AMENDED

NOTICE OF PUBLIC MEETING

Pursuant to Wisconsin Statutes Section 19.84, notice is hereby given to the public that a regular meeting of the **FINANCE/PERSONNEL COMMITTEE** will be held **JULY 10, 2012 AT 7:30 P.M.** in the **CITY HALL COUNCIL CHAMBERS, SECOND FLOOR OF DE PERE CITY HALL, 335 SOUTH BROADWAY STREET, DE PERE, WISCONSIN.**

This meeting is rebroadcast on Time Warner Cable Channel 4 and Channel 99 U-verse throughout the week.

*** Denotes additional item**

AGENDA FOR SAID MEETING

1. Roll call.
2. Approval of the minutes of the June 12, 2012 regular meeting of the Finance/Personnel Committee.
3. Overtime report of the Fire Department for the month of June 2012.
4. Overtime report of the Police Department for the month of June 2012.
5. Overtime report of the Engineering Department for the month of June 2012.
6. Consider request of Fire Chief for permanent work day schedule change.
7. Consider applying for Federal Government Fire Act Grant.
8. Consider request of Fire Chief to fill full-time Firefighter Position vacancy.
9. 2013 Budget discussion.
10. Presentation of Preliminary Draft of 2011 Audit Management Letter.
11. Public comment and announcements.
12. Future agenda items.
13. Adjournment.

Lawrence Delo
City Administrator

Notice is hereby given that a majority of the members of the Common Council of the City of De Pere may attend this meeting to gather information about a subject(s) over which they have decision-making responsibility.

Any person wishing to attend who, because of disability, requires special accommodation should contact the City Administrator's Office at 339-4044 by 4:30 p.m., July 9, 2012 so that arrangements can be made.

Agenda Sent To:

Alderpersons	Mayor	City Administrator
Department Heads	Brown County Library, De Pere Branch	De Pere Journal
Green Bay Press-Gazette	De Pere Chamber of Commerce	TV & Radio

DRAFT

FINANCE/PERSONNEL COMMITTEE
CITY OF DE PERE, WISCONSIN – June 12, 2012

The Finance/Personnel Committee of the City of De Pere, Wisconsin, met in regular session at the Council Chambers in City Hall, on Tuesday, June 12, 2012.

Mayor Michael Walsh called the meeting to order at 7:31 p.m. Roll call was taken and the following members were present: Alderpersons Michael Donovan, Kathleen Van Vonderen, Daniel Robinson and Larry Lueck. Also present: City Administrator Lawrence Delo, City Attorney Judith Schmidt-Lehman, Human Resources Director Shannon Metzler, Fire Chief Robert Kiser, Police Chief Derek Beiderwieden, Planning and Economic Development Director Ken Pabich, Finance Director Joe Zegers, William Schleis, Michael Heisman, Alderperson Boyd and members of the public.

Alderperson Donovan moved, seconded by Mayor Walsh, to approve the minutes of the May 8, 2012 meeting. Upon vote, the minutes were approved unanimously.

3. Overtime report of the Fire Department for the month of May 2012. Alderperson Van Vonderen questioned the increase in staffing replacement, standbys and maintenance. Chief Kiser explained staffing replacement was due to coverage for a day when three employees were off, standbys because of Celebrate De Pere and Cellcom Marathon and maintenance was due to annual pump testing. Chief Kiser also noted fire training was high due to a fire mechanics seminar and a live fire investigation program. Upon discussion, Alderperson Van Vonderen moved, seconded by Alderperson Donovan to approve the overtime report. Upon vote, motion was approved unanimously.

4. Overtime report of the Police Department for the month of May 2012. Alderperson Robinson moved, seconded by Alderperson Lueck, to approve the overtime report. Alderperson Van Vonderen questioned the increase in staffing level and officer training. Chief Beiderwieden explained that staffing level is due to an officer on FMLA and officer training is due to street survival school. Upon discussion and vote, motion was approved unanimously.

5. Overtime report of the Engineering Department for the month of May 2012. Alderperson Donovan moved, seconded by Alderperson Robinson, to approve the overtime report. Upon vote, motion was approved unanimously.

6. Consider Reserve Class B license Economic Development Grant Application submitted by William Schleis. City Attorney Schmidt-Lehman noted the applicant for the grant will be Silver Fox GB, LLC. Alderperson Donovan moved, seconded by Alderperson Van Vonderen to open the meeting. Upon vote, motion carried unanimously.

William Schleis, 2509 Sheridan Drive, Green Bay, WI responded to committee member questions regarding cost of the project.

Alderperson Donovan requested a revised grant application as a future agenda item.

Alderperson Donovan moved, seconded by Mayor Walsh to return to regular order. Upon vote, motion carried unanimously. Alderperson Donovan moved, seconded by Mayor Walsh to approve the grant application. Upon vote, motion was approved unanimously.

7. Consider request from Carol Tess to transfer her $1,000 donation to Claude-Allouez Bridge lighting to dock installations on the Fox River. Mayor Walsh moved, seconded by Alderperson Robinson to allow the donation to be transferred. Upon vote, motion was approved unanimously.

8. Review Offer to Purchase for Parcel WD-1137-1 from Liska Enterprises, LLC. Alderperson Lueck moved, seconded by Alderperson Donovan to accept the offer to purchase. Upon discussion and vote, motion was approved unanimously.

9. Review Brownfield cleanup proposal for Parcel WD-1138. Alderperson Robinson moved, seconded by Alderperson Lueck to approve the cleanup proposal from GEI Consultants. Upon vote, motion was approved unanimously.

Item #12 was moved here.

12. Consider and approve the MetJet, Inc. Economic Development Revolving Loan Fund loan. Alderperson Lueck moved, seconded by Mayor Walsh to approve the economic development loan. Upon discussion and vote, motion was approved unanimously.

10. Discuss initial resolution for 2012 bonding. Mayor Walsh moved, seconded by Alderperson Donovan to approve the bonding. Finance Director Zegers reviewed the proposed 2012 borrowing and responded to committee member questions. Upon discussion and vote, motion was approved unanimously.

11. Discuss request to mitigate WRS wage inequity for non-represented employees with additional paid leave. Mayor Walsh moved, seconded by Alderperson Lueck to approve the additional paid leave for non-represented employees. Upon discussion and vote, motion was approved with 3 ayes and 2 nays. Alderpersons Van Vonderen and Donovan voted nay, all others voted aye.

13. Standby comparison 2011 to 2012 (January through April). Chief Kiser reviewed the standby comparison report and responded to committee member questions. Item was for discussion purposes; no action was taken.

14. Consider request from Fire Chief Kiser to reinstate 2011 standby call in procedure and overtime finding. Chief Kiser reviewed his request and responded to committee member questions. Upon discussion, Alderperson Robinson moved, seconded by Alderperson Van Vonderen to authorize the Fire Department to reinstate the 2011 call in procedure but without an increase in funding. Discussion followed. Upon discussion and vote, motion failed with 2 ayes and 3 nays. Alderpersons Robinson and Van Vonderen voted aye, all others voted nay.

15. Public Comment or other Announcements. Mayor Walsh asked if there was anyone present who wished to speak during public comment and there was no one present who wished to speak so public comment was closed.

16. Future Agenda Items. None.

Upon motion by Mayor Walsh, seconded by Alderperson Van Vonderen, the Finance/Personnel Committee unanimously adjourned at 9:21 p.m.

Respectfully submitted,

Jennifer Dupont
Recording Secretary

Item #3

DE PERE FIRE RESCUE
OVERTIME BREAKDOWN BY REASON
FOR THE YEAR OF 2011

REASON	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	TOTAL
STANDBYS	347.25	362.25	458	305.25	275.5	345.75	455	354.5	363.5	378.25	428	391.5	4464.75
EMS TRAINING	283	92.25	84.75	159.25	36.5	4.75	0	0	140.25	89.75	53.75	160.25	1104.5
FIRE TRAINING	19.5	92.25	100.25	285.25	93.5	10.75	10.5	13.5	18	48.5	6.5	3	701.5
RESCUE CALLS	10	14.5	12.5	14.5	3.25	152.75	16.75	18	19	10.5	4.25	10.25	286.25
FIRE CALLS	6	0.75	0	0	0	0	0	0	0	0	1.5	34.5	42.75
OFFICER MTGS.	9	11.25	3	9	6.75	13	4.5	12	5	12	9	28.75	123.25
STAFFING REP.	210	118.5	202.5	0	3	0	144.5	0	18	132.75	132.5	4.5	966.25
MAINTENANCE	0	0	8	6	0	40.5	0	0	0	22.25	0	0	76.75
PUB. ED.	0	0	13.5	6	1.5	0	0	0	6.75	37.5	0.5	0	65.75
# FIRE RUNS	32	20	35	35	39	20	47	39	46	32	24	39	408
# of EMS RUNS	138	127	154	148	177	132	165	139	138	176	129	142	1765
TOTAL HRS.	884.75	691.75	882.5	785.25	420	567.5	631.25	398	570.5	731.5	636	632.75	7831.75

OVERTIME BREAKDOWN BY REASON
FOR THE YEAR OF 2012

REASON	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	TOTAL
STANDBYS	75.25	84	57.75	66	99.5	27							409.5
EMS TRAINING	52.5	96	69	92.75	28	2.5							340.75
FIRE TRAINING	3	16	67.5	55	55.75	0							197.25
RESCUE CALLS	24.75	18.5	3.5	9	15.75	7							78.5
FIRE CALLS	32	24	0	11.25	3	14.25							84.5
OFFICER MTGS.	3	16	11.5	14	9	4							57.5
STAFFING REP.	75.75	3.75	50.25	4.5	42.75	0							177
MAINTENANCE	11.5	27	8	0	38.25	5.25							90
PUB. ED.	0	0	2.5	13.5	0	0							16
# FIRE RUNS	20	21	24	35	28	29							157
# of EMS RUNS	147	130	127	152	161	127							844
TOTAL HRS.	277.75	285.25	270	266	292	60	0	0	0	0	0	0	1451

ANNUAL PERCENTAGE OF OVERTIME USED THROUGH 6/22/2012 32.99% $31,199 used, balance left $63,371.

DE PERE FIRE RESCUE
STANDBY OVERTIME BREAKDOWN BY AREA
FOR THE YEAR OF 2012

AREA	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	TOTAL
LEDGEVIEW	9.5	10.5	4.5	8.4	14.49	3.4							50.79
LAWRENCE	9	18.9	7.5	6	10.08	3.7							55.18
ALLOUEZ	0	0	0	0	0	0.0							0
ASHWAUBENON	0.5	3.5	0	2.8	8.19	1.4							16.39
CTY RESCUE	0	0	0	0	0.63	0.0							0.63
OTHER	0	0	0.5	0	1.26	0.0							1.76
TOTAL HRS.	19	32.9	12.5	17.2	34.65	8.5	0	0	0	0	0	0	124.75

DE PERE FIRE/RESCUE MONTHLY LOG 2012

RUN	DATE	TIME	AREA	TYPE	UNITS	ALS	BLS	DEST	MAG	MAR	STBY
788	6/1/2012	252	CD	M	A121	X		B			0
789	6/1/2012	803	CD	M	A121	X		B			0
790	6/1/2012	1118	CD	M	A111		X	V			0
791	6/1/2012	1250	CD	M	A111	X		V			0
792	6/2/2012	314	CD	M	A121	X		A			0
793	6/2/2012	330	CD	M	A111	X		B			1
794	6/2/2012	517	CD	M	A121	X		V			0
795	6/2/2012	2012	CD	M	A121		X	V			0
796	6/2/2012	2225	CD	M	A121		X	N			0
797	6/3/2012	200	LA	M	A121	X		V			0
798	6/3/2012	1238	CD	F	E111						0
798	6/3/2012	1238	CD	M	A121,A111		X	N			0
799	6/3/2012	1255	CD	F	E111,A111						0
800	6/3/2012	1424	CD	F	E121						0
801	6/3/2012	1816	AS	M	A121	X		V	3		0
802	6/3/2012	2043	CD	M	A121	X		V			0
803	6/3/2012	2142	CD	M	A111	X		B			0
804	6/4/2012	600	CD	F	E121						0
805	6/4/2012	1329	CD	M	A121	X		A			0
806	6/4/2012	1339	CD	M	A111		X	N			0
807	6/4/2012	1855	CD	F	E111						0
808	6/5/2012	239	LA	M	A121	X		M			0
809	6/5/2012	1038	CD	M	A111	X		B			0
810	6/5/2012	1328	CD	M	A121	X		V			0
811	6/5/2012	1749	CD	F	E121,E111,L111						0
812	6/6/2012	4	CD	M	A111	X		V			0
813	6/6/2012	550	LE	M	A111		X	V			0
814	6/6/2012	1031	LE	M	A111		X	V			0
815	6/6/2012	1556	LE	M	A111,E111	X		A			0
816	6/7/2012	103	CD	M	A121	X		B			0
817	6/7/2012	151	CD	M	A111	X		B			0
818	6/7/2012	634	LA	M	A121	X		N			0
819	6/7/2012	1010	CD	F	E111,A111						0
820	6/7/2012	1035	CD	F	E111						2
8201	6/7/2012	1035	CD	M	A121,A111	X		A			0
8202	6/7/2012	1035	CD	M			X	N		3	

RUN	DATE	TIME	AREA	TYPE	UNITS	ALS	BLS	DEST	MAG	MAR	STBY
821	6/7/2012	1354	CD	F	E121,A121,E111						0
822	6/7/2012	1527	CD	M	A111		X	N			0
823	6/7/2012	1907	CD	M	A121	X		A			0
824	6/7/2012	2022	CD	M	A121		X	N			0
825	6/8/2012	1151	CD	M	A121	X		V			0
826	6/8/2012	1619	CD	M	A121	X		V			0
827	6/8/2012	1901	CD	M	A111	X		B			0
828	6/8/2012	1937	CD	M	A121	X		V			1
829	6/8/2012	256	CD	M	A111		X	N			0
830	6/9/2012	1242	LA	M	A121	X		M			0
831	6/9/2012	1322	CD	M	A111	X		V			0
832	6/9/2012	1518	CD	M	A111		X	V			0
833	6/9/2012	1547	CD	F	E111,L111						0
834	6/10/2012	129	CD	F	E111,E121						0
835	6/10/2012	2040	CD	M	A121		X	B			0
836	6/11/2012	806	LA	M	A121	X		M			0
837	6/11/2012	815	LA	F	E111						1
837	6/11/2012	815	LA	M	A111	X		A			0
838	6/11/2012	816	LE	M			X	N		3	0
839	6/11/2012	932	CD	M	A111		X	V			0
840	6/11/2012	1319	CD	M	A111		X	N			0
841	6/11/2012	1638	CD	F	E111,E121						0
842	6/11/2012	1834	CD	M	A111		X	V			0
843	6/11/2012	2018	CD	M	A111		X	A			0
844	6/12/2012	16	AS	M	A121	X		V			0
845	6/12/2012	259	CD	M	A111	X		A			0
846	6/12/2012	1135	AS	M	A121		X	B	3		0
847	6/12/2012	1322	AS	M	A121	X		V	3		0
848	6/12/2012	1332	CD	M	A111		X	N			0
849	6/12/2012	1419	CD	M	A121	X		V			0
850	6/12/2012	1612	AS	M	A121		X	M	3		0
851	6/12/2012	1932	LA	M	A121	X		B			0
852	6/12/2012	2058	CD	M	A111	X		B			0
853	6/12/2012	2133	LA	M	A121,C101	X		V			2
854	6/13/2012	913	CD	M	A121		X	N			0
855	6/13/2012	1756	CD	M	A121	X		V			0
856	6/14/2012	116	CD	M	A121		X	M			0
857	6/14/2012	851	CD	F	C102						0

RUN	DATE	TIME	AREA	TYPE	UNITS	ALS	BLS	DEST	MAG	MAR	STBY
858	6/14/2012	1107	LE	M	A111		X	A			0
859	6/14/2012	1235	CD	M	A121		X	A			0
860	6/14/2012	1452	LA	M	A121		X	B			0
861	6/14/2012	1709	AS	M	A121	X		V	3		0
862	6/15/2012	959	CD	F	E121						0
863	6/15/2012	2051	LA	M	A121		X	V			0
864	6/16/2012	1126	CD	M	A121	X		V			0
865	6/16/2012	1357	CD	M	A121	X		V			0
866	6/16/2012	1529	CD	M	A111	X		A			0
867	6/16/2012	1656	CD	M	A111	X		A			0
868	6/16/2012	1702	LA	M	A121	X		V			1
868	6/16/2012	1702	LA	M	A121		X	N			0
869	6/16/2012	2123	CD	M	A111		X	N			0
870	6/17/2012	128	CD	M	A121	X		V			0
871	6/17/2012	1325	LE	M	A111		X	B			0
872	6/18/2012	631	CD	F	L111,A121,C101,C102,						0
873	6/18/2012	1531	CD	S	E111						0
874	6/18/2012	1658	CD	S	E121						0
875	6/18/2012	1948	CD	M	A121		X	M			0
876	6/19/2012	957	CD	M	A122		X	N			0
877	6/19/2012	1026	CD	M	A121	X		V			0
878	6/19/2012	1128	LE	M	A122	X		B			0
879	6/20/2012	231	CD	M	A121	X		A			0
880	6/20/2012	547	CD	M	A122	X		N			0
881	6/20/2012	919	CD	M	A121		X	N			0
882	6/20/2012	1006	CD	F	E111						0
882	6/20/2012	1006	CD	M	A121		X	V			0
883	6/20/2012	1007	CD	M			X	N		3	0
884	6/21/2012	2031	CD	M	A122	X		V			0
885	6/21/2012	213	LE	M	A122	X		A			0
886	6/21/2012	419	CD	F	E111						0
887	6/21/2012	535	CD	M	A122	X		V			0
888	6/21/2012	1011	LE	M	A122	X		V			0
889	6/21/2012	1210	CD	M	A122	X		A			0
890	6/21/2012	1224	CD	M	A111	X		B			0
891	6/21/2012	1450	CD	M	A111	X		A			0
892	6/21/2012	1514	CD	M	A122,E121	X		B			0
893	6/21/2012	1529	CD	F	E111,E121						0

RUN	DATE	TIME	AREA	TYPE	UNITS	ALS	BLS	DEST	MAG	MAR	STBY
8931	6/21/2012	1529	CD	M	E111,E121,C102		X	N			0
894	6/22/2012	1128	CD	F	E111,E121,A121,U111						0
895	6/23/2012	1103	CD	M	A121	X		V			0
896	6/23/2012	2008	CD	M	A122,E111		X	B			0
897	6/24/2012	121	LE	M	A122	X		V			0
898	6/24/2012	312	CD	M	A121		X	N			0
899	6/24/2012	544	LA	M	A121	X		M			0
900	6/24/2012	1124	CD	F	E111						0
9001	6/24/2012	1124	CD	M	A121,A111		X	V			0
901	6/24/2012	1828	CD	F	E111,E121,A111						0
902	6/25/2012	832	CD	M	A121,A122	X		N			0
903	6/25/2012	1121	CD	M	A111	X		B			0
904	6/25/2012	1802	CD	M	A111		X	M			0
905	6/25/2012	1925	LE	M	A111	X		V			0
906	6/25/2012	2224	CD	M	A121	X		M			0
907	6/26/2012	626	CD	M	A121		X	B			0
908	6/26/2012	958	CD	F	E111,E121,A121,C102						0
909	6/26/2012	1431	CD	M	A121		X	V			0
910	6/26/2012	1942	LE	M	A111	X		V			0
911	6/27/2012	20	CD	M	A121		X	V			0
912	6/27/2012	1318	CD	M	A121	X		V			0
913	6/27/2012	1335	LE	M	A122	X		V			0
914	6/27/2012	1631	LE	M	A122	X		V			0
915	6/27/2012	2205	AS	M	A121	X		V			0
916	6/27/2012	2228	LE	M	A122	X		V			1
917	6/28/2012	346	CD	F	E121,E111,C101,C102						0
918	6/28/2012	1341	CD	M	A122	X		N			0
919	6/28/2012	1403	CD	M	A121	X		M			0
920	6/28/2012	1416	LA	M	A122		X	V			0
921	6/28/2012	1434	LE	M	E111		X	N		2	0
922	6/28/2012	2020	CD	M	A121		X	N			0
923	6/28/2012	2107	CD	M	A111		X	N			0
924	6/28/2012	2257	CD	F	E121						0
925	6/29/2012	34	LA	M	A121	X		V			0
926	6/29/2012	755	LA	F	E111,C101						0
926	6/29/2012	755	LA	M	A121		X	V			0
927	6/29/2012	846	CD	M	A122		X	A			0
928	6/29/2012	1230	LE	M	A122	X		B			0

RUN	DATE	TIME	AREA	TYPE	UNITS	ALS	BLS	DEST	MAG	MAR	STBY
929	6/29/2012	1639	CD	M	A121	X		V			0
930	6/30/2012	50	CD	M	A121		X	N			0
931	6/30/2012	144	CD	M	A122	X		V			0
932	6/30/2012	951	LA	M	A121		X	B			0
933	6/30/2012	1334	CD	F	E121						0
934	6/30/2012	2013	CD	M	A122		X	N			0
156				156		75	52	127	5	4	

DE PERE FIRE/RESCUE				
OVERTIME REPORT				
MONTH OF JUNE, 2012				
PERSONNEL	DATE	ACTUAL HOURS	O.T. HOURS	REASON
BALCER	2-Jun	1.00	3.00	EMS STANDBY
WITT	6-Jun	0.50	0.75	WORK OVER EMS
DALCHOW	7-Jun	0.50	0.75	WORK OVER EMS
RIEDI	7-Jun	0.50	0.75	WORK OVER EMS
SINKLER	7-Jun	0.50	0.75	WORK OVER EMS
DALCHOW	7-Jun	1.25	3.00	EMS STANDBY
PANSIER	7-Jun	1.25	3.00	EMS STANDBY
WITT	8-Jun	1.00	3.00	EMS STANDBY
HERMANS, D.	9-Jun	1.00	3.00	WORK OVER FIRE
DALCHOW	11-Jun	2.00	3.00	EMS STANDBY
THOMSON	11-Jun	2.50	2.50	EMS TRAINING
BALCER	12-Jun	1.33	2.00	OFFICERS MEETING
ANNEN	12-Jun	1.33	2.00	OFFICERS MEETING
PANSIER	12-Jun	1.00	3.00	EMS STANDBY
JANSEN	12-Jun	1.00	3.00	EMS STANDBY
WITT	16-Jun	1.50	3.00	EMS STANDBY
WEYERS	18-Jun	1.50	2.25	WORK OVER FIRE
DALCHOW	18-Jun	1.00	1.50	WORK OVER FIRE
RIEDI	18-Jun	1.00	1.50	WORK OVER FIRE
SINKLER	18-Jun	1.00	1.50	WORK OVER FIRE
CODY	18-Jun	1.00	1.50	WORK OVER FIRE
PANSIER	18-Jun	1.00	1.50	WORK OVER FIRE
HENDRICKS, TD.	18-Jun	1.00	1.50	WORK OVER FIRE
TEWS	24-Jun	0.67	0.50	WORK OVER EMS
YOUNG	24-Jun	0.75	1.25	WORK OVER EMS
RIEDI	25-Jun	3.50	5.25	MAINTENANCE
DE WEERT	26-Jun	0.50	0.75	WORK OVER EMS
JANSEN	26-Jun	0.50	0.75	WORK OVER EMS
BALCER	26-Jun	0.50	0.75	WORK OVER EMS
PANSIER	27-Jun	1.00	3.00	EMS STANDBY
		33.08	60.00	

Number of Standbys Responding 9

DE PERE FIRE RESCUE REPORT
FOR THE MONTH OF JUNE 2012

RUN LOCATION	CITY OF DE PERE		TOWN OF LEDGEVIEW		TOWN OF LAWRENCE		MUTUAL AID RESPONSES		TOTALS	
	MONTH	YTD	MONTH	YTD	MONTH	YTD	MONTH	YTD	MONTH	YTD
TOTAL RUNS	86	586	17	104	17	117	7	37	127	844
RUNS TRANSPORTED	63	457	15	88	15	87	7	30	100	662
ALS RUNS	48	310	11	60	11	57	5	10	75	437
%ALS OF RUNS TRANS.	76%	68%	73%	68%	0%	66%	0%	33%	75%	66%
%ALS/ALL RUNS	56%	53%	65%	58%	65%	49%	71%	27%	59%	52%

RUN DESTINATION

	MONTH	YTD
AURORA	17	101
BELLIN	22	151
ST. MARYS	10	87
ST. VINCENT	51	318
NO TRANSPORT	27	187
TOTAL	127	844

TOTALS ARE CORRECT

MUTUAL AID GIVEN

RUN #	*AGENCY*	*TYPE*
801	ASHWAUBENON	FULLSQD.
846	ASHWAUBENON	FULLSQD.
847	ASHWAUBENON	FULLSQD.
850	ASHWAUBENON	FULLSQD.
861	ASHWAUBENON	FULLSQD.

MUTUAL AID RECEIVED

RUN #	*AGENCY*	*TYPE*
820-2	ASHWAUBENON	FULLSQD.
838	ALLOUEZ	FULLSQD.
883	ASHWAUBENON	FULLSQD.
921	ALLOUEZ	FULLSQD.

DE PERE FIRE RESCUE
MONTHLY REPORT

JUNE, 2012

	CITY OF DE PERE	TOWN OF LAWRENCE	TOWN OF LEDGEVIEW	MUTUAL AID	TOTAL RESPONSES
FIRE INCIDENTS (other)	17	2	0	0	19
ACTUAL FIRE INCIDENTS	4	0	0	0	4
EXTRICATION	0	0	0	0	0
RESCUE CALLS	86	17	17	7	127
PUBLIC SERVICE	6	0	0	0	6
TOTALS	113	19	17	7	156

ESTIMATED TOTAL FIRE LOSS FOR MONTH $1,000

NUMBER OF FF'S ON DUTY	PER DAY
9 FF'S ON DUTY	2
8 FF'S ON DUTY	7
7 FF'S ON DUTY	12
6 FF'S ON DUTY	9

NUMBER OF PARAMEDICS ON DUTY	PER DAY
3 PARAMEDICS ON DUTY	0
4 PARAMEDICS ON DUTY	10
5 PARAMEDICS ON DUTY	13
6 PARAMEDICS ON DUTY	6
7 PARAMEDICS ON DUTY	1

RESPONSE BY UNITS	
ENGINE 111	26
ENGINE 121	18
ENGINE 122	0
LADDER 111	3
AMBULANCE 111	43
AMBULANCE 121	70
AMBULANCE 122	21
CHIEF 101	4
CHIEF 102	5
UTILITY 111	2
BOAT	0
TOTAL	192

DE PERE FIRE RESCUE
JUNE, 2012

*OVERTIME CAUSED BY SICK LEAVE

There was no overtime caused by sick leave for the month of June.

*Overtime generated when staffing levels fall below minimum, as a result of sick leave.

MORE THAN 3 STAND BYS CALLED IN

CALL NO.	NO. ON DUTY	STANDBYS CALLED	GOT	REASON
820	7	4	2	Car vs. motorcycle
831	6	4	0	2 calls within minutes of each other
838	7	4	1	2 calls within minutes of each other
868	6	4	1	Motor vehicle accident
913	6	4	0	2 calls within minutes of each other
916	6	4	1	2 calls within minutes of each other
921	7	4	0	2 calls within minutes of each other

Fire Department, City of De Pere, WI

Monthly Standby Activity Report

Date Between {06/01/2012} And {06/30/2012}

Date:	Activity Code	Activities Performed	Total Hrs	Pct Hrs
06/02/2012	3-1 Called 3, got 1	Inventory Replenishment	01:00	8.78 %
06/07/2012	4-2 Called 4, got 2	Inventory Checks	04:00	35.14 %
06/08/2012	2-1 Called 2, got 1	Equipment	01:00	8.78 %
06/11/2012	4-1 Called 4, got 1	Station Decontamination	02:00	17.57 %
06/12/2012	2-2 Called 2, got 2	Station Decontamination	02:00	17.57 %
06/16/2012	4-1 Called 4, got 1	Inventory Replenishment	01:22	12.12 %
		8	11:22	

Fire Department, City of De Pere, WI

Monthly No Standby's Responded Report

Date Between {06/01/2012} And {06/30/2012}

Activity Code	Number of Incidents	Total Hrs	Pct Hrs
2-0 Called 2, got 0	3	03:00	20.94 %
3-0 Called 3, got 0	1	00:00	0.00 %
3-1 Called 3, got 1	1	01:00	6.98 %
4-0 Called 4, got 0	3	01:56	13.54 %
4-1 Called 4, got 1	3	04:22	30.58 %
4-2 Called 4, got 2	2	04:00	27.93 %
	13	14:19	

Item #4

DE PERE POLICE DEPARTMENT
OVERTIME BY REASON
2012

REASON	JAN*	FEB**	MAR***	APR+	MAY++	JUN ^	JUL #	AUG ##	SEPT^^	OCT^^^	NOV*+	DEC*+*	TOTAL
OFFICER SICK RELIEF	111.00	69.00	49.50	59.25	89.25	36.00							414.00
OFFICER WORKED ON HOLIDAY	169.75	10.00	12.00	32.50	4.00	81.00							309.25
OFFICER FOR COURT	15.00	18.00	6.00	20.25	7.50	14.00							80.75
OFFICER TRAINING	31.00	13.00	40.25	120.50	50.00	50.00							304.75
OFFICER RELIEF FOR FUNERAL													0.00
OFFICER ATTEND MEETING		8.25											8.25
STAFFING LEVEL	133.50	79.50	23.25	53.25	136.75	162.00							588.25
INVESTIGATION	142.25	68.75	38.25	56.50	77.50	36.75							420.00
HONOR GUARD FOR FUNERAL													0.00
SCHOOL LIAISON REIMBURSED	31.50	43.00	56.25	27.00	31.25	25.50							214.50
COMMUNITY RELATIONS													0.00
SPECIAL ASSIGNMENT													0.00
SPECIAL ASSIGNMENT REIMBURSED		11.25		10.50	11.25	301.00							334.00
MISCELLANEOUS	5.75	16.50	4.00	11.50	9.50	4.25							51.50
MISCELLANEOUS REIMBURSED	72.75	95.50	63.25	127.50	77.25	143.75							580.00
Gross OFFICER OVERTIME	712.50	432.75	292.75	518.75	494.25	854.25	0.00	0.00	0.00	0.00	0.00	0.00	3305.25
SUBTOTAL REIMBURSED OVERTIME	(104.25)	(149.75)	(119.50)	(165.00)	(119.75)	(470.25)	0.00	0.00	0.00	0.00	0.00	0.00	(1128.50)
NET OFFICER OVERTIME	608.25	283.00	173.25	353.75	374.50	384.00	0.00	0.00	0.00	0.00	0.00	0.00	2176.75
Community Service Officer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Total Overtime Budget:	**$130,000.00**
Expenditures through 6/22/2012	**$57,650.00**
Percent of Total Budget:	**44.35%**

NOTES:

* Period 12/24/2011 - 2/3/2012	+Period 3/31/2012 - 4/27/2012	#Period	^^^Period
**Period 2/4/2012 - 3/2/2012	++Period 4/28/2012 - 5/25/2012	##Period	*+Period
***Period 3/3/2012 - 3/30/2012	^Period 5/26/2012 - 6/22/2012	^^Period	*+*Period

DE PERE POLICE DEPARTMENT
OVERTIME BY REASON
2011

REASON	JAN*	FEB**	MAR***	APR+	MAY++	JUN ^	JUL #	AUG ##	SEPT^^	OCT^^^	NOV*+	DEC*+*	TOTAL
OFFICER SICK RELIEF	24.00	72.00	269.50	24.00	54.75	72.75	17.25	67.00	58.50	51.75	9.75	163.50	884.75
OFFICER WORKED ON HOLIDAY	154.50	12.00	15.00	35.50	5.00	92.50	72.00	10.75	123.00	4.00	56.75	4.00	585.00
OFFICER FOR COURT	12.75	9.00	21.00	15.75	43.50	4.75	31.50	12.75	6.00	31.50	15.00	9.00	212.50
OFFICER TRAINING	13.50	88.50	178.00	47.75	97.25	99.00	12.25	104.50	222.00	163.75	64.25	26.75	1117.50
OFFICER RELIEF FOR FUNERAL			5.25										5.25
OFFICER ATTEND MEETING		1.50	1.50	17.50	15.00			6.00					41.50
STAFFING LEVEL	146.25	133.00	168.00	45.00	35.50	66.25	228.25	155.25	144.75	374.50	161.00	57.00	1714.75
INVESTIGATION	79.50	61.50	137.75	57.25	41.75	67.75	66.75	104.00	79.75	73.50	50.75	105.75	926.00
HONOR GUARD FOR FUNERAL					16.00		3.00						19.00
SCHOOL LIAISON REIMBURSED	14.25	19.50	84.00	31.50	45.00	29.75	1.50	42.25	49.50	55.75	26.25	15.00	414.25
COMMUNITY RELATIONS									4.50				4.50
SPECIAL ASSIGNMENT													0.00
SPECIAL ASSIGNMENT REIMBURSED		11.25	4.50	9.00	8.00	292.50	3.00	9.00	15.00	28.50	15.00	7.50	403.25
MISCELLANEOUS	12.25	24.75	87.75	1.50	1.75	5.75	2.75	2.75	16.00	13.75	14.25	4.50	187.75
MISCELLANEOUS REIMBURSED		12.00	61.75	25.75	29.50	50.50	24.75	28.25	37.50	21.00	29.50	30.75	351.25
Gross OFFICER OVERTIME	457.00	445.00	1034.00	310.50	393.00	781.50	463.00	542.50	756.50	818.00	442.50	423.75	6867.25
SUBTOTAL REIMBURSED OVERTIME	(14.25)	(42.75)	(150.25)	(66.25)	(82.50)	(372.75)	(29.25)	(79.50)	(102.00)	(105.25)	(70.75)	(53.25)	(1168.75)
NET OFFICER OVERTIME	442.75	402.25	883.75	244.25	310.50	408.75	433.75	463.00	654.50	712.75	371.75	370.50	5698.50
SECRETARY OVERTIME					3.00								3.00

Total Overtime Budget: $137,762.00
Expenditures through 11/25/2011 $116,766.17
Percent of Total Budget: 84.76%

NOTES:

* Period 12/25/2010 - 1/21/2011
**Period 1/22-2011 - 2/18/2011
***Period 2/19/2011 - 4/1/2011
+Period 4/2/2011 - 4/29/2011
++Period 4/30/2011 - 5/27/2011
^Period 5/28/2011 - 6/24/2011
#Period 6/25/2011 - 7/22/2011
##Period 7/23/2011 - 9/2/2011
^^Period 9/3/2011 - 9/30/2011
^^^Period 10/1/2011 - 10/28/2011
*+Period 10/29/2011 - 11/25/2011
*+*Period 11/26/2011 - 12/23/2011

DE PERE POLICE DEPARTMENT
OVERTIME BY REASON
2010

REASON	JAN*	FEB**	MAR***	APR+	MAY++	JUN ^	JUL #	AUG ##	SEPT^^	OCT^^^	NOV*+	DEC*+*	TOTAL
OFFICER SICK RELIEF	24.00	36.00	71.25	41.75	43.50	42.00	52.50	48.00	90.25	36.00	54.00	76.50	615.75
OFFICER WORKED ON HOLIDAY	93.50	12.00	37.50	8.00	12.00	87.75	56.50	4.00	109.00	8.00	67.75	31.00	527.00
OFFICER FOR COURT	20.25	6.00	27.00	9.00	15.00	7.50	18.00	21.00	32.25	9.00	15.00	24.00	204.00
OFFICER TRAINING	42.50	26.25	88.25	205.25	87.00	64.00	18.50	23.50	144.00	118.50	42.00	49.25	909.00
OFFICER RELIEF FOR FUNERAL													0.00
OFFICER ATTEND MEETING	10.50	20.00	19.50	12.00	3.50	6.00	13.50		0.75	12.00	21.00	6.00	124.75
STAFFING LEVEL	135.00	149.75	259.00	218.50	344.25	339.25	251.00	487.00	204.00	118.75	228.25	68.25	2803.00
INVESTIGATION	77.75	87.25	157.75	161.50	111.00	70.75	106.75	143.00	104.50	123.00	63.25	123.75	1330.25
HONOR GUARD FOR FUNERAL					9.75								9.75
SCHOOL LIAISON REIMBURSED	24.75	30.75	102.00	26.25	18.75	44.25		13.50	64.25	42.75	22.50	10.50	400.25
COMMUNITY RELATIONS			3.50			0.00		6.00		1.50			11.00
SPECIAL ASSIGNMENT		11.25	13.50	18.50	12.00	273.50		16.50	24.75	22.00			392.00
SPECIAL ASSIGNMENT REIMBURSED												13.50	13.50
MISCELLANEOUS	5.25	7.25	21.50	44.25	7.25	19.00	2.25	78.50	33.25	19.50	6.75	3.75	248.50
MISCELLANEOUS REIMBURSED													0.00
OFFICER TOTAL OVERTIME	433.50	386.50	800.75	745.00	664.00	954.00	519.00	841.00	807.00	511.00	520.50	406.50	7588.75
SECRETARY TOTAL OVERTIME	0.00	0.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.75
TOTAL OVERTIME	**433.50**	**387.25**	**800.75**	**745.00**	**664.00**	**954.00**	**519.00**	**841.00**	**807.00**	**511.00**	**520.50**	**406.50**	**7589.50**

NOTES:

* Period 12/26/2009 - 1/22/2010
**Period 1/23/2010 - 2/19/2010
***Period 2/20/2010 - 4/2/2010
+Period 4/3/2010 - 4/30/2010
++Period 5/01/2010 - 5/28/2010
^Period 5/29/2010 - 6/25/2010
#Period 6/26/2010 - 7/23/2010
##Period 7/24/2010 - 9/3/2010
^^Period 9/4/2010 - 10/1/2010
^^^Period 10/2/2010 - 10/29/2010
*+Period 10/30/2010 - 11/26/2010
*+*Period 11/27/2010 - 12/24/2010

DE PERE ENGINEERING DEPARTMENT
MONTHLY OVERTIME REPORT
June 2012

EMPLOYEE	DATE	OT HOURS	REASON
Lax, Scott	5/31/2012	0.5	12-15 Televising (Storm Sewer Maint)
	6/11/2012	3.5	12-15 Televising (Sanitary Sewer Maint)
	6/15/2012	1.0	12-01 Sewer & Water Relay
	6/18/2012	2	12-01 Sewer & Water Relay
	6/19/2012	2.5	12-01 Sewer & Water Relay
	6/20/2012	2.5	12-01 Sewer & Water Relay
	6/21/2012	2.5	12-01 Sewer & Water Relay
	6/22/2012	0.5	12-01 Sewer & Water Relay
	6/25/2012	2.5	12-01 Sewer & Water Relay
	6/26/2012	2.5	12-01 Sewer & Water Relay
	6/27/2012	2.5	12-01 Sewer & Water Relay
Total Lax		**22.50**	
Krzewina, Bob	6/15/2012	3.00	Locates
	6/27/2012	1.50	12-05 Sidewalk, Curb, & Sewer Repair
	6/28/2012	2.50	12-01 Sewer & Water Relay
	6/29/2012	1.50	12-01 Sewer & Water Relay
Total Krzewina		**8.50**	
Simons, Dan	6/18/2012	0.50	12-01B Sewer Relay
	6/19/2012	3.50	12-01B Sewer Relay
	6/20/2012	1.50	12-01B Sewer Relay
	6/21/2012	1.00	12-01B Sewer Relay
	6/25/2012	0.50	12-01B Sewer Relay
	6/26/2012	3.50	12-01B Sewer Relay
	6/27/2012	1.50	12-01B Sewer Relay
Total Simons		**12.00**	
Stansfield, Tom			
Total Stansfield		**0.00**	
SUB-TOTAL ENG		**43.00**	
PART-TIME ENG.			
SUB-TOTAL PART-TIME		**0.00**	
Grand Total O.T. For June		**43.00**	
Year-to-Date % of Budget		**8.45%**	
Grand Total of Reimbursable O.T. (hrs.)			
Year to Date % of Budget Not Including Reimbursable O.T.			

* Cost reimbursable to City

2008 ENGINEERING DEPARTMENT OVERTIME

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
FULL-TIME	16.50	12.00	8.50	37.50	19.50	97.50	66.25	83.50	33.50	56.00	12.50	0.00	**443.25**
PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	**4.00**

2009 ENGINEERING DEPARTMENT OVERTIME

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
FULL-TIME	9.00	18.50	68.00	61.00	58.00	57.00	76.00	79.00	37.00	55.00	11.00	0.00	**529.50**
PART-TIME	0.00	0.00	0.00	0.00	0.00	2.50	7.50	2.00	0.00	0.00	0.00	0.00	**12.00**

2010 ENGINEERING DEPARTMENT OVERTIME

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
FULL-TIME	6.00	0.00	11.50	72.00	22.00	75.50	107.00	76.00	14.00	20.50	8.50	3.00	**416.00**
PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**

2011 ENGINEERING DEPARTMENT OVERTIME

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
FULL-TIME	16.50	6.00	45.50	16.00	80.25	99.00	127.00	127.75	40.50	4.50	2.00	0.00	**565.00**
PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	9.50	16.00	0.00	0.00	0.00	0.00	**25.50**
REIMBURSABLE OT			3.50	4.00	35.00	4.00	0.00	4.50	20.50	3.00	0.00	0.00	**74.50**

2012 ENGINEERING DEPARTMENT OVERTIME

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
FULL-TIME	0.00	0.00	4.00	17.50	6.50	43.00	0.00	0.00	0.00	0.00	0.00	0.00	**71.00**
PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Reimbursable OT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**

X:\Correspondence\Overtime Reports\2012 Overtime Reports\2012 Engineering Overtime Reports

CITY OF DE PERE

Fire Rescue Department

400 Lewis Street
De Pere, WI 54115-2717
(920) 339-4087
Fax No.: (920) 403-7883
e-mail: dpfire@mail.de-pere.org

June 26, 2012

City of De Pere
Finance Committee

Dear Committee Members,

The city department heads in city hall have a core work day of 8:00am to 4:30 pm Monday to Friday.

As fire chief I am requesting an approval for a permanent schedule change to 7:00am to 3:30 pm Monday to Friday.

Over the past years it has become an operational benefit to arrive at work at 7:00 am for the following reasons:

1. Meet with off going staff and discuss events of the night and problems that arise.

2. Meet with oncoming shift, mapping out the daily activities including inspections, training, maintenance and public education issues.

3. Chief arrives at 7:00 am and the Assistant Chief arrives at 8:00 am provides administrative coverage from 7:00 am to 4:30 pm an additional 1 hour of administrative coverage each business day.

4. Maintenance improves when vehicles can be delivered to service centers before 8:00am and the vehicle driver can be returned to the station without taking front line vehicles out of the response district.

5. If the fire chief is needed after 3:30 pm he is available by cell phone and can return when requested.

In an effort to maintain operational efficiency, I am requesting an approval for a permanent schedule change to 7:00am to 3:30 pm Monday to Friday.

CITY OF DE PERE

Fire Rescue Department
400 Lewis Street
De Pere, WI 54115-2717
(920) 339-4087
Fax No.: (920) 403-7883
e-mail: dpfire@mail.de-pere.org

June 28, 2012

City of De Pere
Finance Committee

Dear Committee Members,

The department is requesting approval to submit for the Federal Government Fire Act Grant. This is an annual grant program to local fire departments to assist in purchases of fire equipment. In the past the department has successfully received grants for Mobile data terminals, fire hose, fire protective gear, exhaust removal system for our reserve ambulance and a radio system.

Project Description
De Pere Fire Rescue is requesting funding in Fire Operations and Firefighter Safety area.

1. The request is for funding to replace the Firehouse data collection system with an updated system that is wireless, paperless and integrates with the new county radio/CAD system. Along with the system upgrade the department would be obtaining laptops or tablet computers for use in the field for inspections, ambulance runs and other data collection activities.

2. Replacement of three ambulance cots with power assisted units to reduce the potential for back and shoulder injuries brought on by lifting the cots in and out of the ambulances.

The department would Request the following:

1 – Software program - $7,000.00
1 – Start up and training - $7,000.00
8 - Laptops or tablet computers - $16,000.00

3 – Power Assist Ambulance cots - $$45,000.00

Total request -------------- $75,000.00

Request for approval:
The fire department requests the City to approve the **Federal Government Fire Act Grant**:

Total anticipated City Cost $7,500.00

Annual software and maintenance for the two projects will increase by an estimated $5,000.00.

I recommend the finance committee approve the attempt to submit for this grant. If we are awarded this grant the city will be required to match 10 percent of the cost and budget for it is 2013. Also, if we do not have the funding in 2013 we can reject the grant.

CITY OF DE PERE

Fire Rescue Department
400 Lewis Street
De Pere, WI 54115-2717
(920) 339-4087
Fax No.: (920) 403-7883
e-mail: dpfire@mail.de-pere.org

July 3, 2012

De Pere Finance Committee

REQUEST TO REPLACE RETIRING MEMBER

Committee Members:

I have been informed of the retirement of Lieutenant Carol Dalchow effective August 2, 2012. This retirement will leave the department down 1 fulltime position creating two shifts of 8 personnel and one shift of 9 personnel.

De Pere Fire Rescue has normally 2 shifts of 9 personnel and one shift of 8 personnel. The absence of one firefighter from a shift generates additional overtime more than a 9-member shift.

The fire department has conducted overtime-cost reductions in all areas of the overtime budget. Standbys have been reduced to the minimum. To reduce this account area we are now left to request fulltime staffing to be made available to avoiding the calling in of one additional standby on what is an eight-member shift.

Adding one fulltime person to the current 8-member shift will provide this department with more dates above minimum staffing, providing the community with better protection. More personnel on duty means a better immediate fire response.

True Benefit: An additional member available to respond allows our department to take advantage of other cost reduction potentials. Allowing paramedics to attend CME training on duty is just one of the reductions of staff cost in overtime savings that could be generated. Adding one more member to a short shift will allow that shift to spend fewer days at the minimum levels. The use of an additional person to respond to incidents can be significant.

I am requesting the approval for the process to hire a replacement member.

If you have any additional questions, feel free to call.

Robert Kiser
Fire Chief
De Pere Fire Rescue
De Pere WI 54115
rkiser@mail.de-pere.org

Item #9

MEMORANDUM

TO: Finance & Personnel Committee

FROM: Lawrence M. Delo, City Administrator

DATE: July 5, 2012

SUBJECT: 2013 Budget Development

I have an item on the agenda to discuss the 2013 budget. This is on the agenda to provide an opportunity for the members of the committee to discuss any questions, concerns or recommendations they may have for the initial development of the 2013 budget. I have attached a copy of the budget calendar that was recently provided to the administrative staff. Additional guidelines and budget development information will be provided in the near future.

2013 BUDGET CALENDAR

TO:	Department Heads
FROM:	City Administrator Finance Director
RE:	2013 Budget Calendar & Request Forms
DATE:	June 29, 2012

The following is the schedule for the 2013 Budget preparation and approval process:

Jul 10	2013 ongoing Budget status discussion with Finance & Personnel Committee
Jul 20	Distribution of Budget preparation materials to Department Heads.
Jul 20 – Aug 17	Department Head preparation of Proposed Budgets.
Aug 14	2013 ongoing Budget status discussion with Finance & Personnel Committee
Aug 17 (4:00 PM)	Proposed Budgets due to Finance Director.
Aug 29 (4:00 PM)	Proposed Budgets due to City Administrator.
Sep 4 – Sep 14	Administrator Budget review sessions with Department Heads. (A specific meeting calendar will be distributed by August 3rd.)
Sep 11	2013 ongoing Budget status discussion with Finance & Personnel Committee
Sep 14 – Sep 28	Preparation of Executive Budget by Mayor & City Administrator.
Sep 28	Executive Budget sent to Council
Wednesday, Oct 10 & Thursday, Oct 11	Finance & Personnel Committee budget review meetings. **(ALL DEPARTMENT HEADS ARE REQUIRED TO ATTEND)**
Nov 1 & Nov 8	Publication of budget hearing notice in De Pere Journal.
November 20	Budget hearing at 7:30 p.m. before Common Council meeting. Council action on the budget during the Council 7:30 PM meeting. **(ALL DEPARTMENT HEADS ARE REQUIRED TO ATTEND)**

DRAFT

MANAGEMENT COMMUNICATIONS

CITY OF DE PERE, WISCONSIN

DECEMBER 31, 2011

CITY OF DE PERE, WISCONSIN
December 31, 2011

DRAFT

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To the City Council
City of De Pere
De Pere, Wisconsin

We have completed our audit of the basic financial statements of the City of De Pere, Wisconsin (the "City") for the year ended December 31, 2011. The City's financial statements, including our report thereon dated June 7, 2012, are presented in a separate audit report document. Professional standards require that we provide you with the following information related to our audit.

Our Responsibilities Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with accounting principles generally accepted in the United States of America. Because an audit is designed to provide reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, noncompliance with the provisions of laws, regulations, contracts and grants or other illegal acts may exist and not be detected by us.

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our correspondence about planning matters.

Significant Audit Findings

Consideration of Internal Control

In planning and performing our audit of the financial statements of the City as of and for the year ended December 31, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control. Our report on internal control over financial reporting and on compliance and other matters is presented on pages 56 - 57 of the annual report.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies to be significant deficiencies in internal control:

Finding 2011-01 Year End Closing and Financial Reporting
Finding 2011-02 Assistance with Capital Asset Records

These findings are described in detail in the schedule of findings and responses on pages 58 - 59 of the annual financial report.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in Note A to the financial statements. The City implemented GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2011. We noted no significant transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate included in the financial statements was:

> Management's estimate of the depreciable life of the capital assets is based upon analysis of the expected useful life of the capital assets. We evaluated the key factors and assumptions and the consistency in these factors and assumptions used to develop the depreciable life in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The financial statements reflect all accounting adjustments proposed during our audit. Copies of the audit adjustments are available from management.

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Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 7, 2012. The management representation letter follows this communication.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to conducting the audit. These discussions occurred in the normal course of our professional relationship and our responses were not a condition to completing the services as your auditor.

In addition, during our audit, we noted certain other matters that are presented for your consideration. We will review the status of these comments during our next audit engagement. Our comments and recommendations are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these matters in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendations. Our comments are summarized in the comments and recommendations section of this report.

This communication, which does not affect our report dated June 7, 2012 on the financial statements of the City, is intended solely for the information and use of the City Board, management, and others within the City, and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Certified Public Accountants
Green Bay, Wisconsin
June 7, 2012

SUMMARY FINANCIAL INFORMATION DRAFT

GENERAL CITY

1. Governmental Fund Balances

Presented below is a summary of the City's governmental fund balances on December 31, 2011. This information is provided for assessing financial results for 2011 and for indicating financial resources available at the start of the 2012 budget year.

	12/31/11	12/31/10
General Fund		
Nonspendable for		
Inventories and prepaid items	$ 264,737	$ 225,395
Special assessments held by County	153,731	862,761
Restricted for		
Recreation scholarship	10,249	-
Committed for		
Subsequent years' expenditures	224,035	81,911
Unassigned	4,726,093	3,235,934
Total General Fund Balance	5,378,845	4,406,001
Debt Service Fund		
Restricted for debt service	489,999	1,349,878
Special Revenue Funds		
Restricted for		
Loans	793,638	648,129
Park land acquisition	141,528	59,943
Committed for		
Subsequent years' expenditures		
Cable Access	262,943	255,403
Dog Park	8,874	3,780
Riverwalk Pier	338,608	33,702
Total Special Revenue Funds	1,545,591	1,000,957
Capital Projects Funds		
Restricted for		
TID No.5	209,171	37,873
TID No.6	1,617,490	1,646,079
TID No.7	1,184,345	1,194,621
TID No.8	611,250	457,983
Committed for		
Subsequent years' expenditures		
Public Improvements	1,174,011	458,422
Capital Equipment	545,019	235,633
Community Center	3,191	679
Police/Fire Expansion	2,932	2,932
Total Capital Projects Funds	5,347,409	4,034,222
Total Governmental Fund Balances	$ 12,761,844	$ 10,791,058

Comments on specific accounts and funds included in the above governmental funds are presented below and in the Tax Incremental Districts (TID) section of this management letter.

1. **Governmental Fund Balances (Continued)** DRAFT

General Fund
The City's general fund increased $972,844 primarily from disbursement of expenditures less than budget, along with interest and penalties from delinquent special assessments. Overall, the City's general fund balance continues to remain in stable financial condition entering the 2012 budget year. Additional information on various components of the City's general fund balance follows:

General Fund Minimum Fund Balance Policy
The City Council adopted a minimum unassigned general fund balance policy of 20% of the subsequent year General Fund budgeted expenditures. The purpose of the minimum fund balance amount is to ensure there are available cash funds for operating purposes and to segregate that portion of the general fund that is not available for current transfer or appropriation. On December 31, 2011, the City's unassigned general fund balance totaled $4,726,093 and was higher than 20% of the 2012 budgeted expenditures which totaled $3,116,328.

Debt Service Fund
At December 31, 2011, the City has available resources of $489,999 in its debt service fund of which the entire balance is restricted to retire debt.

2. **Employees Medical Self-Insurance Funds**

The City utilizes two separate self-insurance internal service funds to account for health and dental claims of City employees. The funds are financed from monthly insurance premiums charged to City employees. During 2011 and in prior years the monthly health insurance premiums were generally financed at 85% by the City with City employees contributing the remaining 15%.

Presented below is a summary of each fund's financial transactions for 2011 including comparative totals of the health and dental funds for 2010.

	Health Self-Insurance		Dental Self-Insurance	
	2011	2010	2011	2010
Revenues				
Charges for employees medical and dental insurance premiums	$ 3,181,162	$ 2,629,563	$ 139,728	$ 119,044
Expenses				
Employees health and dental claims	2,792,998	1,954,568	125,024	121,172
Administrative fees	460,610	425,103	9,361	8,666
Total Expenses	3,253,608	2,379,671	134,385	129,838
Operating Income (Loss)	(72,446)	249,892	5,343	(10,794)
Nonoperating Revenues				
Reimbursement from ERP program	104,066	-	-	-
Interest revenue	183	279	-	-
Total Nonoperating Revenues	104,249	279	-	-
Change in Net Assets	31,803	250,171	5,343	(10,794)
Net Assets - January 1	501,482	251,311	20,639	31,433
Net Assets - December 31	$ 533,285	$ 501,482	$ 25,982	$ 20,639

Specific comments applicable to the above self-insurance funds follow:

The "key" component of an internal service fund is operating income since operating revenues should approximate operating expenses on an annual basis. For 2011, the health fund showed operating loss of $72,446 compared to an operating income of $249,892 in 2010. The increase in operating income was due primarily to an increase of premium collections in 2011. The dental insurance fund showed a change in net assets of $5,343 in 2011 compared to an operating loss of $10,794 in 2010.

TAX INCREMENTAL DISTRICTS

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The City maintains separate accounting funds for each Tax Incremental Districts (TID) created in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the Districts were created, the property tax base within each District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the City to finance such improvements.

The status of each of the City's four tax incremental districts on December 31, 2011, follows:

TID No. 5 and TID No. 6 - TID No. 5 (West Side Downtown) was created on August 26, 1996 and TID No. 6 (West Side Industrial Park) was created on March 18, 1998. Both Districts are still eligible to incur project costs. Accordingly, the Districts are accounted for in capital projects funds. Unless terminated by the City prior thereto, TID No. 5 and TID No. 6 will statutorily terminate in the years 2018 and 2020, respectively.

TID No. 7 and TID No. 8 - TID No. 7 (East Downtown Business District) and TID No. 8 (West Side Commercial Development) were created on January 1, 2007. Additional project costs of $52,535 and $700 were incurred in 2011, respectively. Both Districts are still eligible to incur project costs. Accordingly, the Districts are accounted for in capital projects funds. Both TID No. 7 and TID No. 8 will statutorily terminate in 2029.

Statutory Audits

The Wisconsin Statutes requires audits of each TID to be conducted no later than:

1) Twelve months after 30% of the project expenditures are made.
2) Twelve months after the end of the expenditure period allowed for the TID to incur project costs.
3) Twelve months after termination of the TID.

The above Statute also indicates the required TID audits can be accomplished as part of the City's annual audit. As requested by the City, we have included the required TID audits within the scope of our annual audit of the City's basic financial statements.

Financial information and other comments pertaining to the City's four active TID's are presented on the following pages.

DRAFT

1. **Available Fund Balances and Future Debt Service Requirements**

The City's TID's had available fund balances on December 31, 2011 as follows:

	Fund Balances
Capital Projects Funds	
TID No. 5	$ 209,170
TID No. 6	1,617,489
TID No. 7	1,184,345
TID No. 8	611,250

TID No. 5 and No. 6

The City's TID No. 5 and 6 currently have outstanding debt on December 31, 2011 of $3,849,452 and $5,705,152, respectively, as shown below:

	TID No. 5			TID No. 6		
Due	Principal	Interest	Total	Principal	Interest	Total
2012	$ 467,375	$ 122,213	$ 589,588	$ 444,836	$ 217,165	$ 662,001
2013	491,182	109,398	600,580	528,380	201,530	729,910
2014	500,688	95,428	596,116	472,069	182,822	654,891
2015	523,209	79,713	602,922	485,960	165,520	651,480
2016	541,315	62,732	604,047	477,014	148,416	625,430
2017 - 2021	1,325,683	88,051	1,413,734	2,047,407	471,169	2,518,576
2022 - 2026	-	-	-	1,249,486	134,211	1,383,697
	$ 3,849,452	$ 557,535	$ 4,406,987	$ 5,705,152	$ 1,520,833	$ 7,225,985

In addition to the above outstanding debt, the City has advanced $4,744,495 to TID No. 5 to finance debt service and other costs.

The Districts incurred project plan expenditures of $186,037 and $706,842 for TID No. 5 and TID No. 6, respectively, during 2011. TID No. 5 and No. 6 are expected to generate tax increments of $944,139 and $1,452,246 respectively, in 2012.

TID No. 7

The District incurred expenditures of $183,008 in 2011.

TID No. 7 currently has outstanding debt of $2,457,113 on December 31, 2011. The debt is due in annual installments as shown below:

	TID No. 7		
Due	Principal	Interest	Total
2012	$ 87,869	$ 129,367	$ 217,236
2013	92,869	125,933	218,802
2014	98,519	122,491	221,010
2015	109,497	118,417	227,914
2016	120,475	113,134	233,609
2017 - 2021	697,884	465,812	1,163,696
2022 - 2026	995,000	248,360	1,243,360
2027	255,000	14,280	269,280
	$ 2,457,113	$ 1,337,794	$ 3,794,907

1. Available Fund Balances and Future Debt Service Requirements (Continued)

DRAFT

TID No. 8

The District incurred expenditures of $19,606 in 2011.

TID No. 8 currently has outstanding debt of $449,687 on December 31, 2011. The debt is due in annual installments as shown below:

	TID No. 8		
Due	Principal	Interest	Total
2012	$ 19,457	$ 18,826	$ 38,283
2013	19,457	18,475	37,932
2014	30,155	18,111	48,266
2015	31,046	17,291	48,337
2016	31,938	16,343	48,281
2017 - 2021	151,821	63,834	215,655
2022 - 2026	112,325	34,113	146,438
2027 - 2028	53,488	4,564	58,052
	$ 449,687	$ 191,557	$ 641,244

2. Unreimbursed TID Costs Due City

The City maintains memo accounts on its general ledger to record TID project costs, including debt service, that were financed by the City and that are recoverable by the City from TID revenues. Use of the memo accounts will enable the City to document in future years that the City is entitled to excess tax increments prior to their distribution to the various taxing jurisdictions applicable to the City. A summary of these accounts for 2011 for amounts recoverable by the City from the TID's on December 31, 2011 follows:

	TID No. 5	TID No. 6	TID No. 7	TID No. 8
Due from (to) TID December 31, 2011	$ 4,744,495	$ (3,131,705)	$ 494,795	$ 70,122

WATER UTILITY

In accordance with generally accepted accounting principles, the Water Utility's financial transactions are recorded in an enterprise fund on the City's financial statements. Enterprise fund accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Financial analyses and comments pertaining to the operations of the Water Utility follow:

Income Account

The Water Utility reported an increase in net assets of $1,256,284 for the year ended December 31, 2011 compared to an increase of $870 for the year ended December 31, 2010.

	2011	2010
Operating Revenues		
Metered sales	$ 4,430,294	$ 3,882,932
Fire protection	1,280,127	1,253,838
Other	797,014	292,839
Total Operating Revenues	6,507,435	5,429,609
Operating Expenses		
Operation and maintenance	4,561,331	4,471,691
Depreciation	366,707	402,678
Taxes	42,735	39,988
Total Operating Expenses	4,970,773	4,914,357
Operating Income	1,536,662	515,252
Nonoperating Revenues (Expenses)		
Interest revenue	10,454	14,347
Interest and fiscal charges	(129,773)	(139,222)
Total Nonoperating Revenues (Expenses)	(119,319)	(124,875)
Income before Contributions and Transfers	1,417,343	390,377
Capital contributions	261,955	-
Transfers out	(423,014)	(389,507)
Change in Net Assets	$ 1,256,284	$ 870

In 2010 the rate of return calculated in accordance with PSC guidelines amounted to 1.58%. As a result, the City filed an application to increase water rates. New rates were established in 2011 with a rate of return of 6.5%. In 2011, the City's rate of return calculated to 9.01%. Although the Water Utility was able to generate a significant rate of return, it has not been able to accumulate sufficient available cash for capital additions and replacement projects. At year end, the cash balance was $33,604.

DRAFT

In accordance with generally accepted accounting principles, the Wastewater Utility's financial transactions are recorded in an enterprise fund on the City's financial statements. Enterprise fund accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Financial analyses and comments pertaining to the operations of the Wastewater Utility follow:

Income Account

The Wastewater Utility reported a decrease in net assets of $75,567 for the year ended December 31, 2011 compared to a decrease of $370,926 for the year ended December 31, 2010.

	2011	2010
Operating Revenues		
Measured sales	$ 2,888,511	$ 2,436,977
Other	3,235,276	3,337,759
Total Operating Revenues	6,123,787	5,774,736
Operating Expenses		
Operation and maintenance	5,845,086	5,639,583
Depreciation	474,676	457,151
Total Operating Expenses	6,319,762	6,096,734
Operating Income (Loss)	(195,975)	(321,998)
Nonoperating Revenues		
Gain on sale of capital assets	-	55,000
Loss before Contributions and Transfers	(195,975)	(266,998)
Capital contributions	390,205	164,796
Transfers out	(269,797)	(268,724)
Change in Net Assets	$ (75,567)	$ (370,926)

As of December 31, 2011 the Wastewater Utility owed the general fund $857,479 for operating purposes, which was an increase of $308,599 in 2010. For the past three years, rates for services have not been sufficient to finance operating expenses and other uses. The City has increased rates each year with the last rate increase implemented in 2012.

STORMWATER UTILITY

DRAFT

In accordance with generally accepted accounting principles, the Stormwater Utility's financial transactions have been reclassified from a special revenue fund to an enterprise fund on the City's financial statements. Enterprise fund accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Financial analyses and comments pertaining to the operations of the Stormwater Utility follow:

Income Account

The Stormwater Utility reported an increase in net assets of $14,437 for the year ended December 31, 2011 compared to an decrease of $51,370 for the year ended December 31, 2010.

	2011	2010
Operating Revenues		
Charges for services	$ 917,062	$ 898,183
Operating Expenses		
Operation and maintenance	710,464	679,367
Depreciation	301,161	292,888
Total Operating Expenses	1,011,625	972,255
Operating Loss before Contributions	(94,563)	(74,072)
Capital contributions	109,000	22,702
Change in Net Assets	$ 14,437	$ (51,370)

Although the Stormwater Utility has incurred operating losses, the Utility has generally been able to maintain positive cash flows. At year end, available cash totaled $548,255.

STATUS OF PRIOR YEAR COMMENTS AND RECOMMENDATIONS DRAFT

The following comments and observations have been discussed in prior year management letters. Although progress has been made, the recommendations have not yet been fully implemented. Presented below is a summary of prior year comments along with any current status.

1. Capital Assets Records

Under current governmental accounting principles, the City records capital assets purchased for use by the City as expenditures in their governmental funds. The purchases are recorded in outlay accounts and are commingled with other City operating expenses. At year end, the City reviews their outlay accounts to determine additions and disposals to its capital assets and record the activity, as well as the annual depreciation expense on each asset. At December 31, 2011, the City's capital assets for governmental activities totaled approximately $100 million. Currently, the City information regarding capital assets consist of spreadsheet listings of the individual assets and accumulated depreciation, which in part, are maintained by the City's auditor. The annual addition, removal and depreciation information is used to prepare the City's government-wide financial information. In our opinion, the use of spreadsheets to accumulate the financial information of capital assets is more time-consuming and susceptible to error than automated records. In addition, maintaining prior year information is more difficult since normally only the current year detail balance is carried over to the subsequent year.

Accordingly, we recommend the City review the feasibility of installing capital asset software to account for City-owned capital assets. We are informed that the City is evaluating the potential use of an existing module of current software for their capital assets.

2. Status of Internal Service Fund for City Garage and Equipment

In order to accumulate funds for the replacement of public works equipment, many governments have established internal service funds to charge out equipment use to various maintenance and other activities or services provided by the government. The establishment of such a fund eventually has the effect of reducing or eliminating the need for financing equipment replacement through long-term debt proceeds. Instead, budgets for maintenance activities are increased for an equipment charge that includes a depreciation or replacement component. This replacement component is recorded as revenue of the internal service fund and is available to replace equipment when its useful life is depleted.

In the 2008 budget, the City created a Capital Equipment fund and started including annual tax levy amounts to build up a balance. Current plans at that time were to increase the annual tax levy to this fund until it reaches a self-sustaining amount. The 2011 and 2012 budget contained appropriations of $300,000 and $400,000 respectively. Although the City appropriated tax levy for equipment purchases in the Capital Equipment fund the current practice is to transfer the funds back to the general fund where the expenditures are accounted for.

While the fund is currently not functioning as an internal service fund, the City has accomplished the goal of reducing the need for issuing debt for equipment purchases. Accordingly we recommend that the City begin budgeting and tracking expenses for Capital Equipment in the Capital Equipment fund, with the goal of further reducing the need for issuing debt for capital purchases.

3. Evaluating Any Potential Liability for Post-employment Benefits DRAFT

Post-employment benefits are defined as an obligation to provide benefits or compensation for employee services that are earned or accumulated during their employment with the actual payment for the benefits occurring after employment. The City currently provides other post-employment benefits (OPEB) in the form of health insurance benefits to eligible retired employees after their employment, which consists of a potential implicit rate subsidy that is provided to retirees by permitting them to continue participating in the healthcare plan.

Based on generally accepted accounting principles for governments, the City was required to calculate a liability for post-employment benefits beginning for the year ended December 31, 2007; however, after consultation with its third party insurers, the City determined that any implicit rate subsidy would be immaterial to its financial statements. We concurred with the City's assessment based on the loss ratios at that time. The City has informally monitored the potential liability over the past three years and has also experienced fluctuating loss ratios for its retiree population. At the present time no OPEB liability has been recorded on the financial statements.

Information was obtained from the City's third party insurers. In 2011 retirees funded $308,280 of their own premium while costs related to health care for the retirees were $619,431 as shown below:

	Retirees	Retirees over 65	Total
Total Funding	$ 176,878	$ 131,402	$ 308,280
Total Costs	369,099	250,332	619,431
Funding Less Costs	$ (192,221)	$ (118,930)	$ (311,151)

The calculation above indicates that in 2011 the City and current employees have subsidized the insurance rate for the retirees on the City's health insurance plan. Based upon the above calculation we recommend that the City have an actuarial study completed for the year ended December 31, 2012 to substantiate the implicit rate for the retirees is immaterial to the City's Government Wide Financial Statements. The net cost deficit for all individuals on the City's health insurance plan was $51,861 in 2011. Additionally, we recommend the City Council review the present structure, and decide if any revisions should be pursued.

1. Journal Entries for Allocation of Project Expenditures

The City incurs expenditures for various infrastructure projects each year. The infrastructure projects are sometimes funded with long-term debt proceeds and often include street construction and reconstruction, water main installation, sanitary sewer installation and storm sewer installation costs. Also, some of the projects or part of the projects may be eligible project expenditures in one of City's tax incremental districts. For many of the projects, the City also allocates a portion of the engineering department's cost to arrive at a total project cost for accounting purposes.

Present procedures are for the City Finance Director to generally record lump-sum progress payments to one account on the City records. At a subsequent date, the projects are allocated, as appropriate, to the streets, water utility, sanitary sewer utility, storm sewer utility and/or tax incremental district, if applicable. During our audit, we noted that journal entries for the allocation of these expenditures are not always completed on a timely basis. In many cases, entries are made after year end to properly record the final project costs. Also, we noted that proceeds of long-term debt are not initially recorded in the fund where the debt will ultimately be recorded. But instead they are recorded in a temporary fund and reallocated at a later date. With this process, interim financial reports and account balances produced during the year do not always contain the most up-to-date financial information.

Accordingly, we recommend the City review the current procedures for recording costs of infrastructure projects and long-term proceeds and determine the feasibility of revising the procedures to provide for more timely allocation of costs and debt proceeds to the proper accounting fund. In our opinion, the City could consider allocating costs with the receipt of the final contractor invoice and, also, including any reimbursement of City-related costs at the same time. At the same time addition and removals to the infrastructure capital assets records could also be determined and retained for recording on the government-wide financial statements and inclusion in the annual report for the water utility as required by the Public Service Commission of Wisconsin.

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2. Changes to Government Auditing Standards

The United States Government Accountability Office recently issued the 2011 revision to the Government Auditing Standards. This revision will be effective for your next audit and creates a framework we must follow to maintain our independence when we perform non-audit services for you.

During the current year audit, we have provided the following non-audit services to the City:

- Identifying reconciling items for certain general ledger accounts and proposing adjusting and closing entries to your general ledger;
- Proposing GASB 34 conversion entries to convert your fund financial statements to government-wide financial statements;
- Assisting with capital asset records, including calculating depreciation; and
- Preparing financial statements, including related notes based on your adjusted trial balance;

In order for us to maintain our independence and to issue an unqualified opinion on your financial statements, you need to document steps that you take in order to accept responsibility for all non-audit services we provide to you. This includes:

- Understanding the services to be performed sufficiently to oversee them;
- Designating an individual who possess suitable skill, knowledge, or experience to oversee our services;
- Evaluating the adequacy and results of the services performed; and
- Accepting responsibility for the results of the services.

Because of the size of your organization and limited staff, we have reported the following deficiencies in your internal control structure:

- Year End Closing and Financial Reporting
- Assistance with Capital Asset Records

Because these deficiencies relate specifically to non-audit services we provide to the City, it is important that the City and Schenck, as your independent auditor, work together during the upcoming year to ensure appropriate safeguards are in place to maintain our independence.

The new standards will be effective for your December 31, 2012 audit. Schenck will be offering a free webinar in fall 2012 on *Understanding Your Financial Statements.* We encourage the designated employee from the City who will oversee our services to attend this webinar.

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CITY OF DE PERE, WISCONSIN

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2011

CITY OF DE PERE, WISCONSIN
December 31, 2011

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December 31, 2011

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INDEPENDENT AUDITORS' REPORT ON BASIC FINANCIAL STATEMENTS

To the City Council
City of De Pere, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of De Pere, Wisconsin ("the City") as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of De Pere, Wisconsin's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note A, the City has implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, for the year ended December 31, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 be presented to supplement the basic financial statements. Such information, although not part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The financial information listed in the table of contents as supplemental information is presented for purposes of additional analysis and are not a required part of the financial statements. The supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Certified Public Accountants
Green Bay, Wisconsin
June 7, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis
December 31, 2011

As management of the City of De Pere, Wisconsin, we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2011.

Financial Highlights

- The assets of the City exceeded its liabilities as of December 31, 2011 by $87,022,666 (*net assets*). Of this amount, $12,699,082 (*unrestricted net assets*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by $2,598,918. Several factors contributed to the overall increase as follows:
  - Reclassifying capital outlay and debt payment to the statement of net assets was greater than the debt proceeds used.
- Total property taxes increased 1.4% per $1,000 of property value for the year ended December 31, 2011.
- As of December 31, 2011, the City's governmental funds reported combined ending fund balances of $12,761,744, an increase of $1,970,686 in comparison with the prior year. Approximately 37% of this total amount, $4,726,093 is *available for spending* at the City's discretion (*unassigned fund balance*).
- As of December 31, 2011, unreserved fund balance for the general fund was $4,726,093, or approximately 32% of total general fund expenditures.
- The City's total general-obligation debt increased by $605,000 (2%) during 2011. The key factor in this decrease was the issuance of $3,810,000 to finance capital equipment ($715,000) and $3,095,000 for public improvements while the City paid principal on debt of $3,205,000 in 2011.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains supplemental information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets.* Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., earned but unused vacation leave.)

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, sanitation, health and human services, culture and recreation, and conservation and development. The business-type activities of the City include the water, wastewater treatment, wastewater collection and stormwater utilities.

The government-wide financial statements can be found on pages 10 - 12 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

It is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 15 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund and the public improvements and TID No. 6 capital projects funds, all of which are considered to be major funds. Data from the other 11 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for all its governmental funds. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided for the general fund and for each individual, major special revenue fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 13 - 17 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, wastewater treatment plant, stormwater utility, and wastewater collection utilities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its health and dental self insurance funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the enterprise and internal service funds. The four enterprise funds are considered to be major funds of the City. The two internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 18 - 20 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 21 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 22 - 43 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds and internal service funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found on pages 44 - 55.

Government-wide Financial Analysis

Net assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by $87,022,666 at the close of 2011.

City of De Pere's Net Assets
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Current and other assets	$ 30,341	$ 27,492	$ 6,399	$ 6,154	$ 36,740	$ 33,646
Capital assets	59,988	60,446	40,331	39,532	100,319	99,978
Total Assets	90,329	87,938	46,730	45,686	137,059	133,624
Other liabilities	14,307	14,036	1,472	1,464	15,779	15,500
Long-term liabilities outstanding	30,887	30,197	3,371	3,504	34,258	33,701
Total Liabilities	45,194	44,233	4,843	4,968	50,037	49,201
Net Assets						
Invested in capital assets, net of related debt	31,111	32,054	37,166	36,112	68,277	68,166
Restricted	6,046	2,665	-	-	6,046	2,665
Unrestricted	7,978	8,986	4,721	4,606	12,699	13,592
Total Net Assets	$ 45,135	$ 43,705	$ 41,887	$ 40,718	$ 87,022	$ 84,423

By far the largest portion of the City's net assets (78%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets (7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* ($12,699,082) may be used to meet the City's ongoing obligations to citizens and creditors.

Change in net assets. Governmental activities increased the City's net assets by $1,429,573, while business-type activities increased $1,169,345. Key elements of the changes in net assets are as follows:

City of De Pere's Change in Net Assets (In thousands of dollars)	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues						
Charges for services	$ 2,587	$ 2,552	$ 13,364	$ 11,915	$ 15,951	$ 14,467
Operating grants and contributions	1,833	1,797	-	-	1,833	1,797
Capital grants and contributions	1,333	446	761	187	2,094	633
General Revenues						
Property taxes	12,820	12,616	-	-	12,820	12,616
Other taxes	927	312			927	312
Grants and contributions not restricted to specific programs	2,260	2,037	-	-	2,260	2,037
Other	489	510	195	202	684	712
Total Revenues	22,249	20,270	14,320	12,304	36,569	32,574
Expenses						
General government	1,669	1,641	-	-	1,669	1,641
Public safety	8,126	7,756	-	-	8,126	7,756
Public works and sanitation	7,676	6,954	-	-	7,676	6,954
Health and human services	388	415	-	-	388	415
Culture and recreation	2,278	2,308	-	-	2,278	2,308
Conservation and development	251	271	-	-	251	271
Interest on long-term debt	1,124	1,205	-	-	1,124	1,205
Water utility	-	-	5,111	5,015	5,111	5,015
Wastewater treatment	-	-	6,333	6,050	6,333	6,050
Stormwater utility	-	-	1,014	965	1,014	965
Total Expenses	21,512	20,550	12,458	12,030	33,970	32,580
Change in Net Assets Before Transfers	737	(280)	1,862	274	2,599	(6)
Transfers	693	658	(693)	(658)	-	-
Special item	-	82	-	55	-	137
Change in Net Assets	1,430	460	1,169	(329)	2,599	131
Net Assets - January 1	43,705	43,245	40,718	41,047	84,423	84,292
Net Assets - December 31	$ 45,135	$ 43,705	$ 41,887	$ 40,718	$ 87,022	$ 84,423

Property taxes increased by $204,000 (2%) during the year.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of December 31, 2011, the City's governmental funds reported combined ending fund balances of $12,761,744, an increase of $1,970,686 in comparison with the prior year. Approximately 37% of this amount ($4,726,093) constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is either restricted or committed or it is nonspendable to indicate that it is not available for new spending because it has already been committed 1) for current year purchases of inventory and prepayments that benefit periods beyond the end of the current year ($264,737), and 2) for special assessments receivable ($153,731).

The general fund is the main operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was $4,726,093, while total fund balance reached $5,378,845. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 32% of total general fund expenditures, while total fund balance represents 36% of that same amount.

The fund balance of the City's general fund increased by $972,844 during the current year. Key factor in this increase is the positive variance in special assessment interest revenue of $603,385 and 2011 budget items carried over to 2012 of $224,035.

The debt service fund has a total fund balance of $489,999. This fund balance represents 11% of total debt service fund expenditures.

The public improvements fund has a total fund balance of $1,174,011. This increased by $715,589 during the current year.

Proprietary funds. The City's proprietary funds provide the same type of information found in the City's government-wide financial statements, but in more detail.

Unrestricted net assets of the water utility fund at the end of the year amounted to $1,605,731. The total increase in net assets was $1,256,784.

Unrestricted net assets of the wastewater treatment plant fund at the end of the year amounted to $2,883,292.

Unrestricted net assets of the wastewater collection fund at the end of the year amounted to $(265,757). The total decrease in net assets was $75,567.

Unrestricted net assets of the stormwater utility fund at the end of the year amounted to $504,558. The total increase in net assets was $14,437.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Generally the original budget is rarely modified. The City allocated a total of $2,900 from the contingency account to various expenditure accounts in the general fund as approved by the City Council.

During the year, actual revenues were larger than budgeted revenues by $232,147 primarily due to special assessment interest revenue positive variances. Actual expenditures were less than budgeted expenditures by $677,886 primarily in public safety and general government.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2011 amounts to $100,319,723 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, infrastructure (highways and bridges), and construction in progress. The total increase in the City's investment in capital assets for the current year was $342,098 or .34% over last year.

City of De Pere's Capital Assets
(In thousands of dollars)

	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Land	$ 8,268	$ 8,101	$ 53	$ 53	$ 8,321	$ 8,154
Construction in progress	-	-	-	-	-	-
Land improvements	2,345	2,296	-	-	2,345	2,296
Buildings	11,308	10,869	539	539	11,847	11,408
Machinery and equipment	2,614	2,610	4,063	4,034	6,677	6,644
Vehicles	7,205	6,798	-	-	7,205	6,798
Infrastructure	68,175	67,401	54,484	52,870	122,659	120,271
Accum. Depreciation	(39,927)	(37,630)	(18,808)	(17,964)	(58,735)	(55,594)
Net Capital Assets	$ 59,988	$ 60,445	$ 40,331	$ 39,532	$ 100,319	$ 99,977

Long-term debt. At the end of the current fiscal year, the City had total general obligation debt outstanding of $29,110,521. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

City of De Pere's Outstanding Debt
General Obligation Debt and Revenue Bonds
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Totals	
	2011	2010	2011	2010	2011	2010
General Obligation Debt						
Bonds	$ 21,445	$ 21,240	$ -	$ -	$ 21,445	$ 21,240
Notes	7,620	7,220	-	-	7,620	7,220
Total General Obligation Debt	29,065	28,460	-	-	29,065	28,460
Revenue bonds	-	-	3,165	3,420	3,165	3,420
Total	$ 29,065	$ 28,460	$ 3,165	$ 3,420	$ 32,230	$ 31,880

The City's total debt increased by $605,000 (2%) during the current fiscal year. The key factor in this increase was the newly incurred debt was greater than debt retirements.

The City maintains an Aa3 rating from Moody's Investors Service for its general obligation debt.

State statutes limit the amount of general obligation debt the City may issue to 5% of its total equalized valuation. The current debt limitation for the City is $88,166,515 which is significantly in excess of the City's $29,065,000 in outstanding general obligation debt.

Economic Factors and Next Year's Budgets and Rates

- The economic condition and outlook of the City has remained fairly stable based on a relatively healthy mix of manufacturing, tourism, service industry, retail, and farming activities which support our tax base.
- Inflationary trends in our region compare favorably to national indices.
- During the current year, unassigned fund balance in the general fund increased by $1,490,159 to $4,726,093.

All of these factors were considered in preparing the City's budget for the 2012 fiscal year.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Joseph G. Zegers, Finance Director of the City of De Pere, 335 S. Broadway, De Pere, Wisconsin 54115.

BASIC FINANCIAL STATEMENTS

CITY OF DE PERE, WISCONSIN
Statement of Net Assets
December 31, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	$ 12,523,461	$ 897,393	$ 13,420,854
Receivables			
Taxes	12,700,172	-	12,700,172
Accounts	397,711	3,107,249	3,504,960
Special assessments	1,879,874	-	1,879,874
Loans	988,494	-	988,494
Other	-	515,134	515,134
Internal balances	862,922	(862,922)	-
Due from other governments	-	2,567,758	2,567,758
Inventories and prepaid items	264,737	24,699	289,436
Deferred charges	233,218	-	233,218
Restricted assets			
Cash and investments	489,999	150,000	639,999
Capital assets, nondepreciable			
Land	8,268,479	53,207	8,321,686
Capital assets, depreciable			
Land improvements	2,345,040	-	2,345,040
Buildings and improvements	11,307,507	539,471	11,846,978
Machinery and equipment	9,818,894	4,062,946	13,881,840
Infrastructure	68,175,441	54,483,999	122,659,440
Less: Accumulated depreciation	(39,926,885)	(18,808,376)	(58,735,261)
TOTAL ASSETS	90,329,064	46,730,558	137,059,622
LIABILITIES			
Accounts and claims payable	1,157,761	842,767	2,000,528
Accrued and other current liabilities	293,273	629,511	922,784
Due to other governments	259	-	259
Accrued interest payable	170,340	-	170,340
Unearned revenues	12,685,209	-	12,685,209
Long-term obligations			
Due within one year	3,040,047	265,000	3,305,047
Due in more than one year	27,847,137	3,105,652	30,952,789
TOTAL LIABILITIES	45,194,026	4,842,930	50,036,956
NET ASSETS			
Invested in capital assets, net of related debt	31,111,173	37,166,247	68,277,420
Restricted for			
Loans	1,782,132	-	1,782,132
Park land acquisition	141,528	-	141,528
Recreation scholarship	10,249	-	10,249
Debt service	489,999	-	489,999
Capital projects	3,622,256	-	3,622,256
Unrestricted	7,977,701	4,721,381	12,699,082
TOTAL NET ASSETS	$ 45,135,038	$ 41,887,628	$ 87,022,666

The notes to the basic financial statements are an integral part of this statement.

CITY OF DE PERE, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2011

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities				
General government	$ 1,668,809	$ 393,939	$ -	$ -
Public safety	8,125,628	1,146,994	111,625	-
Public works	7,156,119	594,453	1,519,097	850,431
Sanitation	520,330	-	102,422	-
Health and human services	388,096	6,655	85,274	-
Culture and recreation	2,278,446	421,567	14,583	404,645
Conservation and development	250,737	22,888	-	78,000
Interest on debt	1,123,588	-	-	-
Total Governmental Activities	21,511,753	2,586,496	1,833,001	1,333,076
Business-type Activities				
Water utility	5,111,135	6,323,449	-	261,955
Wastewater collection	6,332,882	6,123,787	-	390,205
Stormwater utility	1,013,725	917,062	-	109,000
Total Business-type Activities	12,457,742	13,364,298	-	761,160
Total	$ 33,969,495	$ 15,950,794	$ 1,833,001	$ 2,094,236

General revenues
Taxes
Property taxes, levied for general purposes
Property taxes, levied for debt service
Property taxes, levied for capital projects
Property tax increments
Other taxes and franchise fees
Federal and state grants and other contributions not restricted to specific functions
Interest and investment earnings
Miscellaneous
Transfers
Total general revenues and transfers

Change in net assets

Net assets - January 1

Net assets - December 31

The notes to the basic financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
$ (1,274,870)	$ -	$ (1,274,870)
(6,867,009)	-	(6,867,009)
(4,192,138)	-	(4,192,138)
(417,908)	-	(417,908)
(296,167)	-	(296,167)
(1,437,651)	-	(1,437,651)
(149,849)	-	(149,849)
(1,123,588)	-	(1,123,588)
(15,759,180)	-	(15,759,180)
-	1,474,269	1,474,269
-	181,110	181,110
-	12,337	12,337
-	1,667,716	1,667,716
$(15,759,180)	$ 1,667,716	(14,091,464)
7,699,109	-	7,699,109
1,191,000	-	1,191,000
1,241,276	-	1,241,276
2,689,036	-	2,689,036
927,190	-	927,190
2,259,665	-	2,259,665
326,682	10,454	337,136
161,984	183,986	345,970
692,811	(692,811)	-
17,188,753	(498,371)	16,690,382
1,429,573	1,169,345	2,598,918
43,705,465	40,718,283	84,423,748
$ 45,135,038	$ 41,887,628	$ 87,022,666

CITY OF DE PERE, WISCONSIN
Balance Sheet
Governmental Funds
December 31, 2011

	General Fund	Debt Service	Capital Project Funds: Public Improvements	Capital Project Funds: TID No.6	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 4,291,661	$ -	$ 1,705,713	$ 1,617,490	$ 4,046,604	$ 11,661,468
Receivables						
Taxes	7,724,489	1,238,022	941,276	1,452,246	1,344,139	12,700,172
Accounts	297,806	-	-	-	99,327	397,133
Special assessments	223,954	-	1,655,920	-	-	1,879,874
Loans	-	-	-	-	988,494	988,494
Due from other funds	917,479	-	-	-	-	917,479
Inventories and prepaid items	264,737	-	-	-	-	264,737
Restricted assets						
Cash and investments	-	489,999	-	-	-	489,999
TOTAL ASSETS	$ 13,720,126	$ 1,728,021	$ 4,302,909	$ 3,069,736	$ 6,478,564	$ 29,299,356
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 337,516	$ -	$ 531,702	$ -	$ 44,408	$ 913,626
Accrued and other current liabilities	293,149	-	-	-	124	293,273
Due to other governments	1,090	-	-	-	-	1,090
Deferred revenues	7,709,526	1,238,022	2,597,196	1,452,246	2,332,633	15,329,623
Total Liabilities	8,341,281	1,238,022	3,128,898	1,452,246	2,377,165	16,537,612
Fund Balances						
Nonspendable for						
Inventories and prepaid items	264,737	-	-	-	-	264,737
Special assessments	153,731	-	-	-	-	153,731
Restricted for						
Debt service	-	489,999	-	-	-	489,999
Loans	-	-	-	-	793,638	793,638
Recreation scholarship	10,249	-	-	-	-	10,249
Park land acquisition	-	-	-	-	141,528	141,528
Capital outlay	-	-	-	1,617,490	2,004,766	3,622,256
Committed for						
Subsequent years' expenditures	224,035	-	-	-	610,325	834,360
Capital outlay	-	-	1,174,011	-	551,142	1,725,153
Unassigned	4,726,093	-	-	-	-	4,726,093
Total Fund Balances	5,378,845	489,999	1,174,011	1,617,490	4,101,399	12,761,744
TOTAL LIABILITIES AND FUND BALANCES	$ 13,720,126	$ 1,728,021	$ 4,302,909	$ 3,069,736	$ 6,478,564	$ 29,299,356

(Continued)

CITY OF DE PERE, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2011

<u>Reconciliation to the Statement of Net Assets</u>

Total Fund Balances as shown on previous page		$ 12,761,744
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		59,988,476
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		2,644,414
Internal service funds are used by management to charge the costs of health and dental insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		564,710
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	$ (29,065,000)	
Capital leases payable	(45,521)	
Compensated absences	(1,776,663)	
Deferred charges - bond issues	233,218	
Accrued interest on long-term obligations	(170,340)	(30,824,306)
Net Assets of Governmental Activities as Reported on the Statement of Net Assets (see page 10)		$ 45,135,038

The notes to the basic financial statements are an integral part of this statement.

CITY OF DE PERE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011

	General Fund	Debt Service	Capital Project Funds: Public Improvements	Capital Project Funds: TID No.6	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	$ 8,347,472	$ 1,191,000	$ 941,276	$ 1,739,596	$ 1,249,440	$ 13,468,784
Special assessments	-	-	158,525	-	-	158,525
Intergovernmental	3,526,015	40,867	303,756	6,580	474,079	4,351,297
Licenses and permits	492,292	-	-	-	106,799	599,091
Fines and forfeits	267,182	-	-	-	-	267,182
Public charges for services	1,199,491	-	-	-	8,380	1,207,871
Intergovernmental charges for services	823,783	-	-	-	-	823,783
Miscellaneous	280,399	1,923	34,348	1,000	416,561	734,231
Total Revenues	14,936,634	1,233,790	1,437,905	1,747,176	2,255,259	21,610,764
Expenditures						
Current						
General government	1,621,869	-	-	-	-	1,621,869
Public safety	7,735,551	-	-	-	-	7,735,551
Public works	2,596,585	-	-	-	-	2,596,585
Sanitation	519,252	-	-	-	-	519,252
Health and human services	391,697	-	-	-	-	391,697
Culture and recreation	1,883,752	-	-	-	81,498	1,965,250
Conservation and development	226,395	-	-	48,836	123,910	399,141
Debt service						
Principal	-	3,233,886	-	-	-	3,233,886
Interest and fiscal charges	-	1,133,028	-	-	-	1,133,028
Capital outlay	-	-	3,817,316	226,424	502,890	4,546,630
Total Expenditures	14,975,101	4,366,914	3,817,316	275,260	708,298	24,142,889
Excess (Deficiency) of Revenues Over (Under) Expenditures	(38,467)	(3,133,124)	(2,379,411)	1,471,916	1,546,961	(2,532,125)
Other Financing Sources (Uses)						
Long-term debt issued	-	-	3,095,000	-	715,000	3,810,000
Transfers in	1,011,311	2,273,245	-	-	200,000	3,484,556
Transfers out	-	-	-	(1,500,505)	(1,291,240)	(2,791,745)
Total Other Financing Sources (Uses)	1,011,311	2,273,245	3,095,000	(1,500,505)	(376,240)	4,502,811
Net Change in Fund Balances	972,844	(859,879)	715,589	(28,589)	1,170,721	1,970,686
Fund Balances - January 1	4,406,001	1,349,878	458,422	1,646,079	2,930,678	10,791,058
Fund Balances - December 31	$ 5,378,845	$ 489,999	$ 1,174,011	$ 1,617,490	$ 4,101,399	$ 12,761,744

(Continued)

CITY OF DE PERE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended December 31, 2011

Reconciliation to the Statement of Activities

Net Change in Fund Balances as shown on previous page		$ 1,970,686
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital assets reported as capital outlay in governmental fund statements	$ 2,075,789	
Depreciation expense reported in the statement of activities	(2,532,824)	
Amount by which capital additions are less than depreciation in current period		(457,035)
Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits increased by:		(184,071)
Internal service funds are used by management to charge the costs of health and dental insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		62,955
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.		533,502
Some capital assets acquired during the year were financed with debt. The amount of the debt is reported in the governmental funds as a source of financing. In the statement of net assets, however, debt constitutes a long-term liability. The amount of new debt reported in the governmental funds statement is:		(3,810,000)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is:		3,304,096
Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues.		(10,412)
Bond issue costs are reported in the governmental funds as an expenditure. In the statement of activities, these costs are capitalized and amortized over the life of the bonds.		19,852
Change in Net Assets of Governmental Activities as Reported in the Statement of Activities (see pages 11 - 12)		$ 1,429,573

The notes to the basic financial statements are an integral part of this statement.

CITY OF DE PERE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2011

	Budgeted Amounts			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Taxes	$ 7,747,399	$ 7,747,399	$ 8,347,472	$ 600,073
Intergovernmental	3,427,831	3,427,831	3,526,015	98,184
Licenses and permits	443,205	443,205	492,292	49,087
Fines and forfeits	275,000	275,000	267,182	(7,818)
Public charges for services	1,290,360	1,290,360	1,199,491	(90,869)
Intergovernmental charges for services	817,770	817,770	823,783	6,013
Miscellaneous	702,922	702,922	280,399	(422,523)
Total Revenues	14,704,487	14,704,487	14,936,634	232,147
Expenditures				
Current				
General government	1,743,697	1,740,797	1,621,869	118,928
Public safety	8,037,097	8,037,097	7,735,551	301,546
Public works	2,627,253	2,630,153	2,596,585	33,568
Sanitation	601,369	601,369	519,252	82,117
Health and human services	429,157	429,157	391,697	37,460
Culture and recreation	1,972,806	1,972,806	1,883,752	89,054
Conservation and development	241,608	241,608	226,395	15,213
Total Expenditures	15,652,987	15,652,987	14,975,101	677,886
Excess (Deficiency) of Revenues Over (Under) Expenditures	(948,500)	(948,500)	(38,467)	910,033
Other Financing Sources				
Transfers in	948,500	948,500	1,011,311	62,811
Net Change in Fund Balance	-	-	972,844	972,844
Fund Balance - January 1	4,406,001	4,406,001	4,406,001	-
Fund Balance - December 31	$ 4,406,001	$ 4,406,001	$ 5,378,845	$ 972,844

The notes to the basic financial statements are an integral part of this statement.

CITY OF DE PERE, WISCONSIN
Statement of Net Assets
Proprietary Funds
December 31, 2011

	Enterprise Funds					Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility	Total	
ASSETS						
Cash and investments	$ 33,604	$ 315,534	$ -	$ 548,255	$ 897,393	$ 861,993
Receivables						
Accounts	1,775,805	-	1,331,444	-	3,107,249	-
Other	515,134	-	-	-	515,134	-
Due from other governments	-	2,567,758	-	-	2,567,758	-
Inventories and prepaid expenses	24,699	-	-	-	24,699	-
Restricted assets						
Cash and investments	-	-	150,000	-	150,000	-
Capital assets, nondepreciable						
Land	53,207	-	-	-	53,207	-
Capital assets, depreciable						
Buildings and improvements	539,471	-	-	-	539,471	-
Machinery and equipment	3,576,318	-	486,628	-	4,062,946	-
Infrastructure	21,155,847	-	18,270,093	15,058,059	54,483,999	-
Less: Accumulated depreciation	(5,138,442)	-	(8,161,753)	(5,508,181)	(18,808,376)	-
TOTAL ASSETS	22,535,643	2,883,292	12,076,412	10,098,133	47,593,480	861,993
LIABILITIES						
Accounts and claims payable	622,033	-	817,927	17,597	1,457,557	242,726
Accrued and other current liabilities	2,426	-	1,487	759	4,672	-
Accrued interest payable	10,049	-	-	-	10,049	-
Due to other funds	-	-	857,479	-	857,479	60,000
Long-term obligations						
Due within one year	265,000	-	-	-	265,000	-
Due in more than one year	3,009,003	-	71,308	25,341	3,105,652	-
TOTAL LIABILITIES	3,908,511	-	1,748,201	43,697	5,700,409	302,726
NET ASSETS						
Invested in capital assets, net of related debt	17,021,401	-	10,594,968	9,549,878	37,166,247	-
Unrestricted	1,605,731	2,883,292	(266,757)	504,558	4,726,824	559,267
TOTAL NET ASSETS	$ 18,627,132	$ 2,883,292	$ 10,328,211	$ 10,054,436	41,893,071	$ 559,267
Adjustment to reflect the consolidation of the internal service fund activities related to enterprise funds					(5,443)	
Net assets of business-type activities as reported on the Statement of Net Assets (page 10)					$ 41,887,628	

The notes to the basic financial statements are an integral part of this statement.

CITY OF DE PERE, WISCONSIN
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2011

	Enterprise Funds					Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility	Total	
Operating Revenues						
Charges for services	$ 5,710,421	$ -	$ 2,888,511	$ 917,062	$ 9,515,994	$ 3,320,890
Other	797,014	-	3,235,276	-	4,032,290	-
Total Operating Revenues	6,507,435	-	6,123,787	917,062	13,548,284	3,320,890
Operating Expenses						
Claims and administrative fees	-	-	-	-	-	3,387,993
Operation and maintenance	4,561,331	-	5,845,086	710,464	11,116,881	-
Depreciation	366,707	-	474,676	301,161	1,142,544	-
Taxes	42,735	-	-	-	42,735	-
Total Operating Expenses	4,970,773	-	6,319,762	1,011,625	12,302,160	3,387,993
Operating Income (Loss)	1,536,662	-	(195,975)	(94,563)	1,246,124	(67,103)
Nonoperating Revenues (Expenses)						
Interest income	10,454	-	-	-	10,454	104,249
Interest and fiscal charges	(129,773)	-	-	-	(129,773)	-
Total Nonoperating Revenues (Expenses)	(119,319)	-	-	-	(119,319)	104,249
Income (Loss) Before Contributions and Transfers	1,417,343	-	(195,975)	(94,563)	1,126,805	37,146
Capital contributions	261,955	-	390,205	109,000	761,160	-
Transfers out	(423,014)	-	(269,797)	-	(692,811)	-
Change in Net Assets	1,256,284	-	(75,567)	14,437	1,195,154	37,146
Net Assets - January 1	17,370,848	2,883,292	10,403,778	10,039,999	40,697,917	522,121
Net Assets - December 31	$ 18,627,132	$ 2,883,292	$ 10,328,211	$ 10,054,436	$ 41,893,071	$ 559,267

Change in Net Assets per above	$ 1,195,154
Adjustment to reflect the consolidation of the internal service fund activities related to enterprise funds	(25,809)
Change in Net assets of business-type activities as reported on the Statement of Activities (pages 11-12)	$ 1,169,345

The notes to the basic financial statements are an integral part of this statement.

CITY OF DE PERE, WISCONSIN
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011

	Enterprise Funds					Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility	Total	
Cash Flows from Operating Activities						
Cash received from user charges	$ 5,798,045	$ -	$ 5,984,621	$ 917,062	$ 12,699,728	$ -
Cash received from interfund services provided	55,246	-	(55,246)	-	-	3,320,890
Cash payments to suppliers	(3,891,139)	-	(5,420,501)	(231,112)	(9,542,752)	(3,264,655)
Cash payments to employees	(742,915)	-	(269,820)	(474,700)	(1,487,435)	-
Net Cash Provided by Operating Activities	1,219,237	-	239,054	211,250	1,669,541	56,235
Cash Flows from Noncapital Financing Activities						
Changes in assets and liabilities:						
Due to other funds	-	-	308,599	-	308,599	-
Transfers out	(423,014)	-	(269,797)	-	(692,811)	-
Net Cash Provided (Used) by Operating Activities	(423,014)	-	38,802	-	(384,212)	(216,146)
Cash Flows from Capital and Related Financing Activities						
Acquisition of capital assets	(591,018)	-	(277,856)	(311,643)	(1,180,517)	-
Proceeds from sale of Treatment Plant	-	160,485	-	-	160,485	-
Principal payments on long-term debt	(255,000)	-	-	-	(255,000)	-
Interest payments on long-term debt	(130,582)	-	-	-	(130,582)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(976,600)	160,485	(277,856)	(311,643)	(1,405,614)	-
Cash Flows from Investing Activities						
Investment income	10,454	-	-	-	10,454	104,249
Change in Cash and Cash Equivalents	(169,923)	160,485	-	(100,393)	(109,831)	(55,662)
Cash and Cash Equivalents - January 1	203,527	155,049	150,000	648,648	1,157,224	917,655
Cash and Cash Equivalents - December 31	$ 33,604	$ 315,534	$ 150,000	$ 548,255	$ 1,047,393	$ 861,993
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:						
Operating income (loss)	$ 1,536,662	$ -	$ (195,975)	$ (94,563)	$ 1,246,124	$ (67,103)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	366,707	-	474,676	301,161	1,142,544	-
Depreciation charged to sewer	55,246	-	(55,246)	-	-	-
Changes in assets and liabilities						
Accounts receivable	(208,324)	-	(139,166)	-	(347,490)	-
Other accounts receivable	(501,066)	-	-	-	(501,066)	-
Inventories and prepaid expenses	(1,003)	-	-	-	(1,003)	-
Accounts and claims payable	(53,441)	-	83,456	(20,847)	9,168	123,338
Accrued liabilities	(290)	-	1	158	(131)	-
Compensated absences	24,746	-	71,308	25,341	121,395	-
Net Cash Provided by Operating Activities	$ 1,219,237	$ -	$ 239,054	$ 211,250	$ 1,669,541	$ 56,235
Noncash Investing, Capital and Financing Activities						
Capital contributions	$ 261,955	$ -	$ 390,205	$ 109,000	$ 761,160	$ -

The notes to the basic financial statements are an integral part of this statement.

CITY OF DE PERE, WISCONSIN
Statement of Net Assets
Agency Funds
December 31, 2011

	Tax Collection	Trust Deposits	Total
ASSETS			
Cash and cash equivalents	$ 7,307,614	$ 27,592	$ 7,335,206
Accounts receivable			
Taxes receivable	22,753,626	-	22,753,626
TOTAL ASSETS	$ 30,061,240	$ 27,592	$ 30,088,832
LIABILITIES			
Due to other governments			
State of Wisconsin	$ 299,248	$ -	$ 299,248
Brown County	7,837,471	-	7,837,471
Northeast Wisconsin Technical College	2,710,470	-	2,710,470
School District of De Pere	9,442,886	-	9,442,886
West De Pere School District	9,771,165	-	9,771,165
Deposits held in trust	-	27,592	27,592
TOTAL LIABILITIES	$ 30,061,240	$ 27,592	$ 30,088,832

The notes to the basic financial statements are an integral part of this statement.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of De Pere, Wisconsin ("the City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

1. Reporting Entity

   The City of De Pere is a municipal corporation governed by an elected eight-member council. In accordance with GAAP, the basic financial statements are required to include the City (the primary government) and any separate component units that have a significant operational or financial relationship with the City. The City has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statement Nos. 14 and 39.

2. Related Organization

   The Mayor and City Council are responsible for appointing the board members of the De Pere Housing Authority, but the City's involvement with this organization does not extend beyond making the appointments. The City is not financially accountable for the Housing Authority as defined by standards in GASB Statements Nos. 14 and 39. Therefore this organization is not included in the City's reporting entity.

3. Government-Wide and Fund Financial Statements

   The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services.

   The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

   Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

   The City reports the following major governmental funds:

   GENERAL FUND

   This is the City's main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

DEBT SERVICE FUND

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

PUBLIC IMPROVEMENTS FUND

This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

TID NO. 6 FUND

This fund is used to account for financial resources to be used for projects in the City's Tax Incremental District No. 6.

The City reports the following major enterprise funds:

WATER UTILITY FUND

This fund is used to account for the operations of the City's water utility.

WASTEWATER TREATMENT PLANT UTILITY FUND

This fund is used to account for the operations of the City's wastewater treatment plant utility.

WASTEWATER UTILITY FUND

This fund is used to account for the operations of the City's wastewater utility.

STORMWATER UTILITY FUND
This fund is used to account for the operations of the City's stormwater utility.

Additionally, the government reports the following fund types:

Internal service funds account for health insurance and dental insurances services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

The City accounts for property taxes collected on behalf of other governments and trust deposits in *agency funds.*

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City implemented GASB Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2011. The City reports the following special revenue funds, including the purpose and significant revenue source:

Fund	Purpose	Significant Revenues
Development Loan Program	Economic development loans	Intergovernmental grants and aids and interest
Public Land Acquisition	Recreational land acquisition	Charges for services - park dedication fees
Cable Access	Local government access programming	Grants and aids/ franchise license fees
Dog Park	Recreation for City residents	Donations
Riverwalk Pier	Recreation for City residents	Intergovernmental grants and donations

4. Measurement Focus and Basis of Accounting
The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund (other than agency funds) financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

5. Assets, Liabilities and Net Assets or Equity

   a. Cash and Investments
   Cash and investments are combined in the financial statements. Cash deposits consist of demand and nonnegotiable time deposits with financial institutions and are carried at cost. Investments with maturity dates of less than one year are stated at amortized cost, which approximates fair value. Investments with maturity dates exceeding one year are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

   b. Accounts Receivable
   Accounts receivable are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

   c. Interfund Receivables and Payables
   During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements.

   The amount reported on the statement of net assets for internal balances represents the residual balance outstanding between the governmental activities and business-type activities.

   d. Inventories
   Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

   Inventories of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

   e. Prepaid Items
   Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items.

   Prepaid items of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Capital Assets
Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of $5,000 or higher and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

	Governmental Activities	Business-type Activities
	Years	
Assets		
Land improvements	10 - 40	-
Buildings and improvements	30 - 40	25 - 50
Machinery and equipment	3 - 15	3 - 10
Infrastructure	15 - 75	25 - 100

Annual depreciation expense for the enterprise fund reported on the statement of cash flows exceeds depreciation expense reported on the statement of revenues, expenses and changes in net assets. The difference results from depreciation expense applicable to transportation and certain other operating equipment of the water utility enterprise fund being charged to operating expense accounts other than the depreciation expense account. This accounting procedure is required by the Public Service Commission of the State of Wisconsin.

g. Compensated Absences
It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

h. Deferred Revenue
Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or for resources that have been received, but not yet recognizable.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

j. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

For the year ended December 31, 2011, the City implemented GASB Statement No. 54 *Fund Balance Reporting and* Governmental *Fund Type Definitions*. The Statement provides more clearly defined fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which fund balance amounts can be spent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.

- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.

- Committed fund balance - Amounts that are constrained for specific purposes by action of the City Council. These constraints can only be removed or changed by the City Council using the same action that was used to create them.

- Assigned fund balance - Amounts that are constrained for specific purposes by action of City management. The City Council has not authorized any City official or committee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned, unless committed by City Council action.

- Unassigned fund balance - Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

Equity is classified as net assets and displayed in three components:

- Invested in capital assets, net of related debt - Amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net assets - Amount of net assets that are subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net assets - Net assets that are neither classified as restricted nor as invested in capital assets, net of related debt.

k. Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE B - STEWARDSHIP AND COMPLIANCE

Budgets and Budgetary Accounting
The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During November, City management submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council action.

2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, special revenue, debt service, capital project, and enterprise funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.

3. During the year, formal budgetary integration is employed as a management control device for the general, debt service and certain capital project funds. Management control of special revenue funds and other capital projects funds are achieved through grant contracts, bond issuance resolutions, Tax Incremental District project plans and available balances.

4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the City Council.

5. Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2011.

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

The City maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and investments."

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the City's cash and investments totaled $21,396,059 on December 31, 2011 as summarized below:

Petty cash funds	$ 3,060
Deposits with financial institutions	1,165,927
Investments	20,227,072
	$ 21,396,059

Reconciliation to the basic financial statements:

Basic financial statements	
Cash and investments	$ 13,420,854
Restricted cash and investments	639,999
Fiduciary funds	
Agency fund	7,335,206
	$ 21,396,059

Deposits and investments of the City are subject to various risks. Presented below is a discussion of the specific risks and the City's policy related to the risk.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The City's policy requires collateralization for depository institutions rated average. Collateralization is not required for institutions rated superior or excellent.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for time and savings deposits and $250,000 for interest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of $250,000 for all time accounts, savings accounts and interest-bearing demand deposit accounts per official custodian per depository institution. In addition, the County's non-interest bearing transaction accounts are fully insured through December 31, 2012. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of $400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2011, none of the City's deposits with financial institutions were in excess of federal depository insurance limits.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The City does not have an additional credit risk policy. Presented below is the actual rating as of year end for each investment type.

Investment Type	Amount	Exempt From Disclosure	AAA	Aa	Not Rated
U.S. Treasury notes	$ 4,373,140	$ 4,373,140	$ -	$ -	$ -
Money market funds	260,995	-	-	-	260,995
Federal agency securities	5,999,287	-	5,999,287	-	-
Wisconsin local government investment pool	9,593,650	-	-	-	9,593,650
Totals	$ 20,227,072	$ 4,373,140	$ 5,999,287	$ -	$ 9,854,645

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Concentration of Credit Risk
The investment policy of the City limits the amount that can be invested in any one security type or issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Reported Amount	Percent of Total
Federal National Mortgage Association	$ 3,869,360	20%
Federal Home Loan Mortgage Corporation	1,815,434	9%

Interest Rate Risk
Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

		Remaining Maturity (in Months)			
Investment Type	Amount	12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury notes	$ 4,373,140	$ 1,147,436	$ 2,383,116	$ 842,588	$ -
Money market funds	260,995	260,995	-	-	-
Federal agency securities	5,999,287	188,149	989,958	798,999	4,022,181
Wisconsin local government investment pool	9,593,650	9,593,650	-	-	-
Totals	$ 20,227,072	$ 11,190,230	$ 3,373,074	$ 1,641,587	$ 4,022,181

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations
The City's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

Highly Sensitive Investments	Fair Value at Year End
Mortgage backed securities. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates.	$ 5,999,287

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Investment in Wisconsin Local Government Investment Pool
The City has investments in the Wisconsin local government investment pool of $9,593,650 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2011, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

Restricted Cash & Investments
Restricted cash and investments of the Wastewater Collection Utility totaled $150,000 on December 31, 2011, and is held for capital asset replacement. Restricted cash and investments of the Debt Service fund totaled $489,999 on December 31, 2011, and is held for debt retirement.

2. Property Taxes
Property taxes consist of taxes on real estate and personal property. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City.

The City bills and collects its own property taxes and also levies and collects taxes for the School District of De Pere, West De Pere School District, Brown County and the State of Wisconsin. The Brown County Treasurer collects property taxes billed by the City in accordance with a contract between the County and the City.

3. Due From Other Governments
On December 31, 2007, the City of De Pere sold its wastewater treatment facility to the Green Bay Metropolitan Sewerage District (GBMSD). As part of the sale, the City received a 20 year non-interest bearing note from the GBMSD in the amount of $3,209,700 payable to the City in annual installments of $160,485. The balance of the note receivable at December 31, 2011 was $2,567,758.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Capital Assets
Capital asset activity for the year ended December 31, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 8,101,479	$ 167,000	$ -	$ 8,268,479
Capital assets, being depreciated:				
Land improvements	2,296,462	48,578	-	2,345,040
Buildings and improvements	10,868,512	438,995	-	11,307,507
Machinery and equipment	2,473,797	139,741	-	2,613,538
Vehicles	6,934,381	270,975	-	7,205,356
Infrastructure	67,400,497	1,010,500	235,556	68,175,441
Subtotals	89,973,649	1,908,789	235,556	91,646,882
Less accumulated depreciation for:				
Land improvements	1,894,005	55,942	-	1,949,947
Buildings and improvements	5,445,198	274,473	-	5,719,671
Machinery and equipment	1,450,363	175,431	-	1,625,794
Vehicles	4,431,035	553,863	-	4,984,898
Infrastructure	24,409,016	1,473,115	235,556	25,646,575
Subtotals	37,629,617	2,532,824	235,556	39,926,885
Total capital assets, being depreciated, net	52,344,032	(624,035)	-	51,719,997
Governmental activities capital assets, net	$ 60,445,511	$ (457,035)	$ -	59,988,476
Less related long-term debt outstanding				28,877,303
Invested in capital assets, net of related debt				$ 31,111,173
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 53,207	$ -	$ -	$ 53,207
Capital assets, being depreciated:				
Buildings	539,471	-	-	539,471
Machinery and equipment	4,034,255	29,604	913	4,062,946
Infrastructure	52,869,666	1,912,073	297,740	54,483,999
Subtotals	57,443,392	1,941,677	298,653	59,086,416
Less accumulated depreciation:	17,964,485	1,142,544	298,653	18,808,376
Total capital assets, being depreciated, net	39,478,907	799,133	-	40,278,040
Business-type activities capital assets, net	$ 39,532,114	$ 799,133	$ -	40,331,247
Less related long-term debt outstanding				3,165,000
Invested in capital assets, net of related debt				$ 37,166,247

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation expense was charged to functions of the City as follows:

Governmental activities	
General government	$ 41,210
Public safety	217,560
Public works	1,993,018
Culture and recreation	281,036
Total depreciation expense - governmental activities	$ 2,532,824
Business-type activities	
Water utility	$ 366,707
Wastewater utility	474,676
Stormwater utility	301,161
Total depreciation expense - business-type activities	$ 1,142,544

5. Interfund Receivable, Payables, and Transfers
Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2011 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Advance		
General Fund	$ 60,000	$ -
Internal Service Funds		
Health Self Insurance	-	50,000
Dental Self Insurance	-	10,000
Temporary Cash Advances to Finance Operating Cash		
Deficits of Other Funds		
General Fund	857,479	-
Enterprise funds		
Wastewater utility	-	857,479
Totals	$ 917,479	$ 917,479

Interfund transfers for the year ended December 31, 2011 were as follows:

	Transfer to:			
	General Fund	Debt Service	TID No. 5	Total
Transfers from:				
Cable Access	$ 18,500	$ -	$ -	$ 18,500
Capital Equipment	300,000	-	-	300,000
TID No. 5	-	972,740	-	972,740
TID No. 6	-	1,300,505	200,000	1,500,505
Water utility	423,014	-	-	423,014
Wastewater utility	269,797	-	-	269,797
	$ 1,011,311	$ 2,273,245	$ 200,000	$ 3,484,556

Transfers are made in accordance with annual budgets.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Deferred Revenues

Governmental activities and governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds also report deferred revenue in connection with receivables for resources that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue were as follows:

	Unavailable	Unearned
Subsequent year tax levy receivable		
General fund	$ -	$ 7,694,836
Debt service fund	-	1,238,022
Capital projects fund		
Public improvements	-	941,276
Capital equipment	-	400,000
TID No. 5	-	944,139
TID No. 6	-	1,452,246
Advance state aid		
General fund	-	14,690
Postponed special assessment installments		
Capital projects fund		
Public improvements	1,655,920	-
Development loans receivable		
Special revenue funds		
Development loan program	988,494	-
Totals	$ 2,644,414	$ 12,685,209

Postponed special assessments are generally collectible in annual installments from one to five years while certain others have been deferred up to ten years or until the property is sold or placed in service.

The development loans receivable of $988,494 represents various loans to business entities within the City. They were originally financed from economic development grants received by the City from the Wisconsin Department of Development. Repayment of principal and interest on these loans is recorded as revenue in the development loan program fund and is used to finance additional development loans.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

7. Long-term Obligations
The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2011:

	Outstanding 1/1/11	Issued	Retired	Outstanding 12/31/11	Due Within One Year
Governmental activities:					
General Obligation Debt					
Bonds	$ 19,450,000	$ 2,245,000	$ 2,015,000	$ 19,680,000	$ 1,345,000
Taxable Bonds	1,790,000	-	25,000	1,765,000	25,000
Notes	6,530,000	1,565,000	1,135,000	6,960,000	1,610,000
Taxable Notes	690,000	-	30,000	660,000	30,000
Total General Obligation Debt	28,460,000	3,810,000	3,205,000	29,065,000	3,010,000
Capital lease payable	144,617	-	99,096	45,521	30,047
Compensated absences	1,592,592	184,071	-	1,776,663	-
Governmental activities Long-term obligations	$ 30,197,209	$ 3,994,071	$ 3,304,096	$ 30,887,184	$ 3,040,047
Business-type activities:					
Water utility revenue bonds	$ 3,420,000	$ -	$ 255,000	$ 3,165,000	$ 265,000
Compensated absences	84,257	121,395	-	205,652	-
Business-type activities Long-term obligations	$ 3,504,257	$ 121,395	$ 255,000	$ 3,370,652	$ 265,000

Total interest paid during the year on long-term debt totaled $1,121,844.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Bonds	
$1,505,000 issued 4/01/03; $60,000 to $120,000 due annually through 2023; interest 5.20%	$ 1,070,000
$1,790,000 issued 7/01/03; $75,000 to $125,000 due annually through 2023; interest 2.0% to 4.0%	1,225,000
$1,115,000 issued 7/01/03; $70,000 to $105,000 due annually through 2018; interest 3.25% to 4.75%	625,000
$4,815,000 issued 3/25/04; $175,000 to $220,000 due annually through 2016; interest 2.0% to 4.0%	1,015,000
$3,605,000 issued 3/25/04; $285,000 to $400,000 due annually through 2019; interest 3.25% to 4%	2,745,000
$2,650,000 issued 8/1/05; $25,000 to $265,000 due annually through 2024; interest 3.5% to 4.15%	2,575,000
$4,050,000 issued 6/15/06; $165,000 to $315,000 due annually through 2025; interest 4.03%	3,340,000
$2,020,000 issued 11/7/07; $80,000 to $155,000 due annually through 2026; interest 4.05%	1,720,000
$1,000,000 issued 8/1/08; $40,000 to $75,000 due annually through 2027; interest 4.25%	895,000
$2,270,000 issued 8/1/08; $45,000 to $255,000 due annually through 2027; interest 4.55%	2,225,000
$2,245,000 issued 8/15/11; $180,000 to $255,000 due annually through 2025; interest 0.50% to 3.45%	2,245,000
Total Bonds	19,680,000
Taxable Bonds	
$1,875,000 issued 5/12/09; $85,000 to $155,000 due annually through 2028; interest 2.0% to 5.625%	1,765,000
Notes	
$1,690,000 issued 3/25/04; $190,000 to $210,000 due annually through 2013; interest 1.2% to 3.4%	415,000
$685,000 issued 8/1/05; $180,000 due in 2012; interest 3.5%	180,000
$2,375,000 issued 8/1/05; $140,000 to $370,000 due annually through 2015; interest 3.80% to 5.0%	1,185,000
$1,220,000 issued 8/1/08; $125,000 to $155,000 due annually through 2017; interest 3.43%	855,000
$2,985,000 issued 10/28/10; $205,000 to $360,000 due annually through 2020; interest 1.50% to 3.0%	2,760,000
$1,565,000 issued 8/15/11; $80,000 to $430,000 due annually through 2020; interest 2.0% to 2.70%	1,565,000
Total Notes	6,960,000
Taxable Notes	
$800,000 issued 5/12/09; $30,000 to $130,000 due annually through 2018; interest 2.0% to 4.75%	660,000
Total General Obligation Debt	$ 29,065,000

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of $29,065,000 on December 31, 2011 are detailed below:

Year Ended	Governmental Activities		
December 31	Principal	Interest	Total
2012	$ 3,010,000	$ 1,103,879	$ 4,113,879
2013	2,725,000	990,188	3,715,188
2014	2,610,000	902,788	3,512,788
2015	2,625,000	815,835	3,440,835
2016	2,515,000	728,809	3,243,809
2017-2021	9,190,000	2,414,811	11,604,811
2022-2026	5,760,000	855,868	6,615,868
2027-2028	630,000	43,249	673,249
	$ 29,065,000	$ 7,855,427	$ 36,920,427

For governmental activities, the other long-term liabilities are generally funded by the general fund.

Build America Bonds
The taxable general obligation bonds and notes issued on May 12, 2009 totaling $1,875,000 qualify as Build America Bonds, as described in Section 54AA of the Internal Revenue Code. The interest on the debt is taxable as set forth in the regulations. The City is eligible to receive a 35% subsidy of the annual interest payment from the Federal government. In order to receive this subsidy it is necessary for the City to file a claim form annually.

Legal Margin for New Debt
The City's legal margin for creation of additional general obligation debt on December 31, 2011 was $59,591,514 as follows:

Equalized valuation of the City		$ 1,763,330,300
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		88,166,515
Total outstanding general obligation debt applicable to debt limitation	$ 29,065,000	
Less: Funds held in debt service fund for retirement of general obligation debt	489,999	28,575,001
Legal Margin for New Debt		$ 59,591,514

Capital Lease
The City has entered into various capital leases for vehicles and equipment. The future payments required under the terms of the leases are as follows:

Year Ending December 31,	Amount
2012	$ 31,563
2013	15,782
Total Minimum Payments Required	47,345
Less: Amount representing interest	1,824
Present Value of Future Minimum Lease Payments	$ 45,521

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Water Utility Revenue Bonds
Water Utility Revenue Bonds outstanding on December 31, 2011 totaled $3,165,000 and is composed of the following issue:

$4,395,000 issued 3/7/07; $245,000 to $370,000 due annually through 2021; interest 3.810%	$ 3,165,000

Annual principal and interest maturities of the outstanding water utility revenue bonds of $3,165,000 on December 31, 2011 are detailed below:

	Business-type Activities		
Due	Principal	Interest	Total
2012	$ 265,000	$ 120,586	$ 385,586
2013	275,000	110,490	385,490
2014	285,000	100,013	385,013
2015	300,000	89,154	389,154
2016	310,000	77,724	387,724
2017-2021	1,730,000	202,501	1,932,501
	$ 3,165,000	$ 700,468	$ 3,865,468

Water Utility Revenues Pledged
The City has pledged future water customer revenues, net of specified operating expenses, to repay the water system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the utility. The bonds are payable through 2021. The total principal and interest remaining to be paid on the bonds is $3,865,468. Principal and interest paid for the current year and total customer net revenues were $385,302 and $1,913,823, respectively.

8. Fund Equity
In the fund financial statements, portions of governmental fund balances are committed by County Board action. At December 31, 2011, fund balance was committed as follows:

General Fund	
Committed for subsequent years' expenditures	
Police- radio outlay	$ 49,000
Police- community policing	2,609
Police- training	2,406
Fire/Rescue- radio outlay	117,099
Fire/Rescue- copy machine	10,000
Fire/Rescue- ACT 102	12,038
Fire/Rescue- EOC	2,977
Fire/Rescue- fire prevention	3,894
Public works- engineering furniture	2,180
Public works- engineering GPS/AVL Equipment	1,882
Traffict signs & markings- solar pedestrian signs	4,000
Parks Forestry- consulting emerald ash borer	2,500
Economic development- training	1,200
Economic development- consulting TIF #9 creation	4,400
GIS- SQL training	1,900
GIS- consulting for DIME consortium project	2,750
GIS- equipment outlay for LIDAR 3D software	3,200
Total	$ 224,035

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Special Revenue Funds	
Committed for subsequent years' expenditures	
Cable Access	$ 262,943
Dog Park	8,874
Riverwalk Pier	338,508
Total	$ 610,325

Capital Projects Funds	
Committed for capital outlay	
Public Improvements	$ 1,174,011
Capital Equipment	545,019
Community Center	3,191
Police/Fire Expansion	2,932
Total	$ 1,725,153

9. Minimum Fund Balance Policy
The City Council has adopted a policy that fund balance in the amount of 20% of the ensuing year's budgeted general fund expenditures be maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2012 General Fund Expenditures	$ 15,581,641
Minimum Fund Balance %	(x) 20%
Minimum Fund Balance Amount	$ 3,116,328

The City's unassigned general fund balance of $4,726,093 is above the range of the minimum fund balance amount.

NOTE D - OTHER INFORMATION

1. Retirement Commitments
All eligible City employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All permanent employees hired before July 1, 2011 and expected to work over 600 hours a year (440 hours for teachers and educational support employees) or hired on or after July 1, 2011 and expected to work over 1200 hours a year are eligible to participate in the WRS. Covered employees in the General category are required by statute to contribute 5.8% of their salary (6.65% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security, and 5.8% for Protective Occupations without Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for City employees covered by the WRS for the year ended December 31, 2011 was $8,743,756; the employer's total payroll was $9,336,527. The total required contribution for the year ended December 31, 2011 was $1,345,653, which consisted of $1,271,605, or 14.5% of payroll from the employer and $74,048 or 0.8% of payroll from employees. Total contributions for the years ending December 31, 2010 and 2009 were $1,087,583 and $1,038,790, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service and (3) a formula factor. Final average earnings is the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 or after April 24, 1998 are immediately vested.

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits is determined under Chapter 40 of Wisconsin Statutes. The WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, Wisconsin 53707-7931.

NOTE D - OTHER INFORMATION (Continued)

2. Risk Management

The City has purchased commercial insurance policies for various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; injuries to employees; or acts of God. Payments of premiums for these policies are recorded as expenditures or expenses in various funds of the City.

In addition to the above, the City has established two separate internal service funds for risk management programs to finance employees' health and employees' dental claims. The risk management programs are funded by charges to City departments and employees. For 2011, the health insurance program had stop loss health insurance coverage commencing at $75,000 per individual claim and $2,297,823 for the aggregate of claims. Fund expenses consist of payments to a third-party administrator for medical and dental claims, stop loss insurance premiums and administrative fees. Settlements have not exceeded insurance coverage for each of the past three years. On December 31, 2011, the health self-insurance fund had a net assets balance of $533,285, while the dental self-insurance fund had unrestricted net asset balance of $25,982. Claim liabilities at year-end are recorded based on actual claim payments reported at year-end and paid after the balance sheet date of December 31 up to the date of preparing the financial statements. The City does not report an estimated liability for claims incurred but not reported. Changes in each fund's claims liability amount for 2010 and 2011 follow:

	2010			
	Liability January 1	Current Year Claims	Claim Payments	Liability December 31
Health	$ 175,453	$ 1,875,119	$ 1,718,294	$ 332,278
Dental	11,606	102,873	111,223	3,256
Total	$ 187,059	$ 1,977,992	$ 1,829,517	$ 335,534

	2011			
	Liability January 1	Current Year Claims	Claim Payments	Liability December 31
Health	$ 332,278	$ 2,792,998	$ 2,884,367	$ 240,909
Dental	3,256	125,024	126,463	1,817
Total	$ 335,534	$ 2,918,022	$ 3,010,830	$ 242,726

3. Tax Incremental Districts

The City maintains capital projects funds for four Tax Incremental Districts (TID) created in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the Districts were created, the property tax base within each District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the City to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. All four of the City's Districts are still eligible to incur project costs. Accordingly, the Districts are accounted for in capital projects funds.

A summary of pertinent financial information for the City's TID Districts on December 31, 2011 follows:

	TID No. 5	TID No. 6	TID No. 7	TID No. 8
Creation date	1/1/1996	1/1/1998	1/1/2007	1/1/2007
Termination date	12/31/2018	12/31/2020	12/31/2029	12/31/2029
Tax increment property tax revenues for 2011	$ 949,440	$ 1,739,596	$ -	$ -
Net unreimbursed project costs due City	8,584,775	755,957	1,767,564	(91,441)

Unless terminated by the City prior thereto, the Districts will statutorily terminate on their termination dates.

NOTE D - OTHER INFORMATION (Continued)

4. Water Purchase Contract with Central Brown County Water Authority
The City of De Pere is a Charter Member of the Central Brown County Water Authority with five other Brown County communities. The Authority was formed under Wisconsin Statutes in 1998 to provide a long-term solution to water quantity and quality concerns. In 2004, the Authority entered into a contract to purchase Lake Michigan water from the City of Manitowoc. In 2007, the Authority completed construction of a 30 mile water transmission main from the City of Manitowoc and a 35 mile long spoke transmission system to distribute the water to its individual members. To provide funds to complete construction projects, the Authority issued $136,625,000 of revenue bonds in June of 2005.

   Each Charter Member has entered into a water purchase contract under which they agree to purchase wholesale water from the Authority. Rates charged to each member are billed monthly and are based on (1) operation and maintenance costs, (2) fixed costs, including debt service on the revenue bonds and (3) required Security Fund deposits. During 2011 the City paid the Authority $3,534,493 in accordance with the water purchase contract.

   The contract requires each Charter Member to purchase water through 2040 or when the revenue bonds are retired, whichever is sooner. The contract also requires the members to fund the revenue bond Security Fund to provide additional funds for Authority debt service if sufficient funds are not available from the monthly billings.

5. Contingencies
From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the City Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

6. Property Tax Levy Limit
Wisconsin state statues provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2011 budget year, the increase in the maximum allowable tax levy is limited to the greater of the percentage change in the City's January 1 equalized value as a result of net new construction or 3.0% per year. The actual limit for the City for the 2011 budget was 3.0%. For the 2012 budget year, Wisconsin statutes limit the increase in the maximum allowable tax levy to the change in the County's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2012 budget was 0.94%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

SUPPLEMENTAL INFORMATION

CITY OF DE PERE, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Revenues
For the Year Ended December 31, 2011

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Taxes				
General property	$ 7,706,599	$ 7,706,599	$ 7,699,109	$ (7,490)
Mobile home	-	-	7,232	7,232
Sales tax	100	100	120	20
Room tax	7,000	7,000	5,302	(1,698)
Payments in lieu of taxes	2,500	2,500	-	(2,500)
Housing authority	27,000	27,000	28,217	1,217
Interest and penalties	1,100	1,100	1,007	(93)
Interest and penalties on special assessments	3,100	3,100	606,485	603,385
Total Taxes	7,747,399	7,747,399	8,347,472	600,073
Intergovernmental				
Law enforcement training	5,800	5,800	20,953	15,153
State shared taxes	1,577,853	1,577,853	1,585,084	7,231
Exempt computer aid	140,193	140,193	196,295	56,102
Fire insurance	60,676	60,676	60,260	(416)
Rescue squad	7,604	7,604	6,412	(1,192)
Transportation	1,149,415	1,149,415	1,149,307	(108)
Mass transit	294,790	294,790	294,790	-
DNR - lieu of taxes	-	-	1,218	1,218
Public health	48,000	48,000	85,274	37,274
Recycling	140,000	140,000	91,422	(48,578)
Other	3,500	3,500	35,000	31,500
Total Intergovernmental	3,427,831	3,427,831	3,526,015	98,184
Licenses and Permits				
Licenses				
Liquor and malt beverages	35,000	35,000	31,484	(3,516)
Operators	8,700	8,700	11,543	2,843
Cigarette	2,000	2,000	1,700	(300)
Food and beverage	50,000	50,000	47,842	(2,158)
Bicycle	200	200	-	(200)
DATCP licensing	12,000	12,000	11,120	(880)
Cable television	130,000	130,000	170,810	40,810
Electrical contractors	7,875	7,875	6,675	(1,200)
Trailer park	100	100	100	-
Dog	2,780	2,780	1,526	(1,254)
Other licenses/permits	2,500	2,500	4,866	2,366
Permits				
Construction	-	-	300	300
Electrical and plumbing	64,425	64,425	72,219	7,794
Sanitary sewer	15,000	15,000	5,300	(9,700)
Zoning and inspection	112,625	112,625	126,807	14,182
Total Licenses and Permits	443,205	443,205	492,292	49,087

(Continued)

CITY OF DE PERE, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Revenues (Continued)
For the Year Ended December 31, 2011

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Fines and Forfeits				
Court forfeitures and costs	250,000	250,000	242,400	(7,600)
Parking violations	25,000	25,000	24,782	(218)
Total Fines and Forfeits	275,000	275,000	267,182	(7,818)
Public Charges for Services				
General government	29,000	29,000	24,844	(4,156)
Police	31,060	31,060	5,528	(25,532)
Alarm monitoring fees	5,000	5,000	749	(4,251)
Ambulance	680,000	680,000	657,381	(22,619)
Streets	74,000	74,000	62,668	(11,332)
Snow removal	2,000	2,000	4,761	2,761
Weed cutting	1,000	1,000	-	(1,000)
Recycling	500	500	3,723	3,223
Public health	13,600	13,600	6,655	(6,945)
Community center	208,000	208,000	199,221	(8,779)
Swimming pools	135,000	135,000	79,277	(55,723)
Parks	8,200	8,200	14,203	6,003
Recreation	103,000	103,000	117,541	14,541
Concession sales	-	-	22,940	22,940
Total Public Charges for Services	1,290,360	1,290,360	1,199,491	(90,869)
Intergovernmental Charges for Services				
General government	131,900	131,900	104,268	(27,632)
Public safety	236,000	236,000	246,008	10,008
Public works	449,870	449,870	473,507	23,637
Total Intergovernmental Charges for Services	817,770	817,770	823,783	6,013
Miscellaneous				
Investment income	380,000	380,000	153,237	(226,763)
Donations	500	500	-	(500)
Sale of assets				
Sale of City property	216,500	216,500	15,617	(200,883)
Salvage products	-	-	2,975	2,975
Rental income	105,422	105,422	99,546	(5,876)
Department revenue	-	-	3,238	3,238
Other	500	500	5,786	5,286
Total Miscellaneous	702,922	702,922	280,399	(422,523)
Total Revenues	$ 14,704,487	$ 14,704,487	$ 14,936,634	$ 232,147

CITY OF DE PERE, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Expenditures
For the Year Ended December 31, 2011

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
General Government				
Council	$ 85,216	$ 85,216	$ 79,310	$ 5,906
Council outlay	3,000	3,000	3,900	(900)
Municipal court	89,028	89,028	88,034	994
Mayor	36,358	36,358	34,414	1,944
Administrator	124,445	124,445	112,911	11,534
Clerk/treasurer	238,156	238,156	226,999	11,157
Elections	23,459	23,459	40,559	(17,100)
Assessment of property	59,714	59,714	58,342	1,372
Accounting and finance	106,084	106,084	105,531	553
Data processing	121,573	121,573	130,858	(9,285)
Personnel and insurance	182,518	182,518	165,734	16,784
Legal	165,302	165,302	158,835	6,467
City hall	101,344	101,344	96,197	5,147
City hall outlay	10,000	10,000	25,163	(15,163)
Other general government	397,500	394,600	295,082	99,518
Total General Government	1,743,697	1,740,797	1,621,869	118,928
Public Safety				
Police department	4,157,043	4,157,043	3,967,098	189,945
Police department outlay	134,779	134,779	85,778	49,001
Traffic control	90,939	90,939	78,617	12,322
Fire/ambulance department	3,219,296	3,219,296	3,329,405	(110,109)
Fire/ambulance department outlay	172,350	172,350	18,335	154,015
Building and electrical	247,630	247,630	238,469	9,161
Jail	15,060	15,060	17,849	(2,789)
Total Public Safety	8,037,097	8,037,097	7,735,551	301,546
Public Works				
Street machinery repair	132,834	132,834	129,216	3,618
Municipal service center	119,007	121,907	93,798	28,109
Municipal service center outlay	50,000	50,000	35,344	14,656
Mechanics	177,291	177,291	178,443	(1,152)
Mechanics outlay	11,800	11,800	11,368	432
Administration	149,842	149,842	139,910	9,932
Administration outlay	1,680	1,680	-	1,680
Engineer	388,702	388,702	386,522	2,180
Engineer outlay	9,112	9,112	3,476	5,636
Street maintenance	177,304	177,304	180,023	(2,719)
Brush pickup	93,512	93,512	107,002	(13,490)
Brush pickup outlay	3,300	3,300	-	3,300
Weed cutting	8,874	8,874	8,698	176
Snow and ice control	227,827	227,827	278,200	(50,373)
Snow and ice control outlay	3,000	3,000	1,626	1,374

(Continued)

CITY OF DE PERE, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Expenditures (Continued)
For the Year Ended December 31, 2011

	Budget			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Public Works (Continued)				
Traffic signs and markings	142,215	142,215	145,657	(3,442)
Traffic signs and markings outlay	18,000	18,000	12,285	5,715
Traffic lights	48,071	48,071	44,597	3,474
Street lighting	422,592	422,592	412,819	9,773
Street lighting outlay	500	500	-	500
Transit system	441,790	441,790	427,601	14,189
Total Public Works	2,627,253	2,630,153	2,596,585	33,568
Sanitation				
Garbage and refuse collection	281,479	281,479	297,589	(16,110)
Landfill waste disposal	200,000	200,000	102,533	97,467
Recycling	119,890	119,890	119,130	760
Total Sanitation	601,369	601,369	519,252	82,117
Health and Human Services				
Nurse	427,092	427,092	390,177	36,915
Board of health	2,065	2,065	1,520	545
Total Health and Human Services	429,157	429,157	391,697	37,460
Culture and Recreation				
Community center	528,124	528,124	460,292	67,832
Community center outlay	2,500	2,500	2,629	(129)
Special events and celebrations	10,047	10,047	5,601	4,446
Park and recreation administration	184,072	184,072	198,647	(14,575)
Park and recreation administration outlay	1,500	1,500	-	1,500
Recreation	288,887	288,887	229,734	59,153
Swimming pools	263,853	263,853	207,821	56,032
Swimming pools outlay	10,100	10,100	(14,454)	24,554
Parks	360,748	360,748	418,847	(58,099)
Parks outlay	24,750	24,750	23,852	898
Parks equipment maintenance	60,034	60,034	61,222	(1,188)
Boat ramps	26,846	26,846	21,258	5,588
Forestry	200,350	200,350	210,633	(10,283)
Historical society	10,995	10,995	5,790	5,205
Lock keeper outlay	-	-	51,880	(51,880)
Total Culture and Recreation	1,972,806	1,972,806	1,883,752	89,054
Conservation and Development				
Economic development	241,608	241,608	226,395	15,213
Total Expenditures	$ 15,652,987	$ 15,652,987	$ 14,975,101	$ 677,886

CITY OF DE PERE, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

	Special Revenue Funds					
	Development Loan Program	Public Land Acquisition	Cable Access	Dog Park	Riverwalk Pier	Total Special Revenue Funds
ASSETS						
Cash and investments	$ 793,638	$ 65,993	$ 239,539	$ 8,874	$ 375,873	$ 1,483,917
Receivables						
Taxes	-	-	-	-	-	-
Accounts	-	75,535	23,792	-	-	99,327
Loans	988,494	-	-	-	-	988,494
TOTAL ASSETS	$ 1,782,132	$ 141,528	$ 263,331	$ 8,874	$ 375,873	$ 2,571,738
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ -	$ -	$ 321	$ -	$ 37,365	$ 37,686
Accrued and other current liabilities	-	-	67	-	-	67
Deferred revenues	988,494	-	-	-	-	988,494
Total Liabilities	988,494	-	388	-	37,365	1,026,247
Fund Balances						
Restricted for						
Loans	793,638	-	-	-	-	793,638
Park land acquisition	-	141,528	-	-	-	141,528
Capital outlay	-	-	-	-	-	-
Committed for						
Subsequent years' expenditures	-	-	262,943	8,874	338,508	610,325
Capital outlay	-	-	-	-	-	-
Total Fund Balances	793,638	141,528	262,943	8,874	338,508	1,545,491
TOTAL LIABILITIES AND FUND BALANCES	$ 1,782,132	$ 141,528	$ 263,331	$ 8,874	$ 375,873	$ 2,571,738

	Capital Project Funds							
	Capital Equipment	Community Center	Police/Fire Expansion	TID No.5	TID No.7	TID No.8	Total Capital Projects Funds	Total Governmental Funds
	$ 551,394	$ 3,191	$ 2,932	$ 209,171	$ 1,184,749	$ 611,250	$ 2,562,687	$ 4,046,604
	400,000	-	-	944,139	-	-	1,344,139	1,344,139
	-	-	-	-	-	-	-	99,327
	-	-	-	-	-	-	-	988,494
	$ 951,394	$ 3,191	$ 2,932	$ 1,153,310	$ 1,184,749	$ 611,250	$ 3,906,826	$ 6,478,564
	$ 6,375	$ -	$ -	$ -	$ 347	$ -	$ 6,722	$ 44,408
	-	-	-	-	57	-	57	124
	400,000	-	-	944,139	-	-	1,344,139	2,332,633
	406,375	-	-	944,139	404	-	1,350,918	2,377,165
	-	-	-	-	-	-	-	793,638
	-	-	-	-	-	-	-	141,528
	-	-	-	209,171	1,184,345	611,250	2,004,766	2,004,766
	-	-	-	-	-	-	-	610,325
	545,019	3,191	2,932	-	-	-	551,142	551,142
	545,019	3,191	2,932	209,171	1,184,345	611,250	2,555,908	4,101,399
	$ 951,394	$ 3,191	$ 2,932	$ 1,153,310	$ 1,184,749	$ 611,250	$ 3,906,826	$ 6,478,564

CITY OF DE PERE, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Special Revenue Funds					
	Development Loan Program	Public Land Acquisition	Cable Access	Dog Park	Riverwalk Pier	Total Special Revenue Funds
Revenues						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	306,845	306,845
Licenses and permits	-	-	106,799	-	-	106,799
Public charges for services	-	8,380	-	-	-	8,380
Miscellaneous	145,633	78,000	-	11,583	97,800	333,016
Total Revenues	145,633	86,380	106,799	11,583	404,645	755,040
Expenditures						
Current						
Culture and recreation	-	-	75,009	6,489	-	81,498
Conservation and development	124	-	5,750	-	99,839	105,713
Capital outlay	-	4,795	-	-	-	4,795
Total Expenditures	124	4,795	80,759	6,489	99,839	192,006
Excess (Deficiency) of Revenues Over (Under) Expenditures	145,509	81,585	26,040	5,094	304,806	563,034
Other Financing Sources (Uses)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(18,500)	-	-	(18,500)
Total Other Financing Sources (Uses)	-	-	(18,500)	-	-	(18,500)
Net Change in Fund Balances	145,509	81,585	7,540	5,094	304,806	544,534
Fund Balances - January 1	648,129	59,943	255,403	3,780	33,702	1,000,957
Fund Balances - December 31	$ 793,638	$ 141,528	$ 262,943	$ 8,874	$ 338,508	$ 1,545,491

Capital Projects Funds							
Capital Equipment	Community Center	Police/Fire Expansion	TID No.5	TID No.7	TID No.8	Total Capital Projects Funds	Total
$ 300,000	$ -	$ -	$ 949,440	$ -	$ -	$ 1,249,440	$ 1,249,440
-	-	-	11,008	2,259	153,967	167,234	474,079
-	-	-	-	-	-	-	106,799
-	-	-	-	-	-	-	8,380
80,545	3,000	-	-	-	-	83,545	416,561
380,545	3,000	-	960,448	2,259	153,967	1,500,219	2,255,259
-	-	-	-	-	-	-	81,498
-	-	-	6,361	11,836	-	18,197	123,910
446,159	488	-	10,049	40,699	700	498,095	502,890
446,159	488	-	16,410	52,535	700	516,292	708,298
(65,614)	2,512	-	944,038	(50,276)	153,267	983,927	1,546,961
675,000	-	-	-	40,000	-	715,000	715,000
-	-	-	200,000	-	-	200,000	200,000
(300,000)	-	-	(972,740)	-	-	(1,272,740)	(1,291,240)
375,000	-	-	(772,740)	40,000	-	(357,740)	(376,240)
309,386	2,512	-	171,298	(10,276)	153,267	626,187	1,170,721
235,633	679	2,932	37,873	1,194,621	457,983	1,929,721	2,930,678
$ 545,019	$ 3,191	$ 2,932	$ 209,171	$ 1,184,345	$ 611,250	$ 2,555,908	$ 4,101,399

CITY OF DE PERE, WISCONSIN
Combining Statement of Net Assets
Internal Service Funds
December 31, 2011

	Health Self Insurance	Dental Self Insurance	Total
ASSETS			
Cash and investments	$ 824,194	$ 37,799	$ 861,993
LIABILITIES			
Accounts and claims payable	240,909	1,817	242,726
Due to other funds	50,000	10,000	60,000
TOTAL LIABILITIES	290,909	11,817	302,726
NET ASSETS			
Unrestricted	$ 533,285	$ 25,982	$ 559,267

CITY OF DE PERE, WISCONSIN

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets

Internal Service Funds

For the Year Ended December 31, 2011

	Health Self Insurance	Dental Self Insurance	Total
Operating Revenues			
Charges for services	$ 3,181,162	$ 139,728	$ 3,320,890
Operating Expenses			
Claims and administrative fees	3,253,608	134,385	3,387,993
Operating Income (Loss)	(72,446)	5,343	(67,103)
Nonoperating Revenues			
Interest income	104,249	-	104,249
Change in Net Assets	31,803	5,343	37,146
Net Assets - January 1	501,482	20,639	522,121
Net Assets - December 31	$ 533,285	$ 25,982	$ 559,267

CITY OF DE PERE, WISCONSIN
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2011

	Health Self-Insurance	Dental Self-Insurance	Total
Cash Flows from Operating Activities			
Cash received from interfund services provided	$ 3,181,162	$ 139,728	$ 3,320,890
Cash payments to suppliers	(3,128,831)	(135,824)	(3,264,655)
Net Cash Provided by Operating Activities	52,331	3,904	56,235
Cash Flows from Noncapital Financing Activities			
Advance from other funds	(216,146)	-	(216,146)
Cash Flows from Investing Activities			
Investment income	104,249	-	104,249
Change in Cash and Cash Equivalents	(59,566)	3,904	(55,662)
Cash and Cash Equivalents - January 1	883,760	33,895	917,655
Cash and Cash Equivalents - December 31	$ 824,194	$ 37,799	$ 861,993
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating income (Loss)	$ (72,446)	$ 5,343	$ (67,103)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Changes in current liabilities			
Accounts and claims payable	124,777	(1,439)	123,338
Net Cash Provided by Operating Activities	$ 52,331	$ 3,904	$ 56,235
Noncash Investing, Capital and Financing Activities			
None	$ -	$ -	$ -

CITY OF DE PERE, WISCONSIN
Water Utility Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Assets
For the Years Ended December 31, 2011 and 2010

	2011	2010
Operating Revenues		
Charges for Services		
Residential	$ 2,787,263	$ 2,438,918
Commercial	879,352	784,362
Industrial	604,445	513,248
Public authorities	159,234	146,404
Public fire protection	1,280,127	1,253,838
Total Charges for Services	5,710,421	5,136,770
Other Operating Revenues		
Forfeited discounts	61,578	61,505
Other water revenues	735,436	231,334
Total Other Operating Revenues	797,014	292,839
Total Operating Revenues	6,507,435	5,429,609
Operating Expenses		
Operation and Maintenance		
Source of supply	35,379	19,699
Pumping	85,563	105,974
Water treatment	34,606	33,020
Transmission and distribution	432,335	431,434
Customer accounts	127,269	114,819
Administrative and general	3,846,179	3,766,745
Total Operation and Maintenance	4,561,331	4,471,691
Depreciation	366,707	402,678
Taxes	42,735	39,988
Total Operating Expenses	4,970,773	4,914,357
Operating Income	1,536,662	515,252
Nonoperating Revenues (Expenses)		
Interest income	10,454	14,347
Interest and amortization expense	(129,773)	(139,222)
Total Nonoperating Revenues (Expenses)	(119,319)	(124,875)
Income Before Contributions and Transfers	1,417,343	390,377
Capital Contributions	261,955	-
Transfers out	(423,014)	(389,507)
Changes in Net Assets	1,256,284	870
Net Assets - January 1	17,370,848	17,369,978
Net Assets - December 31	$ 18,627,132	$ 17,370,848

ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the City Council
City of De Pere, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of De Pere, Wisconsin, as of and for the year ended December 31, 2011, which collectively comprise the City of De Pere, Wisconsin's basic financial statements and have issued our report thereon dated June 7, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting
Management of the City of De Pere, Wisconsin is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of De Pere, Wisconsin's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of De Pere, Wisconsin's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of De Pere, Wisconsin's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses as items 2011-01 and 2011-02 that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the City of De Pere, Wisconsin's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

We noted certain matters that we reported to management of the City of De Pere, Wisconsin in a separate letter dated June 7, 2012.

The City of De Pere, Wisconsin's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the City of De Pere, Wisconsin's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Mayor and the City Council, and is not intended to be and should not be used by anyone other than these specified parties.

Certified Public Accountants
Green Bay, Wisconsin
June 7, 2012

CITY OF DE PERE, WISCONSIN
Schedule of Findings and Responses
For the Year Ended December 31, 2011

Section I - Internal Control Over Financial Reporting

Finding No.	Control Deficiencies
2011-01	**Year End Closing and Financial Reporting**
Condition:	While the current staff of the City maintain financial records which accurately report transactions throughout the year, preparing year end GASB 34 conversion entries necessary to prepare government-wide financial statements, including related notes, require additional expertise that would entail additional training and staff time to develop. The City contracts with Schenck and their knowledge of current accounting principles to prepare required GASB conversion entries and financial reports for the City.
Criteria:	The review of financial statements by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential misstatement in the financial statements or notes.
Cause:	The additional costs associated with hiring staff experienced in preparing year end GASB 34 conversion entries and financial reports, including additional training time outweigh the derived benefits.
Effect:	The financial statements of the City could be misstated and not detected and corrected in a timely manner without our review and posting of adjusting and closing entries.
Recommendation:	We recommend the City continue reviewing the GASB 34 conversion entries along with the financial reports prepared by Schenck. While it may not be cost beneficial to hire additional staff to prepare these items, a thorough review of this information by appropriate staff of the City is necessary to obtain an adequate understanding of the City's financial report
Management Response:	Management believes the cost for additional staff time and training to prepare year end closing entries and reports outweigh the benefits to be received. Management will continue to review the reports prepared by Schenck.
2011-02	**Assistance with Capital Asset Records**
Condition:	The City's accounting personnel provides us with the current year asset additions and disposals, the method and rate of depreciation and the salvage value of the assets. From this information, we assist the City in recording the capital asset additions and disposals and calculating the annual depreciation.
Criteria:	The maintenance of detailed capital asset records is an internal control intended to safeguard assets and to prevent a potential misstatement in the financial records.
Cause:	Our audit engagement includes calculating depreciation and assisting the City in maintaining its capital asset records as the City staff do not have sufficient resources to maintain these records in accordance with generally accepted accounting principles.
Effect:	The City could have capital asset transactions which are not reflected in the detailed capital records.
Recommendation:	We recommend the accounting personnel and the City council continue to review the capital asset records of the City.
Management Response:	Management believes that the cost of hiring additional staff to maintain capital asset records outweighs the benefits to be received. Management will continue to review the capital asset records of the City.

CITY OF DE PERE, WISCONSIN
Schedule of Findings and Responses (Continued)
For the Year Ended December 31, 2011

Section II - Compliance and Other Matters

There are no findings related to compliance and other matters that are required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2011.