hold one Park Caretaker position vacant and unfunded. This budget continues the practice, begun in 2002, of utilizing shared labor pool staff from the Department of Public Works (DPW) to assist with the Forestry program to both reduce the backlog of tree pruning and improve labor utilization (\$52,739). As for facilities, the 2004 budget includes \$60,000 for playground equipment to continue the program of upgrades/replacements of playground equipment in various parks, and transfers ownership of Badger swimming pool to the Appleton Area School District. Badger Pool will continue to be available to the Aquatics program, as are the pools at East and North High Schools.

### **PUBLIC WORKS**

The Public Works Department is responsible for building and maintaining the City's infrastructure. Public Works programs which are part of the General Fund include engineering services for City construction/reconstruction projects, street and sidewalk reconstruction, traffic administration and control, street lighting, street maintenance, snow removal/ice control, and building inspections.

**Table 10: PUBLIC WORKS EXPENDITURES**

<b>Public Works Expenditures</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2004 Budget</b>
Public Works	\$10,168,740	\$10,691,028	\$9,989,650	\$10,966,466	\$10,488,718

### **Public Works**

Capital projects are identified based on age and condition and are prioritized and coordinated with capital projects for all infrastructure to minimize inconvenience to the users and manage costs. A programmed growth and replacement schedule is established to minimize budgetary fluctuations.

Programs of the department which fall under other funding sources include the Sanitation Fund; the Central Equipment Agency; the Parking and Stormwater Utilities; the water distribution meter program and water main maintenance within the Water Utility; sanitary sewer maintenance within the Wastewater Utility; and new street and sidewalk construction in various Capital Projects Funds.

The 2004 budget includes the deletion of the Inventory Control Supervisor position (\$68,143 reduction), one Engineering Technician position (50% charged to other funds \$52,384 total reduction), one Clerk position at the Municipal Services Building (\$52,000), and a .5 FTE reduction in a Secretary III position (\$20,115). The budget also reflects a reduction of seasonal part-time staff of \$29,460 and the inclusion of \$119,300 for various traffic control capital projects (reconstruction of two existing traffic signals, installation of one new signal, and conversion of Morrison Street between Harris and Washington streets to two-way).

### **PUBLIC HEALTH and SAFETY**

The Public Safety aspects of City government consist primarily of the health, police and fire departments, though there are many other factors to public safety, including adequate street lighting and traffic control, adequate recreational outlets, etc.

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EXECUTIVE SUMMARY**

**Table 11: PUBLIC HEALTH and SAFETY EXPENDITURES**

<b>Public Health and Safety Expenditures</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2004 Budget</b>
Health Services	806,957	881,878	936,465	945,145	1,015,785
Police	11,158,708	12,096,152	12,198,148	12,239,030	12,074,521
Fire	6,567,667	7,202,146	7,760,326	7,800,338	7,819,783
<b>Total - Public Safety</b>	<b>\$18,533,332</b>	<b>\$20,180,176</b>	<b>\$20,894,939</b>	<b>\$20,984,513</b>	<b>\$20,910,089</b>

**Health Services**

It is the mission of the Appleton Health Services Department to safeguard the environment, promote public health, and protect consumers in the community by providing high quality services responsive to the needs of the people. The department has three main programs; public health nursing, environmental health, and weights and measures.

The objective of public health nursing is to prevent the occurrence and spread of disease in the community through disease investigation, intervention, and partner notification; immunization against vaccine preventable diseases; investigation of elevated childhood blood lead levels; data collection; coordination with other area providers and the State; and public education.

Through the environmental health program, the department works to prevent the occurrence and spread of disease in the community through regulating and inspecting public eating/drinking establishments, retail food establishments, recreational facilities, and massage and tattoo establishments. The department's environmental health staff also assesses, consults, and works to correct human health hazards including lead paint, solid waste, housing sanitation, potential rabies exposure, and vector control; provides public education; and acts as a referral mechanism to other state and local agencies for information on environmental and safety hazards.

The weights and measures inspectors provide consumer protection through complaint investigation, measurement and weighing device testing, price scanning system inspection, product checkweighing, and label verification. They also monitor business methods to prevent fraudulent advertising and trade practices and provide investigative services for the City Clerk's Office in licensing and regulating going out of business sales, commercial solicitors, and second hand and salvage dealers. The 2004 budget reflects the continuation of a program begun in mid-2003 of providing weights and measures certification services to surrounding communities. The communities are charged a fee which offsets the additional cost of staff time to provide the service.

**Police**

The Appleton Police Department is a community responsive law enforcement organization that strives to bring its employees into working partnerships with citizens to identify and resolve community problems. We strive for excellence in police service by providing our employees with a positive, supportive and professional environment that encourages innovative problem solving to enhance the quality of life in our community. Significant events in 2003 include:

- further development of the Community Resource Unit (CRU), established in 2002, which combines the efforts of the Community Liaison Officers, Community Intervention Team, Public Information Officer, Lake Winnebago Area Metropolitan Enforcement Group (MEG) Officer, Crime Analyst, and Community Engagement staff to provide better long-range planning with a focus on community policing and crime prevention. As a direct result of this organizational restructuring, the Department has reduced its sworn staff by one and converted two part-time Community Engagement positions to one full-time position.
- an on-site audit conducted by the Commission on Accreditation for Law Enforcement Agencies (CALEA) and receipt of renewal of accreditation (11 years of continuous accreditation),
- continued work on a municipal court feasibility study, and
- began investigation of the feasibility of establishing a joint City-County justice center to meet the space needs of both the Appleton Police Department and the Outagamie County Sheriff's Department.

The 2004 budget includes the transfer of the recruitment function to the HR department. One sworn officer position in the Resource Development Unit (RDU) will be held vacant and unfunded for 2004 (\$76,052). In addition, two sworn officer positions which are currently vacant and two which are expected to become vacant due

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

to retirements will not be filled during 2004 (\$224,401 reduction) and 15 squad cars scheduled for replacement will be retained for one additional year (\$41,876 reduction in CEA expense).

### Fire

The Appleton Fire Department is organized to provide a broad range of programs designed to protect the lives and property of the citizens of the City of Appleton from fires and other dangers, both naturally occurring and artificially created. The department also provides a Regional Hazardous Materials Response Team (Level A), which is discussed in the Special Revenue Funds section following.

Major accomplishments in 2003 include:

- hosted a wildland fire training session with the DNR and attended by area fire departments,
- completed renovation of Fire Station #2 with a drive-through equipment bay for safer operation,
- took delivery of a new pumper,
- worked closely with the four-county FoxComm partnership in developing computer software for dispatching of public safety resources, and
- began a program providing guidance to citizens in child car seat installation, providing an opportunity to provide fire and life safety education to a group that is otherwise difficult to reach.

In 2004 the Appleton Fire Department will strive to meet the City of Appleton's goals by:

- improving an awareness of changing community needs and diverse community populations and their effect on our levels of service and programs,
- maintaining identified levels of service in a cost-effective manner by providing quality programs to our community, and
- providing a quality work environment which both encourages and enhances employee participation and growth.

The 2004 Budget reflects not funding replacements for two retirements which are expected to occur in 2004 (\$123,167). It is expected that money to fill those vacancies will come from unexpended 2003 budget.

### **SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for the proceeds of special revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

**Table 12: SPECIAL REVENUE FUNDS EXPENDITURES**

<b>Special Revenue Funds</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2004 Budget</b>
TIF District # 1	1,485,011	1,453,368	665,825	568,199	499,248
TIF District # 2 *	0	33,891	94,478	121,156	126,925
TIF District # 3 *	3,316,851	6,815,375	5,105,337	4,700,219	3,846,382
Sanitation	3,187,268	3,333,922	3,427,055	3,482,273	3,432,944
Haz Mat Level A	89,793	32,855	157,638	85,351	79,851
Health Services Grants	148,145	121,070	121,743	111,875	590,124
Forestry	46,175	44,907	82,500	45,000	30,000
Housing & Community Development	1,635,651	1,032,719	1,129,868	1,160,310	1,253,401
Room Tax Administration	260,425	265,885	187,991	168,000	168,000
Prior Projects	35,369	23,635	19,706	0	0
<b>Total - Special Revenue Funds</b>	<b>\$10,204,688</b>	<b>\$13,157,627</b>	<b>\$10,992,141</b>	<b>\$10,442,383</b>	<b>\$10,026,875</b>

Note: TIF #2 was classified as a capital projects fund prior to May 1, 2001 and TIF #3 prior to November 4, 2003.

## **CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY**

### **Tax Incremental Financing District (TIF) # 1**

This program accounts for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

TIF #1 includes the general area of downtown College Avenue, Richmond to Drew, and Lawrence to Franklin. Created in 1980, its primary projects include site preparation for the Paper Valley Hotel, Landmark Square and the Avenue Mall.

The district fund has paid all of its general obligation debt and is now repaying advances made by the general fund to the district in its initial years.

### **TIF District # 2**

This program accounts for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures. TIF #2 includes most of the area within the "Industrial Flats," Lawe Street to Memorial, South River to Water Street. Primary projects include the Lincoln Mills, Ravine Mills and shoreline restoration projects. May 1, 2001 was the final date by which Appleton could make expenditures within this District and recover them with tax increment revenues, per state statute.

### **TIF District # 3 - Downtown**

Tax Incremental District #3 includes the area bounded by Richmond and Durkee Streets, from the County Courthouse to the School Administration Building. Primary projects include the Washington and East Parking Ramps, the Paper Valley Hotel expansion, the Evan's Title Building, Crescent Place, and a redeveloped "Zwicker" site.

### **Sanitation**

The Department of Public Works Sanitation Division is responsible for the collection of solid waste and transportation of this waste to the Outagamie County Landfill for disposal and management of the residential recycling contract to insure performance to contract required service standards. This program also includes economically meeting the needs of the community for brush and yard waste disposal, complying with environmental regulations pertaining to solid waste and recycling and maintenance and monitoring of the Mackville Landfill to insure compliance with Department of Natural Resources requirements.

The 2004 Budget includes a reduction of one FTE equipment operator position (\$56,695) and a reduction in incentive pay (\$12,000). In 2002, Sanitation began "loaning" shared labor pool staff to the Parks and Recreation Department to assist with the Forestry program, both reducing the backlog of tree pruning and improving labor utilization. This sharing of staff across departments is planned to continue in 2004, with the equivalent of one full time worker (1 FTE) being allocated to the Forestry program (\$52,739).

### **Haz-Mat Level A**

The Cities of Appleton and Oshkosh have an agreement with the State of Wisconsin to provide certain "Level A" services relating to the containment of hazardous substances in the event of an accidental spill, release, or discharge within a twelve-county response region of northeast Wisconsin. Hazardous Materials Level A emergency response includes the provision of all necessary emergency services to protect life and property from a release of a hazardous material.

### **Health Services Grants**

In addition to its various responsibilities previously described in the Public Safety section above, the Health Services Department administers several grants from various funding sources. These are:

- MCH Grant - The Maternal/Child Referrals received by the department continue to be complex, involving multiple family issues and health problems. Cases include failure to thrive, alcohol and other substance abuse, mental illness, developmental disabilities, abuse and neglect, and teen and single parent households.

## **CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY**

Early and frequent nursing intervention has been documented in research studies to positively impact the outcome of parenting and child development. In 2004, this program will provide approximately 24 women and children with prenatal and child care coordination services.

- Vaccine Improvement Plan Grant – The focus of the grant program in year 2004 will be to improve vaccination rates in children 2 years and under. Collaborative efforts continue with both public and private health care providers. This program benefits over 2,000 children each year and, in 2003, helped to limit the cases of vaccine preventable disease in our area to three.
- Prevention Grant - The department has partnered with the Appleton Area School District (AASD) to assist in tobacco prevention at the elementary school level. Prevention materials and training will be provided to teachers interested in tobacco prevention activities.
- CDC Lead Poisoning Prevention Grant – Strategies including lead assessment and abatement, lead screening, individual and community education, and case management have been utilized in this program to reduce the incidence and impact of lead poisoning. All children with elevated blood levels of lead who have benefited from this program have shown progressive declines in blood lead levels in the 12 months following the first home visit.
- Bioterrorism Grant - The City has received a grant to support training to deal with the effects of bioterrorism, specifically to develop a regional response to communicable disease prevention, response, and recovery, with around the clock response capacity.

### **Forestry**

The purpose of this fund is to account for City efforts to promote and preserve Appleton's urban forest.

The following are the major accomplishments for 2003,

- replaced all trees removed in 2002 due to storm damage,
- planted trees on all new streets paved in 2003, and
- replaced trees removed on streets which were reconstructed in 2003.

The major objective for 2004 is to provide funding to purchase trees to replace dead/diseased/damaged trees to plant along streets and to respond to homeowner requests. Trees for newly constructed streets will be paid for by the subdivision fund.

### **Housing and Community Development Grants**

The following grant funded programs are intended to benefit low and moderate income households, and eliminate slum and blight.

Below are the specific objectives of each of these programs:

- Emergency Shelter Grant (ESG)
  - Homeless prevention
  - Provide essential services and emergency shelter
- HOME Investment Partnership Program - Renter Moderate Rehabilitation (HOME)
  - Improve Appleton's rental housing stock
- Community Development Block Grant (CDBG) & HOME Investment Partnership Program - First-Time Homebuyer (HCRI/HOME)
  - Improve Appleton's housing
  - Strengthen community services
  - Revitalize selected target areas
  - Address health and safety issues
  - Plan and administer programs effectively
- Continuum of Care Grant
  - Provide case management and support services to the chronically homeless

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

### Room Tax Administration

The purpose of this fund is to account for receipt of room tax proceeds and the corresponding transfers to the Performing Arts Center, the Fox Cities Convention and Visitors Bureau, and the General Fund for administrative costs. Though the City has been responsible for collecting the room tax and remitting 95% of the proceeds to the Visitors and Convention Bureau, the addition of the PAC as a recipient of proceeds necessitates creation of this special revenue fund to more easily account for the funds.

### Prior Projects

Prior projects consist of the Olde Oneida Bridge and the City Parades funds. The Olde Oneida Bridge fund was established by a transfer of money from the State of Wisconsin to provide for certain maintenance expenses related to the bridge. This transfer was made when the Oneida Skyline Bridge was constructed, thereby removing the water level bridge from the state thoroughfare network. The City Parade fund was established to account for City support of the Flag Day, Memorial Day, and Holiday parades. This fund has been discontinued and the expenses budgeted in the Mayor's budget.

### DEBT SERVICE

Money is borrowed to finance a variety of expenditures, primarily capital investments. However, when interest rates fall, it is sometimes advantageous to refinance an earlier bond issue carrying a higher rate of interest. In general, bonds are issued on the open market, either as General Obligation (G.O.) Notes or as G.O. Bonds. Any funds borrowed to finance investments by the various proprietary funds (i.e. the Water, Wastewater, and Stormwater Utilities, Reid Municipal Golf Course, Valley Transit, CEA, or Insurance), are accounted for and repaid from that fund. The City does not borrow for operating expenditures.

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs, excluding that payable from proprietary funds.

**Table 13: DEBT SERVICE EXPENDITURES**

<b>Debt Service Funds</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2004 Budget</b>
Debt Service Funds	\$8,092,524	\$8,542,516	\$9,359,561	\$8,013,408	\$8,388,085

### CAPITAL PROJECTS FUNDS

Capital Projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds. Resources are derived from general obligation bond and note issues, certain federal grants, and other specific receipts.

**Table 14: CAPITAL PROJECTS FUNDS EXPENDITURES**

<b>Capital Projects Funds</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2004 Budget</b>
Subdivision	2,242,931	3,010,817	1,819,731	1,770,531	1,961,007
Park & Recreation	768,237	745,869	322,913	685,000	885,000
TIF District # 4	1,296,227	1,848,133	1,413,923	3,347,096	2,726,253
TIF District # 5	22,574	786,910	40,552	280,935	281,299
TIF District # 6	6,235,544	898,704	2,964,572	1,992,502	1,828,868
Public Works	1,076,052	606,336	5,373,287	150,000	570,000
Industrial Park Land	2,814,446	965,960	148,047	500,663	239,978
CEA Replacement Fund	2,422,630	1,443,708	1,462,443	1,097,164	1,432,031
Public Safety	2,475,401	1,841,291	281,831	0	1,525,000
Prior Projects	4,201,310	1,873,540	4,774,928	2,018,000	0
<b>Total - Capital Projects Funds</b>	<b>\$23,555,352</b>	<b>\$14,021,268</b>	<b>\$18,602,227</b>	<b>\$11,841,891</b>	<b>\$11,449,436</b>

# CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

## **Subdivision**

This fund will be utilized for new subdivision work only. This will include administration, engineering, sewer, water, stormwater, street lights, street signs, and street work within the subdivision. This fund will not be utilized to refurbish an existing roadway.

Effective January 1, 2003, the City ceased to front money for new subdivision development except for the following items which will be charged to the developer to be paid within 30 days of billing date:

Administrative fees	Storm sewer area assessment
Asphalt pavement and maintenance fees	Storm sewer TV
External improvements required for development	Street lights
Regional stormwater facilities	Street name signs
Sanitary sewer area assessment	Traffic control signs
Sanitary sewer TV	

The City will include other infrastructure in our public bidding process provided the Developer obtains an irrevocable line of credit from which the City has exclusive control over distribution of funds until final payment has been made to the contractor. Upon completion of the contract and any other outstanding issues, the City would release the line.

The 2004 budget includes street paving (both asphalt and concrete) and sidewalk installation.

## **Park and Recreation Projects**

This fund provides for a variety of Parks and Recreation capital needs. Included for 2004 is development of Derks, Providence, and Vulcan Heritage Parks, renovations to Houdini Plaza, Jones, Pierce, and Telulah Parks, and Mead Pool, and work on Providence Trail.

## **TIF District # 4 - Northeast Business Park**

Tax Incremental District #4 includes portions of the area bounded by French Road (east), Meade Street (west), Glendale (south) and Edgewood Drive (north).

Primary projects in 2004 include maintenance and marketing of the remaining 90 acres of land in the business park and installing public utilities (streets and storm and sanitary sewers) on unimproved property to facilitate industrial development.

## **TIF District # 5 - West Wisconsin Avenue**

This fund provides for commercial redevelopment of West Wisconsin Avenue between Gillett and Bennett Streets.

The 2004 budget includes a portion of the total costs associated with site preparation, infrastructure development and general construction assistance for TIF eligible activities for the renovation of an existing commercial business at Wisconsin Avenue and Bennett Street and for a multi-family housing development along Mason Street and Kamps Avenue.

## **TIF District # 6 – Southpoint Commerce Park**

Primary projects include land acquisition and the installation of public utilities on unimproved property that will allow industrial development to take place in the southeast area of the City.

The year 2004 budget includes the engineering and platting for the second phase of development of the area and for general infrastructure development, including paving, sanitary sewers, water mains, and stormsewers.

## **Public Works**

This fund provides for a variety of Public Works capital needs. For 2004, this fund will be used to account for replacement of the fuel handling system at the Municipal Services Building (\$190,000), resurfacing the two Oneida Street bridges over Jones Park (\$350,000), and the start of planning for the eventual replacement of the College Avenue bridge in 2008 (\$30,000).

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

### Industrial Park Land

The Industrial Park Land Fund is the clearinghouse for the City's industrial and business park land sale revenue, acquisition of associated land, debt service from prior acquisition, and land development costs associated with industrial/business park infrastructures. This fund is utilized for these purposes exclusive of the industrial/business park areas developed through the tax incremental financing district(s).

The year 2004 budget provides funding marketing and soil testing in the Northeast Business Park. The City will continue to acquire residential properties south of Evergreen Drive as they become available, as the plan is to completely assemble the property south of Evergreen and north of 41 between Ballard and French and that this area will become entirely business/industrial park.

### CEA Replacement Fund

This capital project fund receives money from various City departments, based on a useful life replacement payment schedule, for CEA owned vehicles and equipment used by the departments. The funds received are then used to replace the item at the end of its useful life.

### Prior Projects

Prior projects consist of the Mackville Landfill, including engineering, design and remediation, and an insurance policy for protection from third party lawsuits against the City for alleged contamination emanating from the landfill; the Vosters Property Fund, the Technology Fund, used to finance the installation of a fiber optic wide-area network in conjunction with several other entities including the Appleton Area School District, and the Riverfront Initiatives Fund, used to finance a variety of projects along the river.

### ENTERPRISE FUNDS

Enterprise funds are used to account for activities that are financed and operated in a manner similar to that found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities provided to outside parties are accounted for in enterprise funds.

**Table 15: ENTERPRISE FUNDS EXPENDITURES <sup>1</sup>**

<b>Enterprise Funds</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2004 Budget</b>
Water Utility <sup>2</sup>	9,043,237	11,801,853	11,057,044	12,627,439	12,068,880
Wastewater Utility <sup>2</sup>	9,784,156	10,176,073	9,616,577	10,454,997	10,123,748
Stormwater Utility	2,360,374	2,742,123	2,886,756	3,044,501	3,391,184
Parking Utility	1,944,905	1,851,522	1,883,944	1,907,529	1,900,478
Reid Golf Course	637,622	680,101	722,978	703,907	702,798
Valley Transit	5,476,403	5,750,372	5,788,493	6,316,445	6,425,425
<b>Total - Enterprise Funds</b>	<b>\$29,246,697</b>	<b>\$33,002,044</b>	<b>\$31,955,792</b>	<b>\$35,054,818</b>	<b>\$34,612,513</b>

<sup>1</sup> Enterprise fund expenditures are shown net of capital investments and the chargeback (credit) of depreciation on contributed assets. In 2003 the chargeback of depreciation on contributed assets (\$2,718,000 budgeted in 2002) was eliminated in accordance with Governmental Accounting Standards Board Statement #34 (GASB 34). This accounting change is for financial reporting purposes and has no impact on proprietary fund rates or actual cash expenses

<sup>2</sup> Effective with the 2003 budget, the Central Building Maintenance (CBM) internal service fund was discontinued and its staff incorporated into the Water and Wastewater Utilities. Prior period figures for Wastewater have been restated to reflect the inclusion of activities and staff related to the provision of services to all other departments except Water. No restatement of figures for Water is required since the direct allocation of staff and materials begun in 2003 is comparable to the allocation of CBM charges in prior periods.

### Water Utility

The City of Appleton Water Treatment Plant, working as a self-directed team, provides the community with safe, high quality water in a consistent and cost effective manner to all customers utilizing the full potential of all our highly motivated, technically skilled staff.

In February 1998, the Utilities Committee and Common Council voted to proceed with design engineering and construction of a new 24 Million Gallon per Day (MGD) water treatment plant. The water treatment plant was completed in 2001 and brought fully into service in 2002. It is viewed as one of the most technologically advanced

## **CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY**

water treatment facilities in the world. In addition, a new water reservoir was constructed to double water storage for the city.

The Department of Public Works portion of the Water Utility is divided into three components, Customer Service, Operations and Maintenance, and Capital Projects. Capital Projects includes identifying, planning, designing, and constructing replacements for failing and inadequate transmission mains, hydrants, and services to reduce system failures and expand the existing water distribution system to accommodate growth areas. Operations and Maintenance includes preventive maintenance and general upkeep of the distribution pipelines, including transmission mains, hydrants, and valves to keep the system operating, reduce treated water loss, and comply with Public Service Commission (PSC) requirements. Customer Service activities include taking quarterly readings of all water meters and testing, repairing, and replacing meters to ensure accurate and fair billing for water usage.

In addition to funding for various necessary capital improvements, both infrastructure and equipment, the 2004 budget also includes \$49,000 for the replacement of a Water Distribution backhoe (the total cost is \$81,000, of which \$32,000 will be paid by the CEA Replacement Fund) and \$20,000 for the Water Utility portion of engineering consulting fees in connection with a water and sewer laterals records conversion project. It also reflects the elimination of the Stock Clerk position (\$62,270).

### **Wastewater Utility**

The City of Appleton Wastewater Treatment Plant provides the community with essential wastewater treatment services. Our technically skilled and highly motivated staff strives to maintain maximum standards of community health and safety, while protecting and preserving the environment, specifically water resources. It is our goal to achieve these objectives in a manner that demonstrates integrity, responsibility, and economically sound practices.

The Department of Public Works portion of the Wastewater Utility performs all maintenance associated with the sanitary sewer system to keep this system functioning and reduce the volume of inflow and infiltration entering the system, reduce damage to the existing infrastructure, and reduce processing costs. Also, the department will identify, design, and implement a capital construction program to replace failing and inadequate sewers to reduce system failures and expand the existing sanitary sewer system to accommodate growth areas.

The 2004 budget includes funding for various necessary capital improvements in both treatment and collection systems and \$15,000 for the Wastewater Utility portion of engineering consulting fees in connection with a water and sewer laterals records conversion project. It also reflects the elimination of the Custodial Maintenance Supervisor position (\$80,692), one Laboratory Technician position (\$58,400), and one Administrative Clerk position (\$43,291).

### **Stormwater Utility**

The Stormwater Utility was created to provide for the management of surface water run-off in the City of Appleton. Maintaining the current facilities to insure they are operating at their designed potential to prevent system failures is one component of the stormwater program. Capital construction includes designing, building, and replacing of stormwater facilities to insure compliance with established regulations, to protect surrounding infrastructure and the environment, to increase the acres of land for development and prevent system failures.

Maintenance and Capital budget expenses are scrutinized to minimize changes in the stormwater utility rate, which is projected to remain at \$71 per equivalent residential unit (ERU) per year until 2006.

The 2004 budget includes funding for various necessary infrastructure capital improvements and \$15,000 for the Stormwater Utility portion of engineering consulting fees in connection with a water and sewer laterals records conversion project.

### **Parking Utility**

The Parking Utility implements and administers the adopted parking policies, maintains a clean, reliable on- and off- street parking system to minimize customer inconvenience and dissatisfaction, collects and processes revenues, and enforces City parking ordinances and state statues to insure compliance for safety and facilitate availability of parking spaces.

Rates are established to generate revenue to offset expenses of the Parking Utility to maintain financial solvency and independence from City tax levy funding. The 2004 budget reflects the elimination of three (3) part-time Ramp

## **CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY**

Cashier positions (\$44,231) and the Parking Supervisor position (\$67,808). Meter hours will be extended to 9:00 PM, Monday - Saturday and meter rates will increase by \$ 0.10 per hour. The 2004 budget also includes \$50,000 for structural maintenance and repair of the Midtown Ramp, \$25,000 for the first phase of installation of security cameras in parking ramps, and \$30,000 for the first phase of upgrades to parking meter mechanisms to enhance the efficiency and accountability of the Parking Utility and to allow the meters to accept dollar coins.

### **Reid Municipal Golf Course**

The mission of the Reid Municipal Golf Course is to provide quality public golf opportunities, and to generate sufficient earnings to fund the operation of the course and a long-term plan of capital improvements according to generally accepted enterprise fund policies and procedures.

The customer service operations are provided by a contractor under a management agreement with the City. The contractor is responsible for all daily customer service operations, including all concessions and the pro shop, while the Parks and Recreation Department retains responsibility for course maintenance and capital improvements. The 2004 budget includes the replacement of a pick up truck (\$24,000) and a bunker rake (\$13,000) and \$25,000 for development of plans and specifications for a new irrigation system.

### **Valley Transit**

Valley Transit seeks to provide basic mobility to those who need it, in a safe, effective, and efficient way. In January of 2003, Valley Transit implemented several service changes. First, bus routes were renumbered using a methodology designed, to make it easier for new passengers to understand the system. Second a comprehensive program for bus drivers to call out bus stops was implemented so persons with visual impairments could better orient themselves while riding the bus. Finally, the bus and paratransit fares were increased in anticipation of reduced state funding in light of the state budget crisis. Basic cash fare on the bus was raised from \$1 to \$1.25, and basic paratransit fare was raised from \$2 to \$2.50. In August, "tripper" service to Madison Middle School was reduced from two trips per day to one.

Bus ridership productivity declined 2.6% in the first half of 2003 compared to overall 2002, from 15.3 rides per hour to 14.9. Overall bus ridership is projected to decline by approximately 7.5% for all of 2003 compared to all of 2002, from 970,417 to 897,298. A further 1% decline, to 887,750 is projected for 2004 due to a combination of this year's fare increases and service reductions.

Valley Transit is in the process of preparing detailed technical specifications for buses in preparation replacement of the primary fleet of twenty buses. Fourteen of the twenty buses will be smaller heavy duty buses, while the remainder will be the standard 35 - 40 foot buses for use on the most heavily traveled routes. Due to the federal grant funding cycle, the 2002 budget included the funding for the first phase of the bus replacement and the 2003 budget included funding for the second phase, with award of a contract to a manufacturer expected by February 2004 and delivery of buses in 2005.

Major 2004 objectives include:

- To relate public transportation to travel patterns within the urban and rural areas
- To promote public transportation as a basic public service
- To provide public transportation in all urban areas and certain rural areas using delivery systems, fixed-route or demand responsive, appropriate to the density of development
- To meet the needs of those with mobility limitations, particularly older adults, people with disabilities, students, and people who are unable to drive (for whatever reason).
- To meet the service performance, management, and marketing standards determined for the system.
- To maximize efficiency and avoid overlap and duplication of services through coordination
- To base funding and organizational mechanisms for public transportation on principles of equity and to reflect the interconnectivity of jurisdictions within the urbanized area and surrounding rural areas.
- To promote land use patterns and site design standards which can be efficiently served by public transportation
- To provide a safe, reliable, and attractive alternative to exclusive reliance on single occupant automobile transportation for residents in the Fox Cities community.
- To provide services in a fiscally responsible manner, minimizing the cost to taxpayers, and within the financial constraints of the community.

## CITY OF APPLETON – 2004 BUDGET EXECUTIVE SUMMARY

The 2004 budget includes a reduction of two morning trips on Route # 20 and the elimination of service on July 3<sup>rd</sup> and 5<sup>th</sup> and a reduction of one full-time equivalent (FTE) drivers (\$59,224). It also includes \$25,000 for resurfacing the asphalt parking lot and \$30,000 for security gates at the Transit operations building, and \$25,000 for a portable floor hoist for use with the new, smaller buses.

### **INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or other governments, on a cost reimbursement basis.

Effective with the 2003 Budget, the Central Building Maintenance department, which has been responsible for maintaining all City facilities, was discontinued as an internal service fund. The staff of CBM has been incorporated into the Water and Wastewater Utilities, which account for the bulk of their maintenance activities. Beginning with the 2004 budget, routine maintenance of other City facilities is budgeted in the department receiving the service. Prior period figures for Wastewater have been adjusted to reflect this change.

**Table 16: INTERNAL SERVICE FUNDS**

<b>Internal Service Funds</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2003 Budget</b>
Central Equipment Agency	3,509,368	3,265,088	3,367,672	3,453,755	3,380,232
Insurance	1,155,181	1,032,203	1,133,414	1,039,327	1,029,533
<b>Total - Internal Service Funds</b>	<b>\$4,664,549</b>	<b>\$4,297,291</b>	<b>\$4,501,086</b>	<b>\$4,493,082</b>	<b>\$4,409,765</b>

### **Central Equipment Agency**

CEA exists to maintain the City fleet and to provide orderly replacement of vehicles as they reach their useful service life. Additions to the fleet are funded through the user departments and become part of the CEA fleet. User departments are then charged for time and materials for maintenance, fuel usage, and a monthly replacement charge. Maintenance and replacement rates are established to cover the actual maintenance and replacement costs. When the item needs replacement, it is replaced by CEA and funded out of the replacement reserve, which is accounted for in a separate capital projects fund.

The 2004 budget reflects the move of one Mechanic position from Parks and Recreation into CEA (\$60,807).

### **Insurance**

The mission of the Insurance Fund is to establish and maintain a successful risk management program, provide on-going support and training to all City departments and staff, and provide prompt and fair service to the public. To ensure that the City has sufficient insurance coverage and reserves for any type of claim and to handle all claims and potential claims involving the City, staff members focus on:

- contract insurance language,
- insurance policies/renewals,
- litigation management,
- self-insured retention levels,
- record retention/claims database,
- loss prevention, and
- claims handling and investigation.

### **TRUST FUNDS**

Trust and agency funds are used to account for assets held on behalf of outside parties (including other governments) or other funds within the City. These assets are held under the terms of a formal trust agreement, whether a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal.

**CITY OF APPLETON – 2004 BUDGET  
EXECUTIVE SUMMARY**

**Table 17: TRUST FUNDS EXPENDITURES**

<b>Trust Funds</b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Actual</b>	<b>2003 Budget</b>	<b>2004 Budget</b>
Tuchscherer Disability	6,391	6,391	6,391	6,391	6,391
Peabody Estate	0	0	0	0	0
Balliet Locomotive	0	122	0	250	250
Lutz Park	0	0	0	0	50,000
Park Open Space Fund	0	0	0	0	0
Union Spring Park	0	136	0	400	400
Frank P. Young Memorial	1,000	0	1000	500	500
<b>Total - Trust Funds</b>	<b>\$7,391</b>	<b>\$6,649</b>	<b>\$7,391</b>	<b>\$7,541</b>	<b>\$57,541</b>

**Tuchscherer Disability Trust**

To account for moneys received by the City in an employee disability settlement, and the corresponding expenditures for such purposes. The City's obligation under this trust is partially offset by the investment income. It is expected that this fund possess the resources to meet future required payments.

**Peabody Estate Trust**

To account for moneys received from a private donation to finance the repair, construction, and preservation of Peabody Park, and the corresponding expenditures for such purposes. No major projects are scheduled for 2003.

**Balliet Locomotive Trust**

To account for moneys provided by private donations to finance the maintenance of a locomotive located in Telulah Park and the corresponding expenditures for such purposes. No major projects are scheduled for 2003.

**Lutz Park Recreational Trust**

To account for moneys received from private donations to finance the construction and preservation of the recreational facilities at Lutz Park, and the corresponding expenditures for such purposes.

The 2004 budget includes \$50,000 to develop plans and specifications for a renovated boat launch and shoreline stabilization.

**Park Open Space Fund**

To account for moneys received from subdivision developers to finance future acquisition and development of park facilities and the corresponding expenditures. No major projects are scheduled for 2004, however, the City of Appleton needs to be ready to address opportunities that may arise during the year.

**Union Spring Park**

To account for moneys received from private donations to finance the maintenance of the well at Union Springs Park and the corresponding expenditures.

**Frank P. Young Memorial**

To account for assets restricted for purposes of generating interest income and providing for scholarships in Library Science.