



CITY OF APPLETON

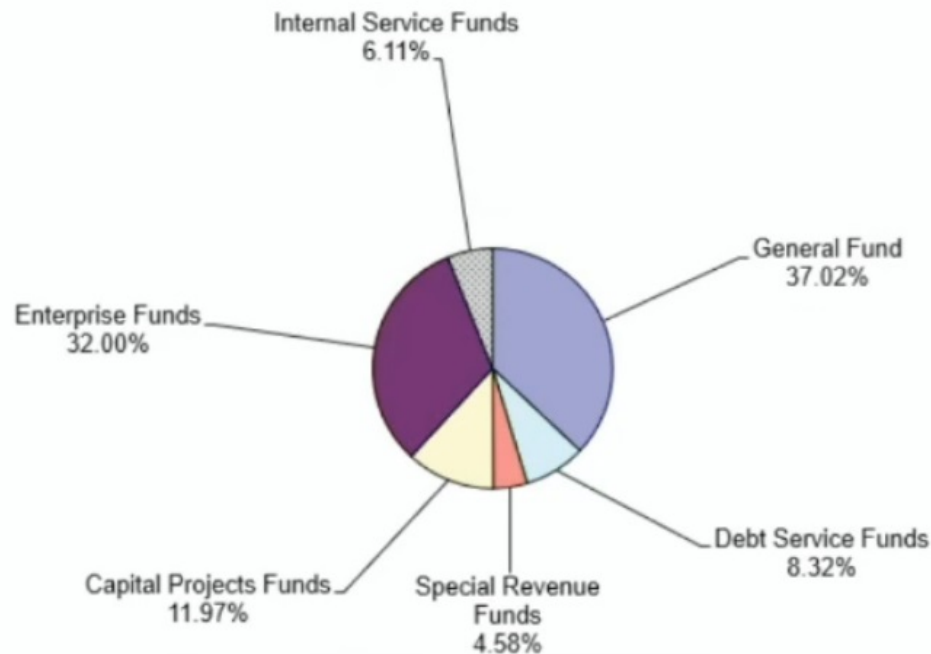
2024 Executive Budget & Service Plan Presentation

Upfront Summary- Budget 2024



- Table of Organization maintained
- All unduplicated services are maintained
- Accelerates infrastructure maintenance and replacement
- Stormwater Utility better leveraged to deliver services and support resiliency
- Outdated fee schedules were reviewed and updated
- Employee compensation prioritized with recommended increase; health insurance cost increases offset in part by new employee premium contribution
- Debt management plan fully implemented

Expenditures by Group



General Fund (payroll and operating costs)	\$ 70,996,744
Enterprise Funds (parking and water utility)	\$ 61,366,740
Capital Projects Funds (TIFs and public works)	\$ 22,955,085
Special Revenue Funds (grants and wheel tax)	\$ 8,774,720
Debt Service Funds (bond payments)	\$ 15,961,563
Internal Service Funds (facilities and CEA)	\$ 11,707,365

Local Government Shared Revenue Supplemental



Executive Budget Allocation Recommendations

- Infrastructure spending \$963,000
- Axon Contract (Police) \$165,000
- Public Safety Compensation Plan increases \$698,000

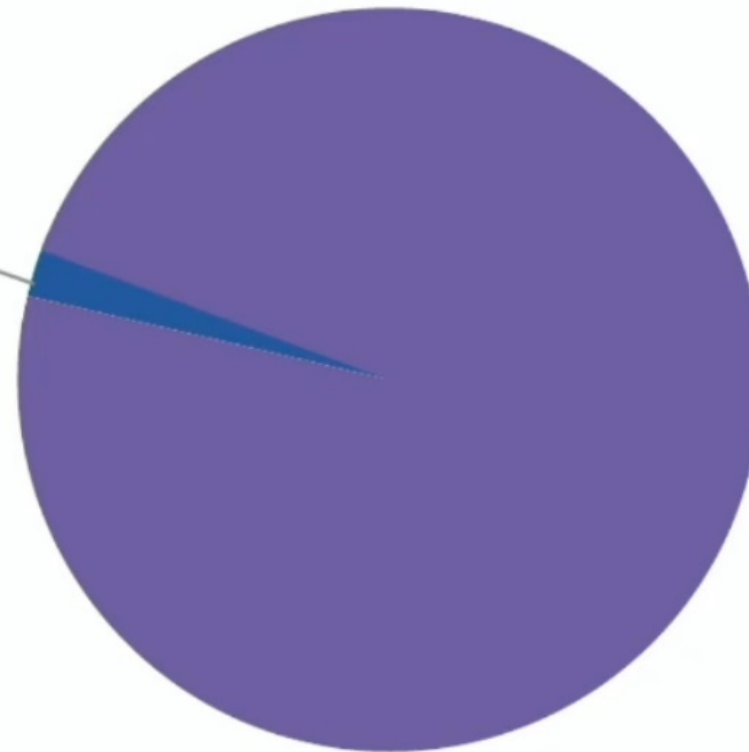


On June 2023, Governor Evers signed Act 12, (Shared Revenue Bill, AB 245), into law in Wausau, increasing funding to counties and local government units.

2023 Net New Construction



Net New Construction
\$169,805,800
2.07%



Equalized Value
\$8,033,372,200



**CITY OF APPLETON
2024 BUDGET
Budgeted Full-Time-Equivalent Personnel Positions**

DEPARTMENT	2021	2022	Adopted 2023	Amended 2023	2024
Finance	8.20	8.20	9.20	9.20	9.20
Fire	96.00	96.00	96.00	96.00	96.00
Health	11.95	12.03	12.03	13.13	13.13
Health Grants	1.54	1.45	2.45	2.45	2.45
Information Technology	10.00	10.20	10.20	10.20	10.20
Legal Services	8.67	8.67	8.67	8.67	8.60
Library	45.00	45.00	45.00	45.00	45.00
Library Grants	0.50	0.50	0.50	0.50	0.50
Mayor	4.00	4.00	4.00	4.00	4.00
Facilities Management	10.26	10.26	10.26	10.26	10.26
Facilities Capital	1.68	1.68	1.68	1.68	1.68
Parks & Recreation	16.39	16.39	16.39	16.39	16.39
Reid Golf Course	2.70	2.70	2.70	2.70	2.70
Human Resources	6.15	6.15	6.15	6.15	6.15
Risk Management	2.98	2.98	2.98	2.98	2.98
Community & Economic Devel.	16.93	16.93	16.93	25.68	25.08
Housing, Homeless & Block Grants	2.35	2.35	2.35	2.35	2.35
Police	140.00	140.00	140.00	140.00	140.00
Public Works	59.02	61.69	61.69	52.94	43.99
Sanitation	17.68	17.80	17.80	17.80	17.80
CEA	14.23	14.88	14.88	14.88	14.88
Parking	11.38	10.54	10.54	10.54	10.54
Capital (TIF, Subdivision, etc.)	6.21	7.71	7.71	7.71	8.38
Stormwater Utility	20.41	20.46	20.46	20.46	29.41
Water Utility	36.53	35.00	35.00	35.00	35.38
Wastewater Utility	29.58	29.29	29.29	29.29	28.91
Valley Transit	60.10	61.10	61.10	61.10	61.10
Total Regular Employees	640.41	643.94	645.94	647.04	647.04



2024 Budgeted FTEs

Talent Challenges and Strategies



The "Great Resignation" and Competition:

- Global talent market upheaval
- 46% of Citywide employees are eligible to retire in the next decade

Challenges for the City of Appleton :

- Finding and Retaining Top Talent
- Avoiding mass vacancies plaguing some local governments

Strategies:

- Competitive Wages: Attract & retain with appropriate compensation
- Widening Talent Pool: Expanding recruitment for diverse talent
- Flexible Work Options
- Fostering a Healthy Culture
- Talent Management: Continuous planning and development



Photo: (CC BY-NC-ND 2.0)

Public sector employment at its lowest in two decades, according to Wisconsin Policy Forum

Researcher says policymakers should ensure services are meeting citizen's needs

By Talia Van Sistine

Published: Wednesday, June 29, 2022, 8:45am

Compensation and Benefits



- 3% merit-based pay increase for non-represented employees builds on prior-year progress
- The Connecting Care Clinic is relocating in December to a more cost-effective location with better parking, enhanced patient access, and expanded facilities for City of Appleton and Appleton Area School District employees and their dependents
- Due to rising health insurance costs, an additional 18% will be allocated in the budget, alongside plan design adjustments, and increased employee contributions toward the premium share
- Introduction of two cost-effective healthcare programs:
 1. Proximal - A wellness and preventive care incentive program encouraging smart healthcare choices and offering up to \$ 1,500 in cash incentives for selecting quality providers
 2. Prudent RX - A specialty drug copay program that provides substantial savings on specific specialty medications, at no cost to plan participants, while also reducing healthcare expenses for the plan

Stormwater Utility Recommendations



- Moving 94% of Forestry expenses to Stormwater Utility
- Moving a portion of bridge maintenance expenses related to stormwater management in and around the waterways
- Moves leverage \$1.6M in general fund operating budget without increasing Stormwater Utility rates
- Includes doubling Emerald Ash Borer Remediation with a \$375,000 investment

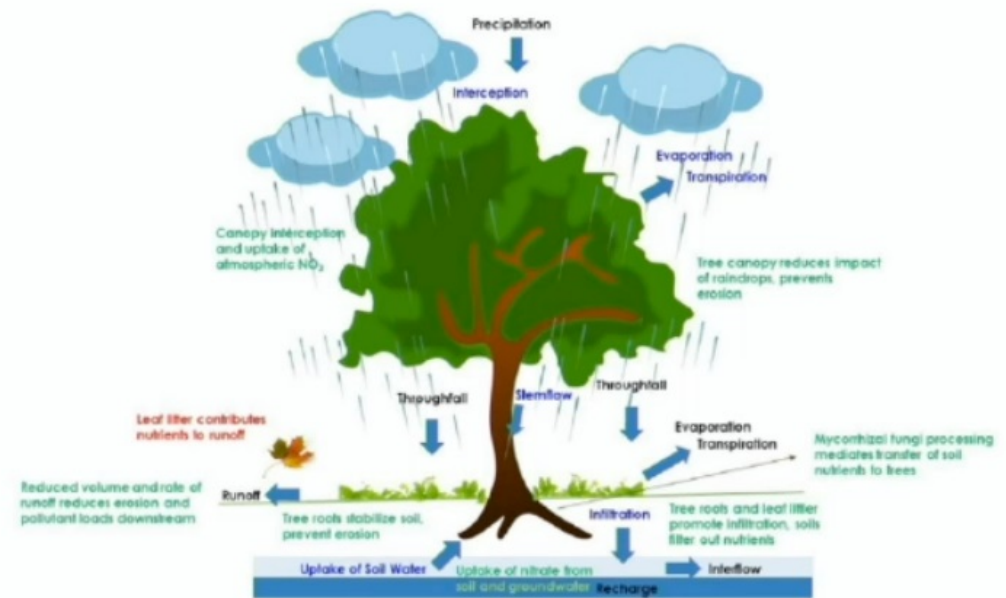
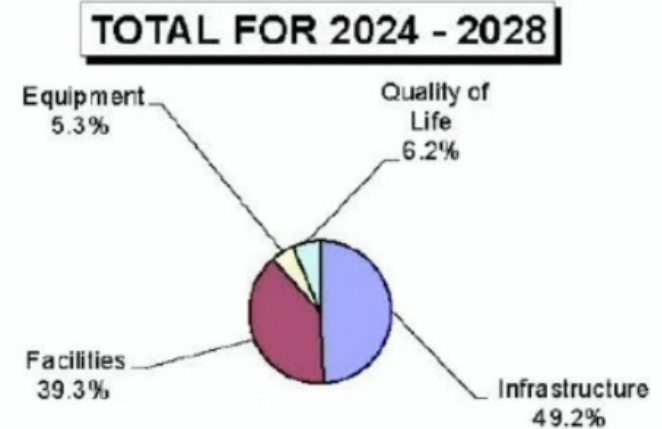
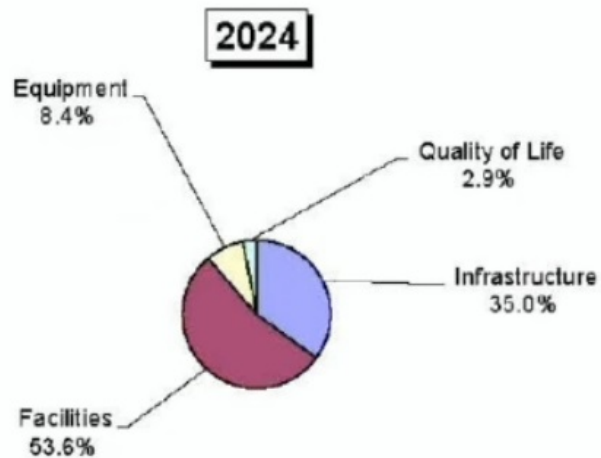
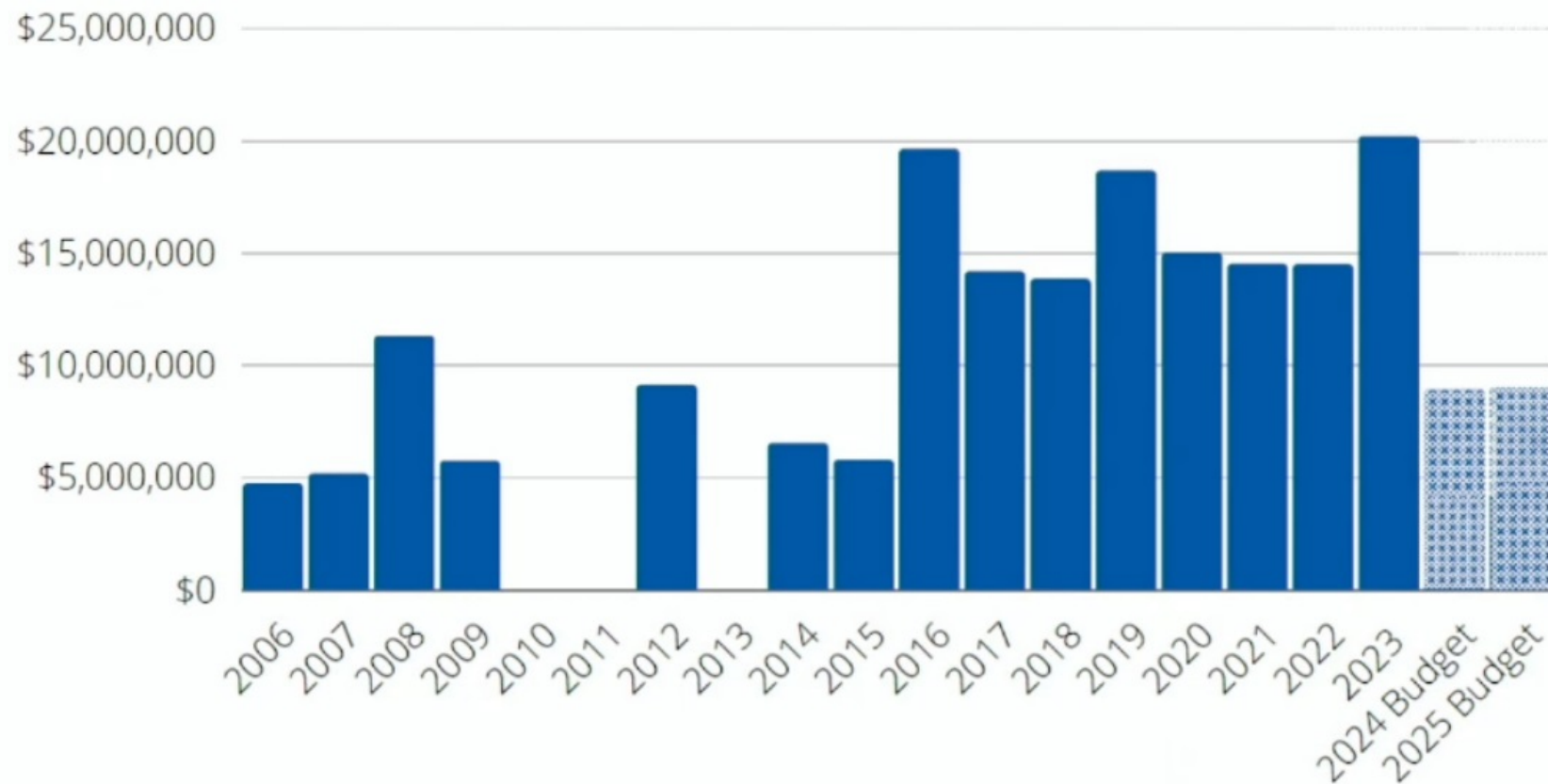


Figure 1. Urban Tree Impacts on Hydrology and Water Quality (Center for Watershed Protection 2011, Lee and Hanson 2016)

Capital Improvements Program



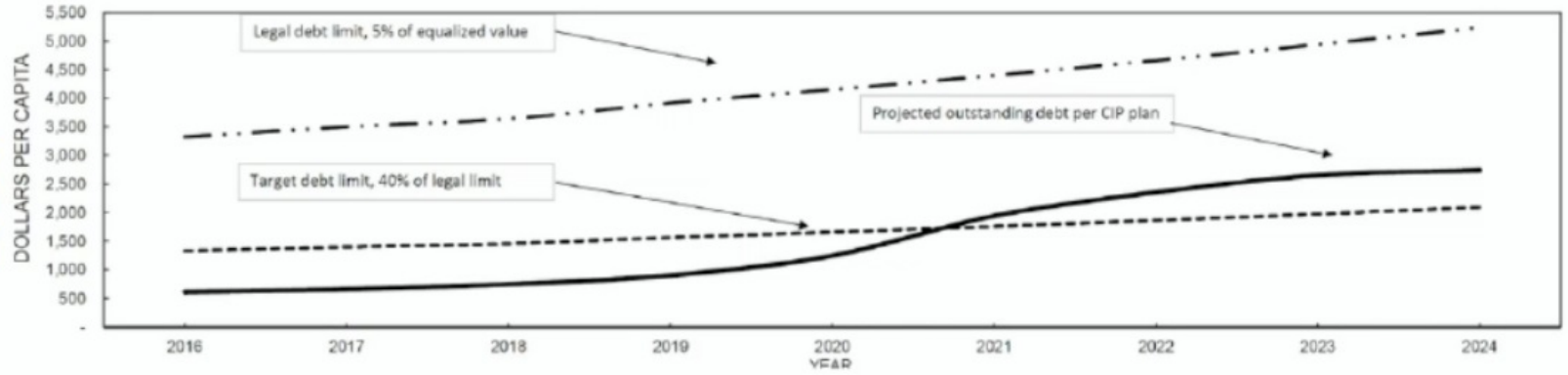
Borrowing Over Time



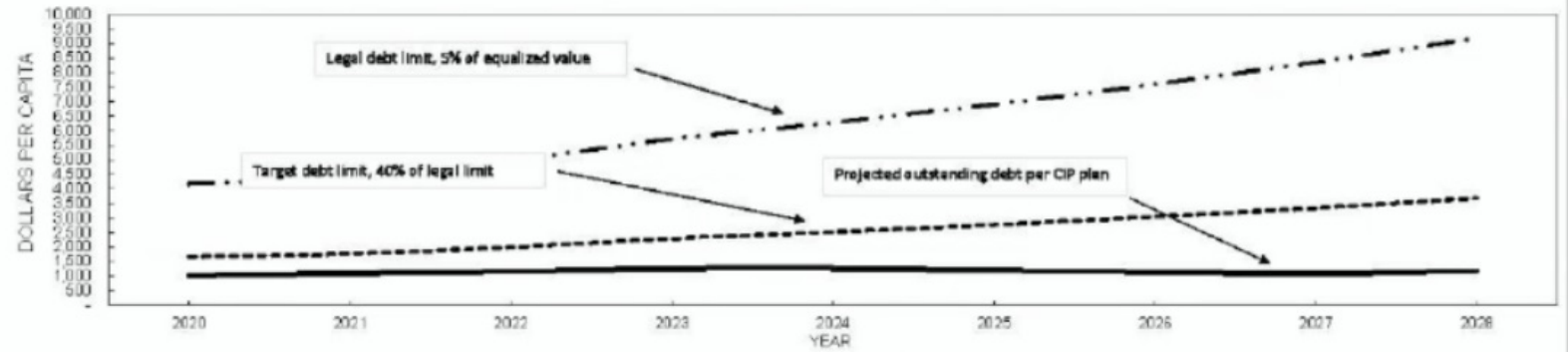
G.O. Debt Limit Analysis



2020



2024



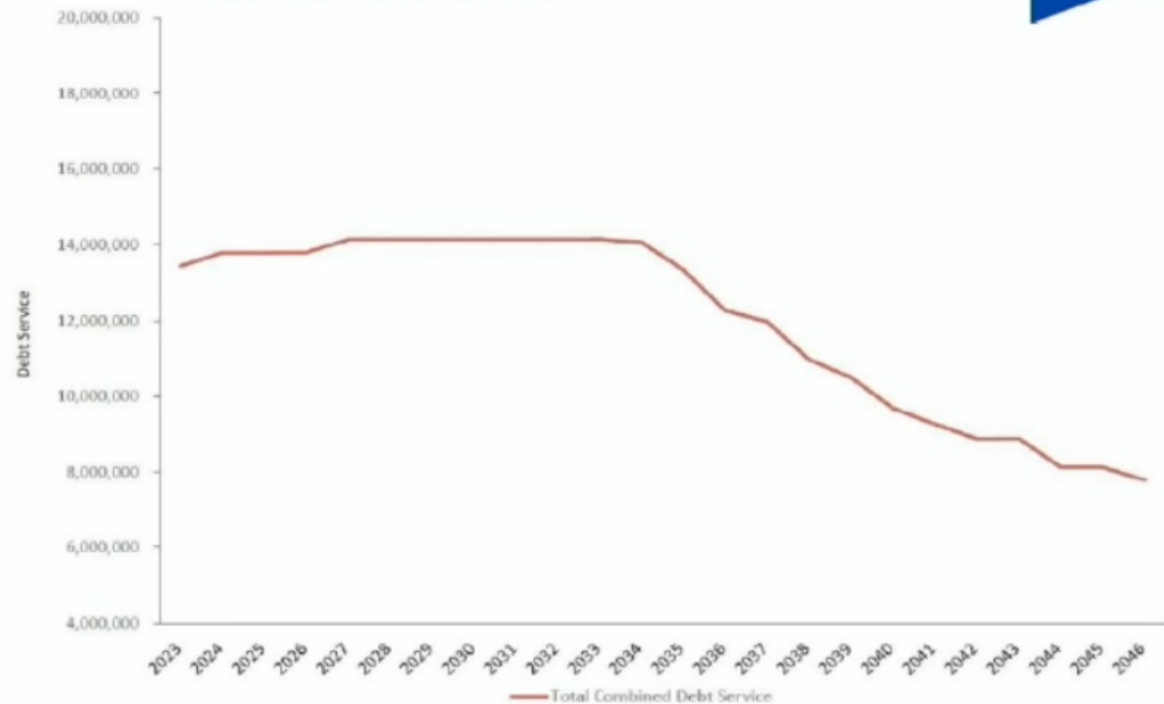
Debt Management Strategy



City of Appleton
FINAL PRICING SUMMARY
August 16, 2023

BAIRD

Total Combined Debt Service



Note: Includes existing and hypothetical future issues.

**Stabilize, then reduce
debt service payments**

Ongoing Challenges

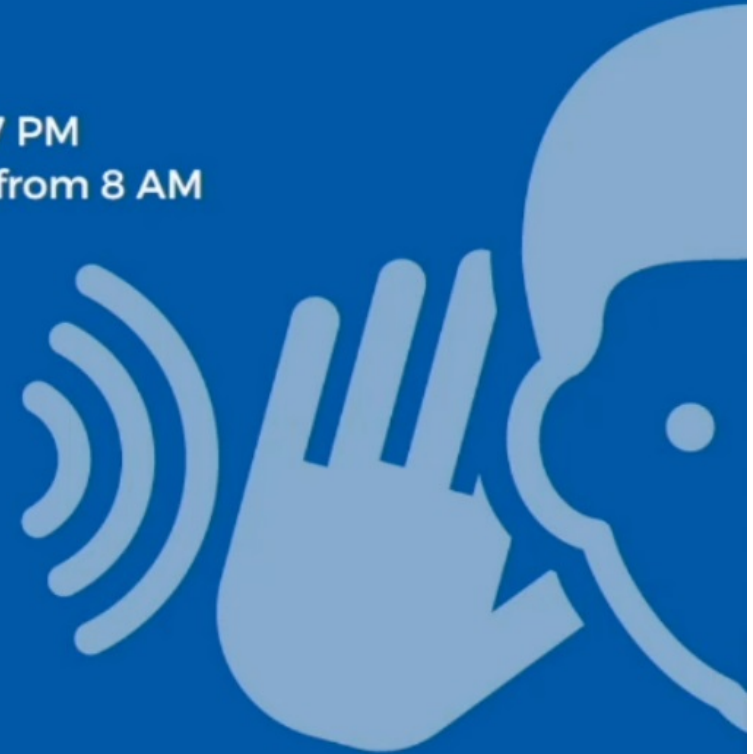


- **Revenue vs. Expenses**
 - Inflation and flawed local government funding model constraining City finances
- **Wage pressure**
- **Information Technology Requirements**
 - Generational changes underway in IT space
 - Shifting from in-house, owned software to a cloud-based Software as a Service (SaaS) model will introduce additional financial pressure on the operating budget.



IMPORTANT DATES

- October 17th – 2024 Public Budget Listening Session from 5 - 7 PM
- October 28th – Finance Committee review (Budget Saturday) from 8 AM
- November 1st – Public Hearing from 6 PM
- November 8th – Budget Adoption from 6 PM





Public Feedback Opportunities



Public Listening Session

Tuesday, Oct 17th
5:00 to 7:00 p.m.



Call to register:

920-832-5814



Public Hearing

Wednesday, Nov 1
6:00 p.m.



Call to register:

920-832-6443



CITY OF APPLETON

THANK YOU