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 **JUNE 11, 2013 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.

***Agenda item requires City Council action.**

****Denotes additional item**

AGENDA FOR SAID MEETING

1. Roll call.

2. Approval of the minutes of the May 14, 2013 regular meeting of the Finance/Personnel Committee.

3. Overtime report of the Fire Department for the month of May.

4. Overtime report of the Police Department for the month of May.

5. Review request for the extension of Ballinamore Place and the last part of Tullig Place in Garrity's Glen subdivision. *

6. Consider utilizing Park Land Dedication Funds for the purpose of developing Master Plans for the De Pere Dog Park and Optimist Park. *

7. Consider request to fund a ball diamond at Jim Martin Park. *

8. Donation of $4,000 to the Police Department for training room matting. *

9. Consider Internet bandwidth upgrade. *

10. Wisconsin DNR Forest Fire Protection Grant. *

11. Options to evaluate fire/ems operations. *

12. 2012 Audit Report. *

13. Review request for the extension of Roth Road in Trailside Estates subdivision. *

14. Public comment and announcements.

15. Future agenda items.

** 16. Discuss Collective Bargaining Strategy

PLEASE TAKE NOTICE, that pursuant to Wis. Stats. §19.85(1)(e), the Council may convene in closed session for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.

The Council may then reconvene in open session to take action on any matter discussed in closed session or for such other purposes as are allowed by law.

17. 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., June 10, 2013 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
Trailside Development, LLC
Garrity's Glen, LLC

FINANCE/PERSONNEL COMMITTEE
CITY OF DE PERE, WISCONSIN – May 14, 2013

The Finance/Personnel Committee of the City of De Pere, Wisconsin, met in regular session at the Council Chambers in City Hall, on Tuesday, May 14, 2013.

Mayor Michael Walsh called the meeting to order at 7:30 p.m. Roll call was taken and the following members were present: Alderpersons Scott Crevier, Michael Donovan, Lisa Rafferty and Larry Lueck. Also present: City Administrator Lawrence Delo, City Attorney Judith Schmidt-Lehman, Human Resources Director Shannon Metzler, Interim Fire Chief Jeff Roemer, Planning and Economic Development Director Ken Pabich, IT Director Pete Smith, Building Inspector David Hongisto and Captain Dale Haagen.

2. Election of Vice –Chair per 6-4(c) De Pere Municipal Code. Mayor Walsh moved, seconded by Alderperson Lueck to elect Alderperson Donovan as the Vice-Chair. Upon vote, motion was approved unanimously.

3. Alderperson Donovan moved, seconded by Alderperson Rafferty, to approve the minutes of the April 9, 2013 regular meeting. Upon vote, the minutes were approved unanimously.

4. Overtime report of the Fire Department for the month of April 2013. Interim Fire Chief Roemer reviewed the changes made to the overtime report and responded to committee member questions. Upon discussion, Alderperson Donovan moved, seconded by Mayor Walsh to approve the overtime report. Upon vote, motion was approved unanimously.

5. Overtime report of the Police Department for the month of April 2013. Mayor Walsh moved, seconded by Alderperson Lueck, to approve the overtime report. Upon vote, motion was approved unanimously.

6. Overtime report of the Engineering Department for the month of April 2013. Alderperson Lueck moved, seconded by Alderperson Donovan, to approve the overtime report. Upon vote, motion was approved unanimously. City Administrator Delo asked the committee if the monthly overtime report was needed going forward. Mayor Walsh moved, seconded by Alderperson Donovan to discontinue the monthly overtime report for the Engineering Department. Upon vote, motion was approved unanimously.

7. Consider $1,500 donation to the Police Department from Christian Outreach for camera equipment. Alderperson Lueck moved, seconded by Alderperson Crevier to accept the donation for cameras to be used for evidence collection. Upon discussion and vote, motion was approved unanimously.

8. Consider out of state travel request for Chief of Police to attend a national training conference in Philadelphia, PA. Alderperson Donovan moved, seconded by Alderperson Crevier to approve the out of state travel request. Upon vote, motion was approved unanimously.

DRAFT

9. Consideration of Service Agreement with AT&T. IT Administrator Smith provided and overview of the service agreement and responded to committee member questons. Upon discussion it was decided to refer this item back to staff. No action was taken.

10. Consideration of Government Access Station Policy and Procedure. IT Administrator Smith provided an overview of the updated policy and responded to committee member questions. Upon discussion, Mayor Walsh moved, seconded by Alderperson Lueck to approve the updated policy and procedure. Upon vote, motion was approved unanimously.

11. Consideration of Government outreach software service. IT Administrator Smith provided an overview of the software service and responded to committee member questions. Upon discussion, Alderperson Crevier moved, seconded by Alderperson Donovan to approve the software service purchase. Upon vote, motion was approved unanimously.

12. Discussion on City Revolving Loan Fund Program and proposed consolidation. Planning and Economic Development Director Pabich provided an overview of the proposed consolidation and responded to committee member questions. Upon discussion, Mayor Walsh moved, seconded by Alderperson Rafferty to continue pursuing the consolidated program and to bring it forward to the council in resolution form. Upon vote, motion was approved unanimously.

13. Consideration of 2013-2014 insurance liability policy renewals. Human Resources Director Metzler provided an overview of the renewal premiums. Upon discussion, Alderperson Donovan moved, seconded by Alderperson Crevier to approve the liability policy renewal premiums. Upon vote, motion was approved unanimously.

14. Consideration of approval process for job vacancies. Upon discussion, Mayor Walsh moved, second by Alderperson Donovan to approve filling the vacant fire fighter (2), part-time secretary, police officer (3) and health officer positions. Upon vote, motion was approved unanimously. Mayor Walsh moved, seconded by Alderperson Crevier to approve the policy change regarding the filling of vacant positions. Upon vote, motion was approved unanimously.

15. 2012 Budget items carried forward 2013. Mayor Walsh moved, seconded by Alderperson Lueck to approve the items for carryover to 2013. Upon vote, motion was approved unanimously.

16. Discussion regarding proposed 2013 borrowing. City Administrator Delo provided an overview. Upon discussion, Alderperson Donovan moved, seconded by Alderperson Crevier to authorizing moving forward for bond bid. Upon vote, motion was approved unanimously.

17. 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.

18. Future Agenda Items. None.

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Mayor Walsh moved, seconded by Alderperson Crevier to convene into closed session at 8:46 p.m. pursuant to Wis. Stats. §§19.85(1)(g) and 19.85(1)(c), to discuss the claim filed by Jeff and Hanna Zepnick d/b/a Hanna's Nails and Spa, the settlement of the Visa/MasterCard Class Action lawsuit and the contract extension for Robert Gerbers. Upon roll call vote, motion carried unanimously.

Mayor Walsh moved, seconded by Alderperson Crevier to reconvene in open session at 9:39 p.m. pursuant to Wis. Stats. §§19.83 and 19.85(2). Upon roll call vote, motion carried unanimously.

19. Alderperson Crevier moved, seconded by Alderperson Lueck to deny claim filed by Jeff and Hanna Zepnick d/b/a Hanna's Nails and Spa. Upon vote, motion was approved unanimously.

20. Alderperson Donovan moved, seconded by Alderperson Crevier to authorize filing claim and objection to settlement in the Visa/MasterCard Class Action lawsuit. Upon vote, motion was approved unanimously.

21. Alderperson Lueck moved, seconded by Alderperson Donovan to approve the contract extension with Robert Gerbers for commercial electrical inspections. Upon vote, motion was approve unanimously.

Upon motion by Mayor Walsh, seconded by Alderperson Crevier, the Finance/Personnel Committee unanimously adjourned at 9:40 p.m.

Respectfully submitted,

Jennifer Dupont
Recording Secretary

DE PERE FIRE RESCUE
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	20	45	76.5	54	15	57.25	677.25
EMS TRAINING	52.5	96	69	92.75	28	2.5	16.5	21.5	75.75	59.5	77.75	66.75	658.5
FIRE TRAINING	3	16	67.5	55	55.75	0	10.75	13	51.5	26.25	29.25	3	331
RESCUE CALLS	24.75	18.5	3.5	9	15.75	7	25.75	5.5	17.25	18	0	11	156
FIRE CALLS	32	24	0	11.25	3	14.25	27.75	25.25	3	34.75	0	0	175.25
OFFICER MTGS.	3	16	11.5	14	9	4	0	4.5	16	9.5	9.75	13.5	110.75
STAFFING REP.	75.75	3.75	50.25	4.5	42.75	0	108	132	90	265.5	112.5	115	1000
MAINTENANCE	11.5	27	8	0	38.25	5.25	0	0	15	0	0	0	105
PUB. ED.	0	0	2.5	13.5	0	0	0	0	6.75	45.25	0	0	68
# FIRE RUNS	20	21	24	35	28	29	43	29	29	42	27	25	352
# of EMS RUNS	147	130	127	152	161	127	143	143	159	169	116	163	1737
TOTAL HRS.	277.75	285.25	270	266	292	60	208.75	246.75	351.75	512.75	244.25	266.5	3281.75

OVERTIME BREAKDOWN BY REASON
FOR THE YEAR OF 2013

REASON	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	TOTAL
STANDBYS	54	55.25	27	33	24.25								193.5
EMS TRAINING	292.25	81	93	69.75	9								545
FIRE TRAINING	20.5	42.25	78	20.25	30								191
RESCUE CALLS	7.5	7	5	9.5	38.5								67.5
FIRE CALLS	2.25	3.75	9.75	1	41.25								58
OFFICER MTGS.	9	9	9	21	18								66
STAFFING REP.	0	40.5	57	566.75	117								781.25
MAINTENANCE	0	0	0	0	10.5								10.5
PUB. ED.	0	0	0	0	0								0
# FIRE RUNS	28	31	18	13	42								132
# of EMS RUNS	146	153	160	132	139								730
TOTAL HRS.	385.5	238.75	278.75	721.25	288.5	0	0	0	0	0	0	0	1912.75

DE PERE FIRE RESCUE
STANDBY OVERTIME BREAKDOWN BY AREA
FOR THE YEAR OF 2013

AREA	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	TOTAL
LEDGEVIEW	6.4	7.4	3.4	6.6	4.8								28.6
LAWRENCE	7.2	7.4	2.9	3.6	3.4								24.5
ASHWAUBENON	2	1.11	0.5	1.5	0.6								5.71
CTY RESCUE	0	0	0	0	0								0
OTHER	0	0	0	0	0.4								0.4
TOTAL HRS.	15.6	15.91	6.8	11.7	9.2	0.0	0	0	0	0	0	0	59.21

MONTHLY SUMMARY OF CALLS
JANUARY THROUGH MAY

INCIDENT TYPE	2013 # OF CALLS	PERCENTAGE OF CALLS	2012 # OF CALLS	PERCENTAGE OF CALLS
FIRE	23	2.67%	19	2.25%
ENGINE RESPONSE TO RESCUE CALL	21	2.44%	32	3.79%
EMS	730	84.69%	717	84.85%
HAZARDOUS CONDITIONS (NO FIRE)	11	1.28%	17	2.01%
SERVICE	15	1.74%	5	0.59%
GOOD INTENT	10	1.16%	8	0.95%
FALSE ALARM	52	6.03%	44	5.21%
OVERPRESSURE, RUPTURE, EXPLOSION, OVERHEATING (NO FIRE)	0	0.00%	2	0.24%
SPECIAL INCIDENT TYPE	0	0.00%	1	0.12%
TOTAL CALLS	862	100.00%	845	100.00%

IMAGE TREND
Making the Web work.

Monthly EMS Run Report

(None)	Number of Records: 19
Abdominal Pain/Problems	Number of Records: 23
Allergic Reaction	Number of Records: 8
Altered Level of Consciousness	Number of Records: 56
Asthma	Number of Records: 3
Back Pain (Non-Traumatic)	Number of Records: 12
Behavioral/Psychiatric Disorder	Number of Records: 9
Bowel Obstruction	Number of Records: 1
Cardiac Arrest	Number of Records: 9
Cardiac Rhythm Disturbance	Number of Records: 11
Chest Pain/Discomfort	Number of Records: 45
CHF (Congestive Heart Failure)	Number of Records: 5
COPD (Emphysema/Chronic Bronchitis)	Number of Records: 5
Dehydration	Number of Records: 1
Diabetic Symptoms (Hypoglycemia)	Number of Records: 19
Diarrhea	Number of Records: 2
Epistaxis (Non-Traumatic)	Number of Records: 6
ETOH Abuse	Number of Records: 11
Fever	Number of Records: 10
G.I. Bleed	Number of Records: 3
General Malaise	Number of Records: 8
Headache	Number of Records: 8
Hypertension	Number of Records: 3
Hyperthermia	Number of Records: 2
Hypotension	Number of Records: 5
Migraine	Number of Records: 2
Nausea/Vomiting (Unknown Etiology)	Number of Records: 11
No Apparent Illness/Injury	Number of Records: 51
Not Applicable	Number of Records: 4
Obvious Death	Number of Records: 7
Other	Number of Records: 36
Other Abdominal/GI Problem	Number of Records: 2
Other Cardiovascular Problem	Number of Records: 2
Other CNS Problem	Number of Records: 1
Other GU Problems	Number of Records: 2
Other Illness/Injury	Number of Records: 12
Other OB/Gyn	Number of Records: 2
Pain	Number of Records: 76
Patient Assist Only	Number of Records: 6
Poisoning/Drug Ingestion	Number of Records: 5
Respiratory Distress	Number of Records: 39
Seizure	Number of Records: 21
Sepsis	Number of Records: 2
Stroke/CVA	Number of Records: 8
Substance/Drug Abuse	Number of Records: 1
Syncope/Fainting	Number of Records: 26
TIA (Transient Ischemic Attack)	Number of Records: 2
Traumatic Injury	Number of Records: 72
Unconscious	Number of Records: 5
Unknown Problem	Number of Records: 5
Vaginal Hemorrhage	Number of Records: 2
Weakness	Number of Records: 44
	Total Records: 730

Report Filters

Incident Date: is between '1/1/2013' and '5/31/2013'

Fire Department, City of De Pere, WI

Incident Type Report (Summary)

Alarm Date Between {01/01/2013} And {05/31/2013}

Incident Type	Count	Total Est Loss
1 Fire		
100 Fire, Other	3	$0
111 Building fire	9	$12,500
113 Cooking fire, confined to container	3	$450
116 Fuel burner/boiler malfunction, fire	1	$300
131 Passenger vehicle fire	1	$0
132 Road freight or transport vehicle fire	1	$1,000
140 Natural vegetation fire, Other	1	$0
142 Brush or brush-and-grass mixture fire	2	$0
151 Outside rubbish, trash or waste fire	2	$0
	23	**$14,250**
3 Rescue & Emergency Medical Service Incident		
322 Motor vehicle accident with injuries	14	$0
352 Extrication of victim(s) from vehicle	3	$0
353 Removal of victim(s) from stalled elevator	1	$0
360 Water & ice-related rescue, other	2	$0
365 Watercraft rescue	1	$0
	21	**$0**
4 Hazardous Condition (No Fire)		
412 Gas leak (natural gas or LPG)	4	$20
424 Carbon monoxide incident	3	$0
440 Electrical wiring/equipment problem, Other	1	$0
442 Overheated motor	1	$125
444 Power line down	1	$0
445 Arcing, shorted electrical equipment	1	$0
	11	**$145**
5 Service Call		
500 Service Call, other	2	$0
511 Lock-out	6	$0
512 Ring or jewelry removal	1	$0
520 Water problem, Other	3	$1,000
531 Smoke or odor removal	1	$0
550 Public service assistance, Other	1	$0
561 Unauthorized burning	1	$0
	15	**$1,000**
6 Good Intent Call		
600 Good intent call, Other	3	$0
611 Dispatched & cancelled en route	2	$0
622 No Incident found on arrival at dispatch	2	$0
652 Steam, vapor, fog or dust thought to be	1	$0
671 HazMat release investigation w/no HazMat	2	$0
	10	**$0**

Fire Department, City of De Pere, WI

Incident Type Report (Summary)

Alarm Date Between {01/01/2013} And {05/31/2013}

Incident Type	Count	Total Est Loss
7 False Alarm & False Call		
700 False alarm or false call, Other	5	$0
731 Sprinkler activation due to malfunction	2	$0
733 Smoke detector activation due to	4	$0
734 Heat detector activation due to malfunction	2	$0
735 Alarm system sounded due to malfunction	6	$0
736 CO detector activation due to malfunction	9	$0
740 Unintentional transmission of alarm, Other	3	$0
743 Smoke detector activation, no fire -	8	$0
744 Detector activation, no fire -	4	$0
745 Alarm system activation, no fire -	6	$0
746 Carbon monoxide detector activation, no CO	3	$0
	52	$0

Total Incident Count: 132

Total Est Loss: $15,395

DE PERE FIRE/RESCUE				
OVERTIME REPORT				
MONTH OF MAY, 2013				
PERSONNEL	DATE	ACTUAL HOURS	O.T. HOURS	REASON
SINKLER	22-Apr	3.00	4.50	PARAMEDIC CME
JANSEN	30-Apr	3.00	4.50	PARAMEDIC CME
HENDRICKS, TM.	1-May	1.00	3.00	WORK OVER FIRE
BALCER	1-May	1.00	3.00	WORK OVER FIRE
WESSLEY	1-May	1.00	3.00	WORK OVER FIRE
WESSLEY	4-May	24.00	36.00	STAFFING REPLACEMENT
WITT	4-May	0.67	1.00	WORK OVER EMS
GATZ	4-May	1.00	1.50	WORK OVER EMS
HENDRICKS, TM.	4-May	1.00	1.50	WORK OVER EMS
BALCER	7-May	3.00	4.50	OFFICERS MEETING
MATZKE	7-May	3.00	4.50	OFFICERS MEETING
HENDRICKS, TD.	7-May	3.00	4.50	OFFICERS MEETING
THOMSON	7-May	3.00	4.50	OFFICERS MEETING
CHESLOCK	9-May	1.00	3.00	STAFFING REPLACEMENT
HENDRICKS, TM.	10-May	12.00	18.00	STAFFING REPLACEMENT
NELSON	10-May	12.00	18.00	STAFFING REPLACEMENT
WESSLEY	12-May	2.17	3.25	EMS STANDBY
WITT	15-May	1.00	3.00	EMS STANDBY
RIEDI	15-May	9.00	13.50	FIRE TRAINING
BROWN	16-May	8.00	12.00	FIRE TRAINING
WESSLEY	16-May	1.00	3.00	EMS STANDBY
THOMSON	19-May	6.50	9.75	WORK EMS
NELSON	19-May	6.50	9.75	WORK EMS
HENDRICKS, TD.	19-May	7.00	10.50	WORK EMS
JANSEN	20-May	3.00	4.50	FIRE TRAINING
BALCER	22-May	1.50	3.00	EMS STANDBY
PANSIER	22-May	0.33	0.50	WORK OVER EMS
CODY	22-May	0.33	0.50	WORK OVER EMS
TEWS	23-May	8.00	12.00	WORK FIRE
HERMANS, B.	23-May	5.50	8.25	WORK FIRE
RIEDI	23-May	12.00	18.00	STAFFING REPLACEMENT
RIEDI	23-May	2.00	3.00	STAFFING REPLACEMENT
WESSLEY	23-May	12.00	18.00	STAFFING REPLACEMENT
HERMANS, D.	23-May	8.00	12.00	WORK FIRE
CHESLOCK	24-May	3.50	5.25	MAINTENANCE
RIEDI	24-May	3.50	5.25	MAINTENANCE
PANSIER	26-May	0.33	0.50	WORK OVER EMS
BALCER	27-May	1.25	3.00	FIRE STANDBY
HENDRICKS, TM.	27-May	1.25	3.00	FIRE STANDBY
CODY	27-May	1.00	3.00	FIRE STANDBY
WITT	28-May	1.00	3.00	STAFFING REPLACEMENT
BALCER	29-May	1.00	3.00	EMS STANDBY
HENDRICKS, TD.	30-May	2.00	3.00	WORK OVER EMS
		181.33	288.50	

Number of Standbys 8

DE PERE FIRE RESCUE REPORT
FOR THE MONTH OF MAY 2013

RUN LOCATION	CITY OF DE PERE		TOWN OF LEDGEVIEW		TOWN OF LAWRENCE		VILLAGE OF ASHWAUBENON		MUTUAL AID RESPONSES		TOTALS	
	MONTH	YTD	MONTH	YTD	MONTH	YTD			MONTH	YTD	MONTH	YTD
TOTAL RUNS	93	520	24	102	17	84	2	13	3	11	139	730
RUNS TRANSPORTED	70	403	19	83	13	68	2	12	2	8	106	574
ALS RUNS	40	254	18	66	9	37	2	9	2	6	71	372
%ALS OF RUNS TRANS.	57%	63%	95%	80%	69%	54%	100%	75%	100%	75%	67%	65%
%ALS/ALL RUNS	43%	49%	75%	65%	53%	44%	100%	69%	67%	55%	51%	51%

MUTUAL AID GIVEN

RUN #	*AGENCY*	*TYPE*
732	ASHWAUBENON	FULLSQD.
786	ASHWAUBENON	FULLSQD.
793	ASHWAUBENON	FULLSQD.

MUTUAL AID RECEIVED

RUN #	*AGENCY*	*TYPE*

MAY, 2013

*OVERTIME CAUSED BY SICK LEAVE

HOURS OF SICK LEAVE	OVERTIME PAID
74	114

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

Item #4

DE PERE POLICE DEPARTMENT
OVERTIME BY REASON
2013

REASON	JAN*	FEB**	MAR***	APR+	MAY++	JUN ^	JUL #	AUG ##	SEPT^^	OCT^^^	NOV*+	DEC*+*	TOTAL
OFFICER SICK RELIEF	102.00	75.00	69.75	106.50	178.00								531.25
OFFICER WORKED ON HOLIDAY	178.00	12.00	34.25	13.50	10.50								248.25
OFFICER FOR COURT	15.00	15.00	21.00	3.00	15.00								69.00
OFFICER TRAINING	10.00	62.50	36.00	75.75	221.00								405.25
OFFICER RELIEF FOR FUNERAL													0.00
OFFICER ATTEND MEETING	1.50	6.25											7.75
STAFFING LEVEL	166.50	57.75	157.50	118.50	210.00								710.25
INVESTIGATION	50.25	54.00	51.75	27.75	123.50								307.25
HONOR GUARD FOR FUNERAL													0.00
SCHOOL LIAISON REIMBURSED	26.25	74.25	40.50	22.50	47.00								210.50
COMMUNITY RELATIONS													0.00
SPECIAL ASSIGNMENT													0.00
SPECIAL ASSIGNMENT REIMBURSED		15.25		10.50	9.00								34.75
MISCELLANEOUS	41.25	23.00	87.00	21.75	16.00								189.00
MISCELLANEOUS REIMBURSED	156.00	98.25	113.25	117.25	183.75								668.50
Gross OFFICER OVERTIME	746.75	493.25	611.00	517.00	1013.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3381.75
SUBTOTAL REIMBURSED OVERTIME	(182.25)	(187.75)	(153.75)	(150.25)	(239.75)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(913.75)
NET OFFICER OVERTIME	564.50	305.50	457.25	366.75	774.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2468.00
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 05/29/2013 **$66,374.00**
Percent of Total Budget: **51.06%**

NOTES:

* Period 12/22/2012 - 02/01/2013
**Period 2/2/2013 - 3/1/2013
***Period 3/2/2013 - 3/29/2013

+Period 3/30/2013 - 4/26/2013
++Period 4/27/2013 - 5/24/2013
^Period

#Period
##Period
^^Period

^^^Period
*+Period
*+*Period

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	87.00	57.75	70.50	46.50	81.00	55.50	812.25
OFFICER WORKED ON HOLIDAY	169.75	10.00	12.00	32.50	4.00	81.00	63.75	26.50	121.00	12.00	58.00		590.50
OFFICER FOR COURT	15.00	18.00	6.00	20.25	7.50	14.00	9.00	15.00	25.50	6.00	10.50	9.50	156.25
OFFICER TRAINING	31.00	13.00	40.25	120.50	50.00	50.00	8.00	107.00	13.75	70.25	73.75	29.00	606.50
OFFICER RELIEF FOR FUNERAL							13.50						13.50
OFFICER ATTEND MEETING		8.25						15.00				1.25	24.50
STAFFING LEVEL	133.50	79.50	23.25	53.25	136.75	162.00	189.00	243.00	192.75	183.75	252.00	73.50	1722.25
INVESTIGATION	142.25	68.75	38.25	56.50	77.50	36.75	61.50	135.00	90.00	61.00	42.75	60.75	871.00
HONOR GUARD FOR FUNERAL													0.00
SCHOOL LIAISON REIMBURSED	31.50	43.00	56.25	27.00	31.25	25.50		33.00	48.75	78.00	28.50	27.00	429.75
COMMUNITY RELATIONS													0.00
SPECIAL ASSIGNMENT													0.00
SPECIAL ASSIGNMENT REIMBURSED		11.25		10.50	11.25	301.00	49.75	7.50	9.00	33.50	69.00	11.75	514.50
MISCELLANEOUS	5.75	16.50	4.00	11.50	9.50	4.25	7.50	7.00	7.00	4.50	11.25	20.75	109.50
MISCELLANEOUS REIMBURSED	72.75	95.50	63.25	127.50	77.25	143.75	93.00	110.25	113.25	58.50	60.00	108.25	1123.25
Gross OFFICER OVERTIME	712.50	432.75	292.75	518.75	494.25	854.25	582.00	757.00	691.50	554.00	686.75	397.25	6973.75
SUBTOTAL REIMBURSED OVERTIME	(104.25)	(149.75)	(119.50)	(165.00)	(119.75)	(470.25)	(142.75)	(150.75)	(171.00)	(170.00)	(157.50)	(147.00)	(2067.50)
NET OFFICER OVERTIME	608.25	283.00	173.25	353.75	374.50	384.00	439.25	606.25	520.50	384.00	529.25	250.25	4906.25
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 01/03/2013	**$137,720.00**
Percent of Total Budget:	**105.94%**

NOTES:

* Period 12/24/2011 - 2/3/2012
**Period 2/4/2012 - 3/2/2012
***Period 3/3/2012 - 3/30/2012
+Period 3/31/2012 - 4/27/2012
++Period 4/28/2012 - 5/25/2012
^Period 5/26/2012 - 6/22/2012
#Period 6/23/2012 - 8/3/2012
##Period 8/04/2012 - 8/31/2012
^^Period 9/1/2012 - 9/28/2012
^^^Period 9/29/2012 - 10/26/2012
*+Period 10/27/2012 - 11/23/2012
*+*Period 11/24/2012 - 12/21/2012

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

CITY OF DE PERE

335 South Broadway
De Pere, WI 54115
Fax No.: 920/339-4049
Web: http://www.de-pere.org

June 11, 2013

To: Finance Committee

From: Ken Pabich, Director of Planning and Economic Development

RE: Residential Infrastructure Development funding request by Garrity's Glen LLC for Garrity's Glen Subdivision – Ballinamore Place and Tullig Place.

The City has received a request from Garrity's Glen LLC to fund the extension of Ballinamore Place and Tullig Place in Garrity's Glen Subdivision. These roads are the last remaining streets within the subdivision that has not been constructed. The street has been dedicated; however the lots still need to be platted. The developer has reviewed the City Residential Infrastructure Development Policy and is willing to meet all of the requirements outlined in the policy.

The extension of Ballinamore Place and Tullig Place would provide 13 new lots available for development. A preliminary estimate for the construction is in progress but it is expected that the assessment per lot would be around $20,000.

Included with the staff memo are the following attachments:

1. Letter requesting extension
2. Summary information other funded projects.
3. Copy of denial letter from the bank for the road extension.

If the Finance Committee supports the project, staff would continue to developed detailed costs for the project and also the development agreement.

Recommendation

Based on the policy that was approved by the City Council, staff would recommend that the project is approved and that staff work on creating the development agreement that would be presented to the City Council.

Garrity's Glen, LLC
1317 Lombardi Access Road
Green Bay, WI 54304
920-497-5090

May 17, 2013

To: City of De Pere
Ken Pabich

We respectfully request the City to extend the Ballinamore Place and Tullig Place for the 2014 construction/sale season. This would be the final fourteen lots and would be platted as Garrity's Glen Second Addition.

We would also request the City to finance Garrity's Glen Second Addition.

We do have buyer interest in these lots and would be able to provide documentation of 1/3 of the lots being presold at the time the agreement is approved by the City Council to proceed with the development and financing of Garrity's Glen Second Addition.

I am including a copy of a letter from Community First Credit Union denying financing of infrastructure for this project.

Thank you

Garrity's Glen, LLC

By: Patricia A Kaster, Mng Member

By: Dennis P. Layden, Mng Member

Garrity's Glen, LLC
1317 Lombardi Access Road
Green Bay, WI 54304
920-497-5090

May 17, 2013

Mr. Ken Pabich
City of De Pere

The following is an update on the lot sales and current agreement with the City of the financing of Garrity's Glen First Addition.

Our current agreement with the City of signed January 18, 2011. Improvements were installed as of October 25, 2011. We are to have all lots paid in full 3 years from the October 25, 2011 date or October 25, 2014. It is our intent to do so.

We currently have pending contracts on Lots 68, 69, 70 and 74; all lots to close in 2013. Lots currently for sale are Lots 65, 72 and 73.

We cannot currently market Lot 66 and 67 because of the unknown status of Galway Lane. If we could market them I know they would sell if I could give the buyer something from the City that if Galway is extended the owners of Lot 66 and 67 would not have to pay for the street improvements to extend Galway. It would be better if we could get something that would eliminate Galway and offer 3 lots for sale there - which we could sell immediately.

Thank you

Garrity's Glen, LLC

Patricia A Kaster, Mng Member

Dennis P. Layden, Mng Member

COMMUNITY FIRST
CREDIT UNION

May 13, 2013

Ms. Pat Kaster
C/O River City Realtors
1317 Lombardi Access Rd. Suite 101
Green Bay, WI 54304

RE: Garrity's Glen Infrastructure Improvement Financing

Dear Pat,

Based upon the information that you have provided to us I regret to inform you that Community First Credit Union will not be in a position to finance infrastructure improvements for the last phase of Garrity's Glen.

If you have any questions in regards to our financing decision please feel free to contact me at 968-6178.

Sincerely,

Brent D. Jensen
VP – Senior Lender – Business Services

2626 S. Oneida St. • P.O. Box 1487
Appleton, WI 54912-1487
(920) 830-7200 • 1-866-273-2328
Fax: (920) 830-7321

www.communityfirstcu.com

Item #6

Memorandum

To: Finance Committee

From: Marty J. Kosobucki, Director of Parks, Recreation and Forestry

Re: Request for Park Land Dedication Funds

Date: June 11, 2013

Issue: The Board of Park Commissioners is requesting $7400 from the Park Land Dedication Fund for the purpose of developing Master Plans for the De Pere Dog Park and Optimist Park.

Summary: Both parks have very active user groups (De Pere Girls Softball Association – Optimist, De Pere Dog Park Committee – De Pere Dog Park) and are interested in developing the parks. In order to ensure we develop the park in an appropriate manner, conducting master plans is recommended. The Master Plans were not budgeted for in 2013, and have come about due to the recent requests of the user groups to advance the development of the parks. The Park Land Dedication Fund has approximately $51,000 in its balance, in which funds can be used for the purposes of planning. The Board of Park Commissioners, Dog Park Committee, and De Pere Girls Softball Association are all in support of doing the plans and using funding from the Park Land Dedication Fund.

We received three quotes for conducting the Master Plans. A summary is below;

Consultant	Optimist Quote	Dog Park Quote	Total
Rettler Corp	$4,850	$3,550	$8400 - $1000 discount = $7400
SAA Design Group	$9,332	$9,442	$18,774 - $1600 discount = $17,174
Graef Consulting	$29,900	$24,900	$54,400

Item #7

Memorandum

To: Finance Committee

From: Marty J. Kosobucki, Director of Parks, Recreation and Forestry

Re: Request for funding/Jim Martin Park Ball diamond

Date: June 11, 2013

Issue: The Park Board is requesting funds to construct a ball diamond at Jim Martin Park. The estimated cost of construction of the diamond is $40,000.

Summary: The City was informed recently the likelihood of continuing to use Humana Sports Park is in sincere jeopardy. We have been able to sign a 6 month extension with Humana to cover this season, however we do not have any clear direction from Humana if we can continue the lease after this summer.

In reaction to the probability of losing Humana Sports Park, staff researched several options for replacing the diamonds and it's usage. Replacment of the diamonds is needed for two different reasons. First, the De Pere Baseball Pony League program continues to use Humana as a practice facility. The use of Humana for Pony League practice aids in keeping Gandrud Field as a high quality and game-caliber field. In addition, Humana Field also hosts a large amount of general rentals by the community. With the elimination of the Humana Fields it puts a strain on open times of our current ball fields as well as hinders the operation of the De Pere Pony League ball diamonds.

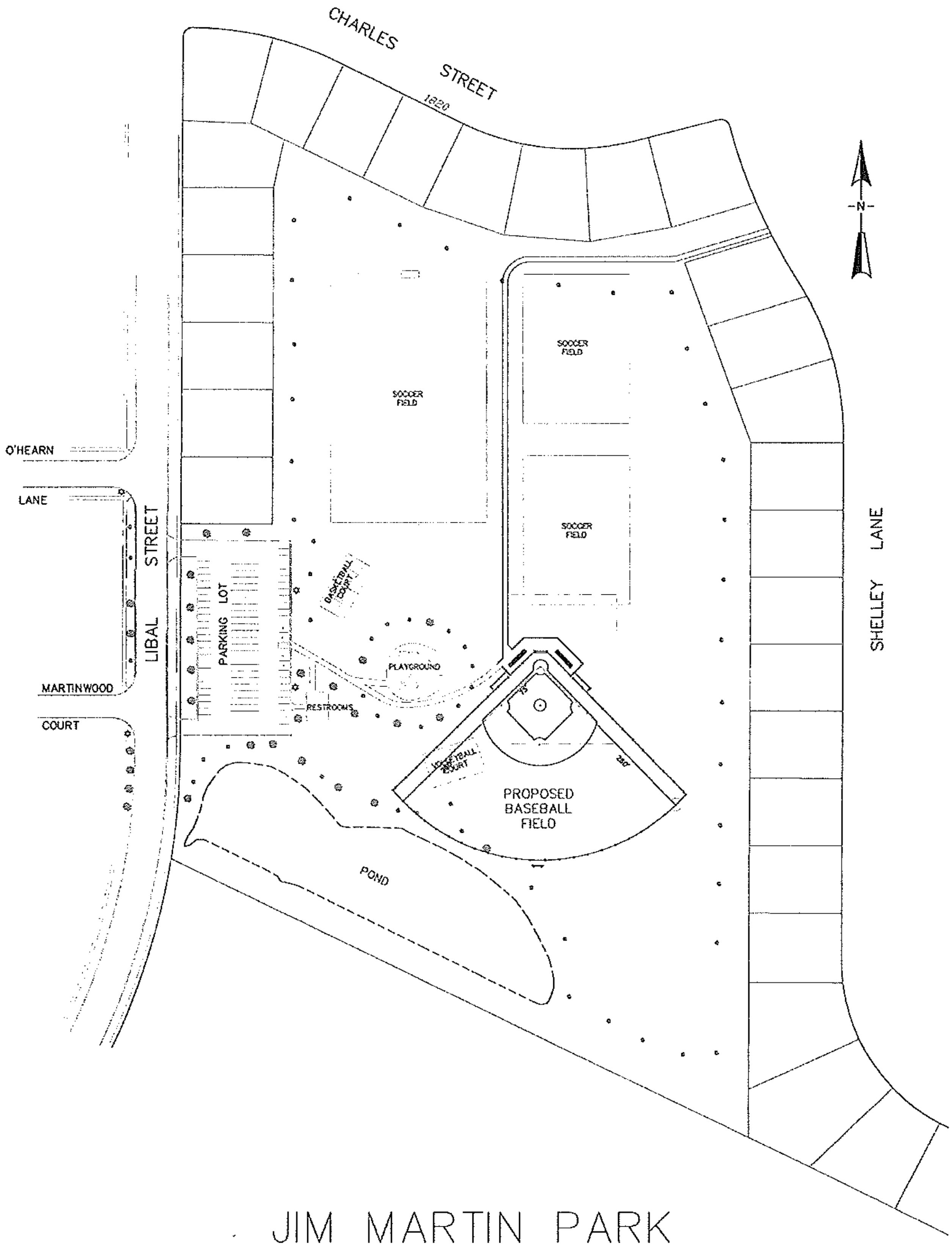
The ultimate goal is to replace the two diamonds at Humana with two new diamonds in the community. However, in the short term we do feel we could accommodate the needs of the community by constructing one multi-use diamond that would be primary to Pony League.

By choosing Jim Martin Park, we are selecting a location we could realistically have ready by next season. The terrain will allow us to construct a facility without regrading the outfield. Although the site will not be conducive to producing a game-caliber type of field, it will most certainly be a quality practice facility.

I have included cost estimates for constructing a basic diamond at Jim Martin Park and design developed by our Engineering Department. The proposed design of the park/diamond would not eliminate any soccer fields and does not hinder any current programming.

Jim Martin Park
Ball Diamond - Estimate

Item	Total (stone path)
Backstop (20-20-20)(Installed)	$7,000
Fencing – 8 ft high (60 total feet)	$1,200
Fencing – 6 ft high (900 total feet)	$9,000
Fencing – Double Gate	$800
Field Material (Sure Hop – same material on Legion) (delivered price only)	$11,200
Excavation (to include excavation and installation of infield mix, and sodding volleyball area)	$4,000
Misc (bases, pitching mounds, home plate, benches, storage box)	$1,500
Accessibility Path (300 ft) Crushed stone, 6 ft wide ($7/lineal foot) Sidewalk ($24/lineal foot)	$2,100
Concrete pads under dugout	$700
Contingency	$2,500
Total	$40,000



JIM MARTIN PARK

CITY OF DE PERE MEMORANDUM
POLICE DEPARTMENT

To: Finance and Personnel Committee

From: Derek A. Beiderwieden, Chief of Police

Date: June 6, 2013

Subject: Donation of $4,000 for Training Room Matting

The De Pere Fire and Police Departments are combining fitness rooms into one larger fitness room to be housed in the fire department basement. In the process the police department will be able to utilize the current workout area for other hands on combat training better known as Defense and Arrest Tactics or DAAT. The room will allow us to do DAAT training on a more regular basis and become more effective with arrests and officer survival.

We have received three donations to help fund the DAAT room matting for the floors and walls. An officer from the police department solicited the donations. The name of the company supplying the high quality mats is called Zebra Mat Company out of Minnesota. This is the same company that has done other area police department DAAT rooms.

The following are the donators:

The Packers Organization - $2,000.00
Belmark Company - $1,000.00
Fraternal Order of Police - $1,000.00

The donations fully cover the cost of the matting, and installation will be accomplished by department personnel.

Please accept these donations, and authorize the purchase of the matting. If you have any questions about this information, please contact me at 339-4075 at your convenience.

MEMORANDUM CITY OF DE PERE

Date: June 11, 2013

To: Finance/Personnel Committee

From: Peter Smith, Information Technology Administrator

Subj: Internet bandwidth upgrade.

If you recall from last Finance meeting I proposed trading some voice bandwidth for internet bandwidth via a new circuit with AT&T. This was the correct solution given a tier 1 provider should be used for voice traffic, and it was at no additional cost.

I did come up with another potential solution that would allow the City to utilize two separate circuits, one for voice and the other for internet.

We currently have two PRI circuits for voice, 23 channels (lines) each for a total of 46. We can drop one PRI leaving us 23 channels, to free up $600/mo.

The remaining PRI will remain with AT&T, internet will be with WiscNet. There is a catch. We go from having 30 channels (the original AT&T SIP solution) to 23 channels for voice. At this time (a week before this meeting) I don't have any data on how many concurrent incoming calls hit the 23 limit. I will by the time of the meeting, so we'll assume 23 channels will work. If not, the previous AT&T solution is the best.

WiscNet's pricing is approx. half the cost of private providers so the City will save money versus breaking even in this situation. All feedback I received from current Wiscnet members has been positive. According to WiscNet's website they have resolved their litigation issue and still have the UW system on board.

I recommend the City make this change, either option based on the call data which will be reported at the meeting, the cost is equal or less.

Memorandum

To: Finance and Personnel Committee

CC:

From: Chief Roemer

Date: 6/7/2013

Re: DNR Grant

The Wisconsin DNR Forest Fire Protection Grant program is accepting application until July 1, 2013. This grant would allow us to purchase wildland fire pants and coats, which would be utilized to fight grass and wildland fire, so that personnel are not required to wear their heavy turnout gear while fighting this type of fire. The total cost to outfit all of our personnel would be approximately $20,000. The grant is a 50/50 match and would cover half of this cost. I am recommending approval and if the grant is approved would budget for the City's portion in the 2014 budget.

Organizational Management Studies

Equipment Analysis

Emergency Medical Plans

Response Time Analysis

Accreditation Management

Consolidation Studies

Executive and Staff Selection

Project Management

Interim Management

PROPOSAL TO PROVIDE PROFESSIONAL CONSULTING SERVICES

FIRE DEPARTMENT ORGANIZATIONAL AND CONSOLIDATION FEASIBILITY ANALYSIS

RW Management Group, Inc.
1295 Appleton Rd., Suite 2
Menasha, WI 54952
Phone: 920.727.1000
Fax: 920.727.1003
www.rwmanagementgroup.com
jroemer@rwmanagementgroup.com
Date: June 4, 2013

ACCREDITED BUSINESS

TRANSMITTAL LETTER

June 4, 2013

Larry Delo
City Administrator
City of De Pere
335 S. Broadway
De Pere, WI 54115

Dear Mr. Delo:

Thank you for the opportunity for RW Management Group, Inc. (RW) to respond to the "Fire Department Organizational and Consolidation Feasibility Analysis" proposal request for the City of De Pere (City). RW understands that the purpose of this project is to assess the current ability and effectiveness of the current fire department and identify and make recommendations regarding the provision of fire services. In addition to the Phase 1 analysis, we understand that a second phase would be to make recommendations regarding the feasibility of potential consolidations and the third phase would be to make recommendations relating to the options for a public safety agency. Accordingly, RW has prepared the enclosed proposal including details regarding our approach for completing the required project. The proposal allows for the utilization of RW's services in a multiple ways, which will allow the City to determine the next steps of the process based on the findings and situati onal changes.

RW believes that our extensive operational and strategic experience in the public safety area and the current working relationship and department knowledge relating to the Interim Chief position, uniquely qualifies us for a project of this nature. The RW project manager has over 30 years of combined municipal public safety experience working directly with, or for, public safety agencies. The team has management, operational, technical and consulting experience with all types of public safety operations and with all levels of staffing within these agencies.

We recently provided similar work for the Village of Hartland, WI, the City of Green Bay, WI, the City of Sparta, WI, the Townships of Delaware, Genoa and Harlem, OH, and the Village of McFarland, WI. These projects provided organizational analysis, consolidation feasibility and or public safety review and for the municipality's Fire Departments.

Thank you again for the opportunity. If you have any questions regarding the enclosed material, please feel free to contact me at (920) 727-1000. We look forward to continuing and enhancing our work with the City on this important engagement.

Sincerely,

Jeffrey R. Roemer

Jeffrey R. Roemer, President
RW Management Group, Inc.

TABLE OF CONTENTS

PAGE

Transmittal Letter 2

RW Management Group Qualifications 4

Staff Biographies 5

Assigned Staff 9

RW Management Group Methodology 10

Detailed Work Plan 11

Cost Quotation 17

Recent Related Engagements 17

Previous Client Work 19

RW MANAGEMENT GROUP QUALIFICATIONS

RW Management Group, Inc. (RW) is a Wisconsin based consulting firm providing professional, high quality police, fire, emergency medical service, dispatch, safety and emergency management consulting, project management and other related services to organizations throughout the United States and Internationally. RW consultants have serviced the needs of several municipalities and emergency services in the United States and abroad. RW consultants remain very active with several public safety and government related organizations including the Wisconsin City/County Managers Association, Wisconsin State Fire Chiefs Association, International Association of Fire Chiefs, International Association of Police Chiefs, Association of Public Safety Communications Officials, American Academy of Certified Public Managers, Paramedic Systems of Wisconsin, National Emergency Number Association, National Police Protection Association, Wisconsin Society of Certified Public Managers, Wisconsin State Police Chiefs Association and Wisconsin Association of Public Safety Communications Officials.

RW's mission statement is "To provide the highest quality, independent professional public safety consulting, project management and services, as measured by the successful implementation of recommendations and services to our clients." We accomplish this mission by providing a team of professionals committed to the needs and issues of public safety and government. RW's consultants are active practitioners in the public safety area and understand the issues, challenges, standards and responsibilities of public safety and provide proven methods to improve efficiency and effectiveness.

All of RW's consultants possess in-depth knowledge of all relevant aspects of emergency services, which includes administration, communications, organization, labor relations, economics and standards. This knowledge allows RW to provide clients with an intellectual and objective analysis of the information received. This information is then presented in an easily understood format, allowing policy boards to make knowledgeable and informed decisions.

Project progress is measured against an established work plan, timetables, budget and list of deliverables. Project methodology includes frequently scheduled progress meetings to discuss progress as well as new or unanticipated issues. The work plans are focused, coordinated and logical. Project team members are also available throughout the duration of the project.

STAFF BIOGRAPHIES

Jeffrey R. Roemer, CPM
Principal Officer
RW Management Group, Inc.

Professional Summary

Mr. Roemer has an extensive background in the Public Safety area. For more than 30 years he has served with municipal governments in various duties, including Fire Chief for the City of Menasha, WI. Before serving with the City of Menasha, he was Public Safety Director for the Village of Allouez, WI. He has worked in nearly all facets of Public Safety, as a Police Officer, Firefighter, and Emergency Medical Technician, and as a supervisor and department head in each of the disciplines.

As Police and Fire Chief, Mr. Roemer was responsible for all activities in the municipal Public Safety environment. He has provided departmental support for planning and implementing Information Systems, Dispatch Centers, Emergency Operations Centers, Budgeting, Shared Services, and Command Post and ICS operations, along with many other administrative and supervisory duties. His broad knowledge base allows a unique perspective and understanding of the varied requirements found in the municipal environment. Serving at this level of the organization provided Mr. Roemer with the opportunity to recommend, plan and manage change within the organization and often times, outside of his organization.

As a Public Safety Consultant, Mr. Roemer has been a project manager for numerous Public Safety related organizational, communication, dispatch center, consolidation, information system, operational, and emergency operation center projects. Mr. Roemer has served as Interim Public Safety Director and Fire Chief for several agencies in the last 11 years, including the City of Green Bay, Wisconsin. Mr. Roemer also serves as an active member of the International Association of Fire Chiefs, the Wisconsin Society of Certified Public Managers, the American Academy of Certified Public Managers, and the Associated Public Safety Communications Organizations.

Mr. Roemer's knowledge of Public Safety in a municipal setting has gained him recognition both at a local, national and international level. He has served as Secretary-Treasurer to the Great Lakes Division of the International Association of Fire Chiefs, Past President of the Wisconsin Society of Certified Public Managers and numerous other positions with Police, Fire and Rescue Boards and Committees. Mr. Roemer has been recognized as the 2001 "Manager of the Year" by the Wisconsin Society of Certified Public Managers.

Education

Northeast Wisconsin Technical College	Associate Degree in Police Science
National Fire Academy	Executive Fire Officer Graduate
University of Wisconsin	Certified Public Manager
Northwestern University	School of Police Staff and Command Graduate

Martin DeLoach
Senior Consultant
RW Management Group, Inc.

Professional Summary

Mr. DeLoach has worked with the fire service and emergency management for the past 28 years. He has experience as a Hazardous Materials Specialist leading a team that protected over a half a million people in Southeast Michigan. Mr. DeLoach has experience working as a Fire Marshal and has served on several codes adoption committees for the State of Michigan. He served as a Fire Chief for over thirteen years in a career department a large combination fire department and in a volunteer fire department. Mr. DeLoach worked on the Wayne County Emergency Management Team as a Hazardous Materials Leader and Chairman of the Downriver Mutual Aid for Fire.

Mr. DeLoach has been an instructor for the Michigan Hazardous Materials Center. He has also worked with Solutia Chemical training their plant response team. He has worked as an adjunct faculty member of the Fire Service Staff and Command School at Eastern Michigan University. Marty has developed curriculum for Solutia, the Regional Alliance for Firefighters Training and Eastern Michigan. Chief DeLoach has always enjoyed teaching and has been published recently in a book by Bartlett's titled "Fire and Emergency Services Safety and Survival."

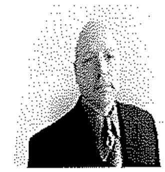
Marty has been elected to several leadership roles during his tenure in the fire service. He is a past President of the Southeastern Michigan Fire Chiefs. He has been a member of the board of the Michigan Association of Fire Chiefs. He also was elected to represent Michigan on the Board of the Great Lakes Division of the International Association of Fire Chiefs. Marty is currently the President of the Palm Beach County Fire Chiefs Association. He also works with the National Fallen Firefighters Courage to be safe program and the Regional Alliance for Firefighters Training

Marty has experience in personnel matters writing and reviewing personnel handbooks, employee benefits, fair labor standards act, overtime review/analysis, financial planning, healthcare solutions, strategic planning, employee time off, contract negotiation and employee grievances. He brings a wealth of experience from his role as a Fire Chief for a career union department and a combination department. In addition he served in an equivalent role as a City Manager with responsibility for all the functions that pertain to a City Manager working as the Chief Executive Officer of a Fire Authority that was a separate municipality in Michigan.

Education

Henry Ford Community College
Associates of Science Fire Science
Associates of Arts Political Science
Madonna University - Bachelors of Science, Fire Science
Eastern Michigan University - Masters of Arts, Interdisciplinary Technology
Michigan State Police - Arson Investigation School Tustin, Specialist in Hazardous Materials
Certified Fire Inspector, Licensed Paramedic

Ed Janke
Senior Consultant
RW Management Group, Inc.



Professional Summary

Ed Janke is the Executive Director of Public Safety at the Village of Howard, WI where he is responsible for EMS, Fire and Law Enforcement Services. Mr. Janke is the former Associate Dean of Public Safety with the Northeast Wisconsin Technical College (NWTC) in Green Bay, WI. Mr. Janke previously held the rank of Chief Deputy at the Brown County Sheriff's Department, Green Bay, WI. While at the Sheriff's Department, he also commanded the Emergency Response Unit, which is comprised of the Tactical Unit, Field Force and the Bomb Squad.

Mr. Janke holds State of Wisconsin Unified Tactical Instructor ratings in Professional Communications, Firearms, Defense and Arrest Tactics and Emergency Vehicle Operations. He is a Wisconsin Department of Justice, Training and Standards Instructor-Trainer for Vehicle Contacts Instruction. Mr. Janke is an Instructor-Trainer for explosive related terrorism courses as well as SWAT Command and SWAT Operator Counter-Terrorism courses and Force Protection. He also instructs Counter Terrorism courses related to biological and chemical weapons. He is a Certified Fire Officer, Engineer/Aerial Operator and Fire Instructor. As a Certified Fire Instructor, he teaches all levels of Incident Command courses as well as fire related topics including organizational design, strategy and tactics. He is also trained as a Performance Assessor and as a Mediator.

Mr. Janke has extensive experience with protective services and executive protection including international operations. He has become a specialist in counter terrorism planning and response, which includes strategic planning, intelligence operations, operations assessment and security, tactical operations, crowd control and explosives.

Mr. Janke was voted Wisconsin Law Enforcement Training Officer of the Year. He has been recognized as Law Enforcement Officer of the Year, SWAT Officer of the Year, as well as Firefighter of the Year. He has also been appointed to serve on numerous regional and national public safety related boards and committees.

Education

Silver Lake College, Manitowoc, WI
  Master of Science Degree in Management & Organizational Behavior
National Fire Academy, Executive officer, Emmitsburg, MD
  Emphasis on course work in leadership and management
Federal Bureau of Investigation National Academy 199th Session, Quantico, VA
  Emphasis on Graduate Course work in Leadership and Management
Mt. Senario College, Ladysmith, WI
  Bachelor of Science Degree in Criminal Justice
Northeast Wisconsin Technical College, Green Bay, WI
  Associate Degree in Police Science

Dan Williams, EMT-P
Senior Consultant
RW Management Group, Inc.

Professional Summary

Mr. Williams has extensive background in the area of Public Safety. For over forty years he has served municipal and State governments in various duties. The most recent challenge was as Director of Emergency Medical Services for UW Hospital and Clinics, until his recent retirement. Primary responsibility was the Critical Care Transport program, which includes helicopter and ground units. He has served in virtually every capacity in EMS. EMT, Firefighter, Paramedic, all eventually in a supervisory capacity. He also served as Vice President and Chief Operations Officer for a private ambulance service. Mr. Williams has also served as an EMS instructor at all levels in the Wisconsin Technical College System.

In his 20 years as Director of Emergency Services of Door County, Mr. Williams was responsible for the Operational aspect of the County Wide EMS operation and had the Chief responsibility for the County wide 9-1-1 communications system, which dispatches all Law Enforcement, Fire and EMS for the County. He was responsible for Budgeting, Shared Services, Emergency Operations Centers, Implementation of Information Systems, and Command Post Operations along with many other administrative and supervisory duties. Dan has also supervised the onsite management and oversight of an actual tornado disaster. His broad knowledge base allows a unique perspective and understanding of the varied requirements found in the municipal environment. With the level of management at which he has always advanced to, Mr. Williams has the proven expertise to impact the decision-making skills in every agency he has been affiliated with.

Mr. Williams served as the Chief of Emergency Services for the State of Wisconsin. This position required oversight 750 EMS Service Providers and over 21,000 individual licensees. Responsible for individual and service investigations; policy setting; State EMS funding program; Administrative Rule enforcement; Legislative liaison between the EMS office and the Legislature.

Mr. Williams' knowledge of public Safety in a municipal setting has gained him respect at Local, State and National levels. He has served on many National Committees', Boards and Associations. He served as the original Chairperson for the State Of Wisconsin EMS Advisory Board and was reappointed by 3 different Governors. He served as the Wisconsin representative between EMS and Medicare. Founded Paramedic Systems of Wisconsin. He is also very active in APCO and NENA the two primary organizations associated with Public Safety Communications.

Education
Northeast Wisconsin Technical College - Paramedic Medicine, Associate Degree
UW-Stout - 2 years of classes
Professional Development
Over 2,000 hours of EMS/Fire/Communications education and continuing education.

ASSIGNED STAFF

Personnel assigned to this project are selected from the staff of RW Management Group, Inc. The project manager supervises the project team and clerical support personnel support the team. The combined resources assure that the client receives the best possible combination of professional attention.

Project Manager

The project manager will oversee, direct, coordinate and control all work that is done on the project. The project manager will also provide liaison with the client project team, be responsible for the content and quality of the project, make necessary presentations and ensure that the project is completed according to the time line established.

Project Team Members

Project staff is selected for their relevant experience in the service to be provided. Each is assigned with specific responsibilities related with the elements of the project. The work of the project staff is provided to the project manager for review, collation and for interface with the client's project team.

Project Manager: Mr. Jeffrey R. Roemer – Mr. Roemer has over 30 years of experience in public safety. Mr. Roemer is a certified public manager and has been providing full time public safety management consulting for the last fifteen (15) years. He worked as Fire Chief for the City of Menasha from 1995 to 1998, Public Safety Director for the Village of Allouez from 1988 to 1995, and shift commander for the Village of Ashwaubenon for seven (7) years. He has worked on numerous public safety projects for the last fourteen (14) years, as project manager, in communities nationwide. He recently served as the Fire Chief and Emergency Management Director for the City of Green Bay, where he had responsibility for all aspects of emergency management including preparedness, response, recovery, and mitigation. Mr. Roemer is currently serving as Interim Fire Chief for the City of De Pere, WI.

Project Team Member: Mr. Marty DeLoach – Mr. DeLoach has 30 years of fire management experience. He has served as a fire chief and EMS Director. Marty was on the Wayne County Michigan Emergency Management Activation Team both as the leader of a regional hazardous materials team and later as the chairman of the Downriver Mutual Aid fire departments. He has developed efficient fire department organizational structures and operating procedures. He has also served as an instructor in fire service at several colleges and universities. Marty has worked with fulltime combination and volunteer departments. He is the immediate past President of the Association of Palm Beach County Fire Chiefs. Mr. De Loach currently manages the RW office in Palm Beach, Florida.

Project Team Member: Mr. Edward Janke– Mr. Janke has worked for over 22 years in public safety. Mr. Janke served as Chief Deputy for the Brown County, Wisconsin Sheriff's Department. Mr. Janke is currently the Public Safety Director for the Village of Howard, WI. Mr. Janke is also a certified Law Enforcement and Terrorism instructor for the National Institute of Justice. Mr. Janke provided executive protection for high profile clients during the 2004 Summer Olympics. Mr. Janke is currently the acting President of MABAS Wisconsin and is on the Governing Board for his Local All Hazards Incident Management Team. Mr. Janke has a Master's Degree in Management and Organizational Behavior.

Project Team Member: Mr. Danny Williams - Mr. Williams recently retired from the University of Wisconsin – Madison where he held the position of Director of Emergency Medical Services. Mr. Williams also had the chief responsibility for the County wide 911 Communications Center and Systems in Door County, WI for 20 years. Dan has worked as a consultant with numerous agencies on 911 projects over the past 14 years. Mr. Williams is one of the co-founders of RW Management Group, Inc.

RW MANAGEMENT GROUP, INC. METHODOLOGY

Our approach to this project requires a clear understanding of the community growth and the organization of the De Pere Fire Rescue Department (Department) as well as fire, Rescue, EMS and police emergency service providers within Brown County. The key elements of our methodology include:

- A clear understanding of the Departments' background, community profile and the goals and objectives of the project.
- A work plan that is comprehensive, well designed, practical and provides for ample opportunity for client input.
- Sufficient resources and a commitment to successfully completing the project within the desired time frame and at a reasonable cost.

Client Input – In order to perform a comprehensive assessment and make specific recommendations, it is critical that we receive quality information from officials, staff and members of the Department. Accordingly, our approach includes interviews with individuals of the Department and associated agencies that would have valuable information to communicate to the project team.

Practical Recommendations – Our ultimate goal is to provide our client with recommendations that can be used now, and in the future, to improve the efficiency and effectiveness of the Fire / Rescue / EMS services. These recommendations need to be practical and based on sound practical standards and legal considerations.

Project Management – A successful assessment and the provision of effective recommendations requires a special effort to ensure that all levels of the project receive adequate attention and those findings and recommendations are thoroughly coordinated. This is accomplished by the development and adherence to a project work plan, clear project team assignments and frequent communications with the client.

The most effective method for presenting RW's methodology when approaching a project of this nature is to provide a work plan. The following plan has been developed to accomplish the objectives of the Fire / Rescue / EMS / Consolidation and Public Safety Feasibility Study. This plan has been laid out to provide the participants with decision making information that will allow them the ability to make step by step decisions on emergency services delivery, policies, procedures, technical training, staffing, and the best chain of command.

DETAILED WORK PLAN

Phase 1

The most effective method for presenting RW's methodology when approaching a project of this nature is to provide an accurate and comprehensive work plan for its completion. The following work plan has been developed to accomplish the objectives of the Fire Department Organizational and Consolidation Feasibility Analysis.

Project Kickoff

1. Develop a project team of appropriate users and stakeholders to oversee and participate in the project. The project team will coordinate project schedules, evaluate findings and recommendations, and review and present the final documents.

2. Prepare for and conduct a Project Planning Meeting with the RW Project Manager, the Project Team and key project personnel. The purpose of the meeting will be to define scope and mission, discuss the work plans, establish liaison responsibilities, coordinate project schedules and confirm other general arrangements.

Initial Assessment and Observations

3. Obtain and review documentation provided by the project team pertaining to this project, such as existing Fire/EMS documentation, Department policy and procedure manuals, detailed call volume statistics, service contracts, surveys, risk assessments and previous studies.

Continued Assessment and Documentation

4. Assess the current Fire/EMS operations, potential consolidation opportunities and begin to develop future needs by performing interviews and on-site observations with members of the Department. The interviews and observations will be held in both group and individual settings. This proposal is based on interviews and observations being conducted with personnel from the following areas:

    - Fire Department
        - Administration
        - Officers
        - Firefighters
        - Paid on Call

- Police Department
- City Administration
- Elected Official
- Neighboring Departments and Associated Agencies
- Other key Stakeholders in the community

Interviews and observations will primarily focus on the following issues:

- Current Fire/EMS operations, staffing and levels of service
- Administrative organizational structure
- Analysis of policies, procedures, standard operating guidelines and rules of the Department
- Major equipment analysis
- Facilities
- Consolidation feasibility

5. Review and analyze the "corporate culture" of the Fire Department to determine the internal cooperation of members, the working environment and general camaraderie of the organization.

6. Prepare for and facilitate a project status meeting to discuss the results of the interviews and on-site observations with the Project Team and to review the next steps of the project.

Analysis, Performance Review and Recommendations

7. Review present Fire/EMS workflows and processes to develop and analyze potential organizational and operational requirements. This review will be based on the Center for Public Safety Excellence (CPSE) categories and criteria. The performance indicators that will be examined include the following:
   - Governance and Administration
   - Assessment and Planning
   - Goals and Objectives
   - Financial Resources
   - Programs
   - Physical Resources
   - Human Resources
   - Training and Competency
   - Essential Resources
   - External System Relations

8. Determine any changes, or future trends, for public safety industry standards related to Fire/EMS operational requirements. During the development of all recommendations, RW will consider many factors and standards as a basis for recommendations, including:
   - National Highway Safety Traffic Administration (NHSTA)
   - Center for Public Safety Excellence (CPSE)
     - National Fire Service Accreditation Program

- National Fire Protection Association (NFPA)
- Federal Emergency Management Association (FEMA)
- National Fire Administration (NFA)
- Occupational Safety and Health Administration (OSHA)
- Insurance Services Office (ISO) Rating Schedule
- Local Fire Protection Ordinances
- State of Wisconsin Statutes and Administrative Code
- Journal of American Medical Association
- Commission on Accreditation of Ambulance Service (CAAS)
- American Ambulance Association

9. Develop comprehensive detailed Fire Department Organizational and Consolidation Feasibility recommendations, utilizing the information received from the documentation received, the interviews and on-site interim management. The projected growth and level of service needs will be considered during the development of these recommendations. Recommendations will include:
   - Current Fire/EMS operations, staffing and levels of service
   - Fire/EMS workload, call volume and activity
   - Governance and administration
   - Assessment and planning
   - Physical resources
   - Human resources
   - Training and Competency
   - Essential resources
   - External system relations
   - Current and anticipated budget issues
   - Current and future facility needs
   - Service delivery in regards to national standards
   - Advantages and disadvantages of local consolidation
   - Funding sources
   - Review of future staffing needs
   - Any other issues identified during the analysis will be addressed

10. Prepare for and facilitate a Recommendations Meeting to present preliminary recommendations and obtain feedback from the Project Team.

Document Preparation and Review

11. List and describe the findings and recommendations on the Fire/EMS governance and administration, assessment and planning, goals and objectives, financial resources, programs, physical resources, human resources, training and competency, essential resources and external systems relations into a draft report.

12. Assemble the ***Analysis*** document. Perform a detailed quality assurance review of the document to ensure that the document meets the expectations of the Project Team and conforms to RW's standards.

13. Prepare, produce and deliver the draft ***Analysis*** to the Project Team for review. Facilitate a Report Delivery Meeting to review content for accuracy and completeness.

14. Facilitate an ***Analysis*** Review Meeting with the Project Team approximately one (1) week after initial delivery to answer questions regarding the content of the Analysis. Make any changes to the Analysis based on the discussions at the Analysis Review Meeting. Produce and deliver final document bound copies to the Project Team.

15. Facilitate a formal presentation with the City Council of the completed ***Analysis.***

Phase 2
Public Safety Analysis

1. Assess the potential public safety opportunities by performing interviews and on-site observations with members of the Police and Fire Departments. The interviews and observations will be held in both group and individual settings. This proposal is based on interviews and observations being conducted with personnel from the following areas:

    - Fire Department
        - Administration
        - Officers
        - Firefighters
    - Police Department
        - Administration
        - Supervisors
        - Officers
    - City Administration
    - Elected Official
    - Other key Stakeholders in the community

    Interviews and observations will primarily focus on the following issues:

    - Current Fire/EMS/Police operations, staffing and levels of service
    - Administrative organizational structure
    - Training
    - Major equipment analysis
    - Facilities
    - Consolidation feasibility

2. Review and analyze the "corporate culture" of the Police and Fire Department to determine the internal cooperation of members, the working environment and general camaraderie of the organizations.

3. Prepare for and facilitate a project status meeting to discuss the results of the interviews and on-site observations with the Project Team and to review the next steps of the project.

Analysis, Performance Review and Recommendations

4. Review present Police and Fire/EMS workflows and processes to develop and analyze potential consolidation organizational and operational requirements.

5. Determine any changes, or future trends, for public safety industry standards related to Public Safety operational requirements. During the development of all recommendations, RW will consider many factors and standards as a basis for recommendations, including:

   - Commission on Accreditation of Law Enforcement Agencies (CALEA)
   - Center for Public Safety Excellence (CPSE)
     - National Fire Service Accreditation Program
   - State of Wisconsin Statutes and Administrative Code
   - Commission on Accreditation of Ambulance Service (CAAS)

6. Develop comprehensive detailed Fire Department Organizational and Consolidation Feasibility recommendations, utilizing the information received from the documentation received, the interviews and on-site interim management. The projected growth and level of service needs will be considered during the development of these recommendations. Recommendations will include:
   - Current Fire/EMS/Police operations, staffing and levels of service
   - Fire/EMS/Police workload, call volume and activity
   - Training and Competency
   - Current and anticipated budget issues
   - Current and future facility needs
   - Service delivery in regards to national standards
   - Advantages and disadvantages of public safety
   - Any other issues identified during the analysis will be addressed

7. Prepare for and facilitate a Recommendations Meeting to present preliminary recommendations and obtain feedback from the Project Team.

Document Preparation and Review

8. List and describe the findings and recommendations on the Public Safety governance and administration, programs, physical resources, human resources, training and competency, essential resources and external systems relations into a draft report.

9. Assemble the Public Safety Analysis document. Perform a detailed quality assurance review of the document to ensure that the document meets the expectations of the Project Team and conforms to RW's standards.

10. Prepare, produce and deliver the draft Public Safety Analysis to the Project Team for review. Facilitate a Report Delivery Meeting to review content for accuracy and completeness.

11. Facilitate an Analysis Review Meeting with the Project Team approximately one (1) week after initial delivery to answer questions regarding the content of the Analysis. Make any changes to the Analysis based on the discussions at the Analysis Review Meeting. Produce and deliver final document bound copies to the Project Team.

12. Facilitate a formal presentation with the City Council of the completed Public Safety Analysis.

Deliverables

This Fire Department Organizational and Consolidation Feasibility Analysis can be completed in a three (3) month time frame. The Public Safety Analysis will take an additional 2 months. The short time period and the low cost quotation listed below, are based on the coordination with the current interim management project and the ability to utilize some of the current hours and project work that is already taking place with that project.

RW will be responsible for the following specific deliverables in keeping with the schedule described above:

1. A comprehensive and professional Fire Department Organizational and Consolidation Feasibility Analysis.

2. A comprehensive Public Safety Analysis

3. Ten (10) bound copies and one (1) unbound copy of the final Documents.

COST QUOTATION

	Not To Exceed Amount
Phase 1	
Fire Department Organizational and Consolidation Feasibility Analysis	$ 12,000
Phase 2	
Public Safety Analysis	$ 3,000
TOTAL	**$ 15,000**

Payment schedule:

- 33% payment due within 10 days of signing the agreement
- 33% payment due upon completion of the Fire Department Organizational and Consolidation Feasibility Analysis
- 34% payment due upon completion of the Public Safety Analysis.

RW will complete the work tasks as defined in our proposal for the not-to-exceed amount presented in the proposal. Additional hours would be billed only if the scope of the project changes. These changes in project costs would only occur after approval by appropriate Department personnel. Either party may terminate the agreement by giving 30 days written notice.

RECENT RELATED ENGAGEMENTS

City of Green Bay, WI

RW Management Group provided long term management of the Green Bay Fire Department for a period of almost four years. Jeffrey R. Roemer served as Fire Chief from April of 2008 until December 31, 2011. Chief Roemer also provided the City with an Executive Selection process and multiple Assessment Centers for promotions, which included training department personnel as assessors. Mr. Roemer also served as the City Emergency Management Director during this time period and established a joint Emergency Operations Center with the County and wrote an Emergency Operations Plan for the City.

Contact: Mayor Jim Schmitt
City of Green Bay
100 N. Jefferson
Green Bay, WI 54301
Phone 920-448-3005

Town of Greenville, WI – Fire Department

RW recently completed multiple projects for the Town of Greenville. The first was a Fire Department Needs Analysis, which was basically an organizational review of the department and based on that review made recommendations regarding their future needs for station placement and major equipment. RW was then asked to assist with project management for the implementation process of those recommendations.

Contact: David Tebo
Town Administrator
W6860 Parkview Drive
Greenville, WI 54952
Phone: (920) 757-5151 Ext. 4

Village of Hartland, WI – Fire Department

RW recently completed an Organizational and Administrative Analysis of the Hartland Fire Department. This study was a complete review and analysis of the entire Fire/EMS department with specific recommendations relating to all aspects of the department including staffing, consolidation, equipment, operations, management and structure.

Contact: David Lamerand
Village President
210 Cottonwood Avenue
Hartland, WI 53029
Phone: 262-367-7149

Village of Allouez Fire Department, Allouez, Wisconsin

RW completed an organizational management analysis, provided interim public safety management, an executive selection process and transition management for the Allouez Public Safety Department.

Contact: Village Administrator
Village of Allouez
1900 Libal St.
Green Bay, WI 54301
Phone 920-448-2800, Ext. 106

PREVIOUS CLIENT WORK

RW Management employees have performed consulting services for the following clients over the past fifteen years:

Albert Lea, MN
Algoma, WI
Town of Algoma, WI
Allouez, WI
Appleton, WI
Appleton Marine, Appleton, WI
Arlington, WI
Ashland, OR
Ashland, WI
Baraboo, WI
Bay City, MI
Bell County, TX
Bellevue, WI
Beloit, WI
Broward County, FL
Brown County, WI
Bristol-Kendall Fire Protection District, IL
Calumet County, WI
Camden, AR
Cape Girardeau, MO
Cedarburg, WI
Central Lake County Communications, IL
Cert. Public Manager Program, Madison, WI
Chicago, IL
Clay County, FL
Clayton, Town of, WI
Clinton, CT
Comm. Orientated Policing Consortium, D.C.
Miller, Wagner, Coenen, McMahon, Neenah, WI
Milton, WI
Milwaukee Brewers, Milwaukee, WI
Milwaukee, WI
Milwaukee Area Technical College, WI
Milwaukee County, WI
Milwaukee Metropolitan Sewerage District
Moraine Park Tech.College, Fond Du Lac, WI
Morton Grove, IL
Motorola Corp., Schaumburg, IL
Mukwonago, WI
Mundelein, IL
Nashville, TN
Neenah, WI
Neenah-Menasha Fire Rescue, WI
New Berlin, WI
New Jersey State Police
New Jersey Attorney General
North Carolina State University, Raleigh, NC
Northeast WI Tech.College, Green Bay, WI
Oak Creek, WI
Oconto County, WI
Odell Associates, Inc., NC
Ogden Plumbing, Neenah, WI
Oneida Tribe of Indians, Oneida, WI
Ozaukee County, WI
Palmyra, WI

Corvallis, OR
Dane County, WI
Dayton, OH
DeForest, WI
DeKalb, IL
Delafield, WI
Delaware County, OH
Delray, FL
De Pere, WI
Destin, FL
Eagan, MN
East Chicago, IN
East Troy, WI
Energy Control and Design, Inc. Appleton, WI
Eugene, OR
Evanston, IL
Fishers, IN
Fond du Lac, WI
FOXCOMM, Appleton, WI
Fox Valley Technical College, Appleton, WI
Freedom, Town of, WI
Gary, IN
Genoa Township, OH
Germantown, WI
Grand Chute, WI
Green Bay, WI
Green Bay Packers, Green Bay, WI
Greenville, WI
Gries Architectural Group, Neenah, WI
GSA, Office of Inspector General, D.C.
Grass Valley, CA
Hamilton Cty 911 Comm.Dist.Chattanooga,TN

Palmyra, Village of, WI
Para Tran Medical Transport, Door Co., WI
Pasadena, CA
Pewaukee, WI (City)
Pewaukee, WI (Village)
Platteville, WI
Police Exec. Research Forum, DC
Presto Products, Appleton, WI
Prince Georges County, MD
Pulaski Tri-County Fire, WI
Qassim University, Buraydah, Saudi Arabia
Racine, WI
Raleigh, NC
RED Center, IL
Reedsburg, WI
Royal Oak, MI
Rye Tech. Consulting, Riyadh, Saudi Arabia
St. Mary's Medical Center, Racine, WI
Sandy Springs, GA
Sarasota County, FL
SEECOM, IL
SESCO, LLC, Manitowoc, WI
Shawano, WI
Sheboygan, WI
Shelby County, TN
Shifman Law Firm, Birmingham, MI
Shorewood, WI
Southeast McHenry County, IL
Sparta, WI
Stafford Rosenbaum Attorneys, WI
Stevens Point, WI
St. Louis, MO

Hammond, IN
Hanover Park, IL
Harlem Township, OH
Harrison, WI
Hartland, WI
Hazel Crest, IL
Hobart, IN.
Ho Chunk Tribal Nation
Inter. Assoc. of Fire Chiefs–Great Lakes Div.
Jacksonville, FL
Jefferson County, KY
JG Samuels, Inc., North Prairie, WI
Johnson Creek Fire Protection District, WI
Joy Bertrand Law Form, Milwaukee, WI
Kansas City, MO
Kaukauna, WI
Kenosha Medical Center, Kenosha, WI
Kent County, MI
Kiel, WI
Killeen, TX
Lake Mills, WI
Lakeshore Technical College, Cleveland, WI
Library of Congress, Washington, D.C.
Lincoln County, WI
Lindner & Marsack, S.C., WI
Lodi EMS, Lodi, WI
Logan Township, PA
Madison Area Technical College, Madison, WI
Madison, Town of, WI
Marathon County, WI
Maryland Police Corps, MD
Maryland Transportation Authority, MD
Stora Enso North America
Suamico, WI
Tallahassee, FL
Tri-State Fire, IL
Tulsa, OK
University of Wisconsin – Madison, WI
USAID, Washington, D.C.
U.S. Capital Police, Washington, D.C.
U. S. Dept. of Homeland Security
University of Illinois, Chicago, IL
Verona, WI
Viking Rescue, Denmark, WI
Virchow Krause & Company, Madison, WI
Walworth County, WI
Wanasek,Scholze,Ludwig,Ekes & Iselin, S.C.
Washington, D.C.
Waterford, WI
Waukesha County, WI
Waukesha County Technical College
Wausau Hospital, Wausau, WI
Wausau Insurance, WI
WESCOM, IL
West Chicago, IL
West Milwaukee, WI
West Palm Beach, FL
Whiting, IN
Whitefish Bay, WI
Will County, IL
Wilmington, NC
Winnebago County, WI
Winnetka, IL
Wis. Dept. of Justice, Madison, WI

Maximus, Reston, VA

Menasha, City of, WI

Menominee Falls, WI

McFarland, Village of, WI

Menomonee Tribal EMS, WI

Wood Dale, IL

Yarmouth, MA

Ypsilanti, MI

Yuma, AZ

MEMORANDUM

TO: Finance & Personnel Committee

FROM: Larry Delo, City Administrator

DATE: June 7, 2013

SUBJECT: Options to Evaluate Fire/EMS Operations

The City is currently contracting with RW Management to serve as interim fire chief. The City entered into a nine month agreement with RW Management to serve in this capacity to provide the City with adequate time to evaluate the current operations of the fire department to determine if the existing format and organizational structure would be retained or if other options should be evaluated and potentially implemented.

The Administration has identified four possible options to consider regarding fire/EMS operations:

1. Maintain operational status quo without further evaluation of other options.
2. Evaluate internal fire/EMS operations to determine possible opportunities to improve the effectiveness and/or efficiency of both fire and EMS operations.
3. Evaluate internal fire/EMS operations and also evaluate possible mergers with other area fire/EMS departments to determine possible opportunities to improve the effectiveness and/or efficiency of both fire and EMS operations.
4. Evaluate internal fire/EMS operations, evaluate possible mergers with other area fire/EMS departments and evaluate merging fire/EMS with police to form a public safety department to determine possible opportunities to improve the effectiveness and/or efficiency of fire/EMS and police operations.

I offered RW Management the opportunity to submit a proposal at this time that would provide services to complete option 2, option 3 or option 4. They decided to utilize this opportunity to submit a proposal at this time (see attachment). I also contacted another firm in the Midwest that conducts these types of evaluations and received a rough general budget cost estimate of $30,000 for option 2, $40,000 for option 3 and $50,000 for option 4.

The Administration is seeking a recommendation from the committee for the City Council to determine which of the four options listed above is preferred and also to determine a recommendation to either utilize RW Management to complete the evaluation (if options 2, 3 or 4 are recommended) or to direct the administration to develop a request for proposals to solicit additional proposals from other firms to complete an evaluation.

DRAFT

MANAGEMENT COMMUNICATIONS

CITY OF DE PERE, WISCONSIN

DECEMBER 31, 2012

DRAFT

CITY OF DE PERE, WISCONSIN
December 31, 2012

TABLE OF CONTENTS

	Page No.
COMMUNICATION TO THE CITY COUNCIL	1 - 8
SUMMARY FINANCIAL INFORMATION - GENERAL CITY	
1. Governmental Fund Balances	9 - 10
2. Employees Medical Self-Insurance Funds	10
TAX INCREMENTAL DISTRICTS	11
1. Available Fund Balances and Future Debt Service Requirements	11 - 13
2. Unreimbursed TID Costs Due City	14
WATER UTILITY	
Income Account	15
WASTEWATER UTILITY	
Income Account	16
STORMWATER UTILITY	
Income Account	17
STATUS OF PRIOR YEAR COMMENTS AND RECOMMENDATIONS	
1. Capital Assets Records	18
2. Status of Internal Service Fund for City Garage and Equipment	18
3. Evaluating Any Potential Liability for Post-employment Benefits	19
4. Journal Entries for Allocation of Project Expenditures	19
CURRENT YEAR COMMENTS AND RECOMMENDATIONS	
GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position and Statement No. 65, Items Previously Reported as Assets and Liabilities	20

DRAFT

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") as of and for the year ended December 31, 2012. The City's financial statements, including our report thereon dated June 5, 2013, 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, 2012, 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

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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 2012-01	Preparation of Annual Financial Report
Finding 2012-02	Adjustments to the City's Financial Records
Finding 2012-03	Capital Asset Additions and Disposals

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. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* for the fiscal year ended December 31, 2012. 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.
>
> Management's estimate of accumulated sick leave is based upon analysis of the employees sick leave balance. We evaluated the key factors and assumptions and the consistency in these factors and assumptions used to develop the estimate 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.

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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.

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 auditors' 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 5, 2013. 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 5, 2013 on the financial statements of the City, is intended solely for the information and use of the City Council, 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 5, 2013

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CITY OF DE PERE

335 South Broadway
De Pere, WI 54115
Phone: 920/339-4050
Fax No.: 920/330-9491
Web: http://de-pere.org

June 5, 2013

Schenck SC
2200 Riverside Drive
P.O. Box 23819
Green Bay, WI 54305-3819

This representation letter is provided in connection with your audit of the primary government financial statements of the City of De Pere, Wisconsin, (the "City"), which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of December 31, 2012, and the respective changes in the financial position and where applicable, cash flows for the year then ended, and the related notes to the financial statements for the purpose of expressing opinions as to whether the primary government financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of June 5, 2013, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 24, 2013.

2. The primary government financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America and include all properly classified funds and other financial information of the primary government required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5. Significant assumptions we used in making accounting estimates are reasonable.

6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of accounting principles generally accepted in the United States of America.

7. All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

8. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the City's accounts.

9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

10. Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11. We have provided you with:

    a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.

    b. Additional information that you have requested from us for the purpose of the audit.

    c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

    d. Minutes of the meetings of the City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.

12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

13. We have made an assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have disclosed the results of our assessment as follows:

    a. We have no knowledge of any fraud or suspected fraud that affects the City and involves:

       i. Management,

       ii. Employees who have significant roles in internal control, or

       iii. Others where the fraud could have a material effect on the financial statements.

    b. We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.

14. We have disclosed to you all known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

15. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

16. We have disclosed to you the identity of the City's related parties and all the related party relationships and transactions of which we are aware.

Government - specific

17. We have made available to you all financial records and related data.

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

19. We have a process to track the status of audit findings and recommendations.

20. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

21. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.

22. The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

23. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts, or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

24. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

25. As part of your audit, you assisted with preparation of the financial statements and related notes, state financial report, and Public Service Commission annual report. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes, state financial report, and Public Service Commission annual report.

26. In regards to the capital asset depreciation and reconciliation services performed by you, we have –

    a. Made all management decisions and performed all management functions.

    b. Designated an individual with suitable skill, knowledge, or experience to oversee the services.

    c. Evaluated the adequacy and results of the services performed.

    d. Accepted responsibility for the results of the services.

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27. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

28. The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

29. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.

30. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.

31. The financial statements properly classify all funds and activities.

32. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

33. Components of net position (net investment in capital assets, restricted, and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.

34. Provisions for uncollectible receivables have been properly identified and recorded.

35. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

36. Revenues are appropriately classified in the statement of activities within program revenues and general revenues.

37. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

38. Deposits and investment securities and derivative transactions are properly classified as to risk and are properly disclosed.

39. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.

40. We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy.

41. We acknowledge our responsibility for presenting the nonmajor fund combining statements, individual fund statements, and supporting schedules (the supplementary information) in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

42. The fact that the amount of "uncollateralized" deposits or "uninsured, unregistered securities held by the counterparty, or by its trust department or agent but not in the City's name" during the period

significantly exceeded the amounts in those categories as of the balance sheet was properly disclosed in the financial statements.

43. Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances, or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements, have been properly recorded or disclosed in the financial statements.

44. The methods and significant assumptions used to determine fair values of financial instruments are as follows: 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. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.

45. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the balance sheet date and have been appropriately reduced to their estimated net realizable value.

46. Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility.

47. Expenditures of federal awards were below the $500,000 threshold in the year ended December 31, 2012, and we were not required to have an audit in accordance with *OMB Circular A-133*.

48. We have evaluated and classified any subsequent events as recognized or nonrecognized through the date of this letter. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Signed: ______________________
Finance Director

Signed: ______________________
Clerk/Treasurer

Signed: ______________________
City Administrator

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SUMMARY FINANCIAL INFORMATION

GENERAL CITY

1. Governmental Fund Balances

Presented below is a summary of the City's governmental fund balances on December 31, 2012. This information is provided for assessing financial results for 2012 and for indicating financial resources available at the start of the 2013 budget year.

	12/31/12	12/31/11
General Fund		
Nonspendable for		
Inventories and prepaid items	$ 284,767	$ 264,737
Special assessments held by County	89,512	153,731
Advances to other funds	60,000	-
Delinquent taxes	44,046	-
Restricted for		
Recreation scholarship	14,280	10,249
Committed for		
Subsequent years' expenditures	98,626	224,035
Assigned for		
Subsequent year's budget	290,773	-
Unassigned	5,069,148	4,726,093
Total General Fund Balance	5,951,152	5,378,845
Debt Service Fund		
Restricted for debt service	402,356	489,999
Special Revenue Funds		
Restricted for		
Loans	921,462	793,638
Park land acquisition	51,283	141,528
Committed for		
Subsequent years' expenditures		
Cable Access	41,843	262,943
Dog Park	13,728	8,874
Riverwalk Pier	1,931	338,608
Total Special Revenue Funds	1,030,247	1,545,591
Capital Projects Funds		
Restricted for		
TID No.5	452,211	209,171
TID No.6	1,011,703	1,617,490
TID No.7	1,349,899	1,184,345
TID No.8	2,670,955	611,250
TID No.9	649,684	-
TID No.10	358,715	-
Committed for		
Subsequent years' expenditures		
Public Improvements	823,335	1,174,011
Capital Equipment	399,416	545,019
Community Center	3,191	3,191
Police/Fire Expansion	2,932	2,932
Total Capital Projects Funds	7,722,041	5,347,409
Total Governmental Fund Balances	$ 15,105,796	$ 12,761,844

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.

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

General Fund
The City's general fund increased $572,307 primarily from actual 2012 expenditures being less than budget, along with increased collection of interest and penalties on delinquent special assessments. Overall, the City's general fund balance continues to remain in stable financial condition entering the 2013 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 25% 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, 2012, the City's unassigned general fund balance totaled $5,069,148 and was higher than 25% of the 2013 budgeted expenditures which totaled $3,927,280. Furthermore, the Council endorses a policy whereby the unassigned reserve account maintains a balance between 25% and 35% of the subsequent year General Fund budgeted expenditures, 35% of 2013 budgeted expenditures is $5,498,192.

Debt Service Fund
At December 31, 2012, the City has available resources of $402,356 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 2012 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 2012 including comparative totals of the health and dental funds for 2011.

	Health Self-Insurance		Dental Self-Insurance	
	2012	2011	2012	2011
Revenues				
Charges for employees medical and dental insurance premiums	$ 2,830,896	$ 3,181,162	$ 127,219	$ 139,728
Expenses				
Employees health and dental claims	2,181,311	2,792,998	102,178	125,024
Administrative fees	404,291	460,610	7,531	9,361
Total Expenses	2,585,602	3,253,608	109,709	134,385
Operating Income (Loss)	245,294	(72,446)	17,510	5,343
Nonoperating Revenues				
Reimbursement from ERP program	-	104,066	-	-
Interest revenue	189	183	-	-
Total Nonoperating Revenues	189	104,249	-	-
Change in Net Position	245,483	31,803	17,510	5,343
Net Position - January 1	533,285	501,482	25,982	20,639
Net Position - December 31	$ 778,768	$ 533,285	$ 43,492	$ 25,982

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 2012, the health fund showed operating income of $245,294 compared to an operating loss of $72,446 in 2011. The dental insurance fund showed an operating income of $17,510 in 2012 compared to an operating income of $5,343 in 2011.

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TAX INCREMENTAL DISTRICTS

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 six tax incremental districts on December 31, 2012, 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 $15,161 and $1,105,228 were incurred in 2012, 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.

TID No. 9 and TID No. 10 - TID No. 9 (West Downtown Business District) and TID No. 10 (East Side Industrial Park) were created on August 13, 2012. Project costs of $15,316 and $136,285 were incurred in 2012, respectively. Both Districts are still eligible to incur project costs. Accordingly, the Districts are accounted for in capital projects funds. Both TID No. 9 and TID No. 10 will statutorily terminate in 2034.

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.

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1. Available Fund Balances and Future Debt Service Requirements

The City's TID's had available fund balances on December 31, 2012 as follows:

	Fund Balances
Capital Projects Funds	
TID No. 5	$ 452,211
TID No. 6	1,011,703
TID No. 7	1,349,899
TID No. 8	2,670,955
TID No. 9	649,684
TID No. 10	358,715

TID No. 5 and No. 6

The City's TID No. 5 and 6 currently have outstanding debt on December 31, 2012 of $3,382,077 and $5,260,316, respectively, as shown below:

	TID No. 5			TID No. 6		
Due	Principal	Interest	Total	Principal	Interest	Total
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	456,950	43,719	500,669	496,354	130,951	627,305
2018 - 2022	868,733	44,332	913,065	1,848,576	391,209	2,239,785
2023 - 2026	-	-	-	951,963	83,220	1,035,183
	$ 3,382,077	$ 435,322	$ 3,817,399	$ 5,260,316	$ 1,303,668	$ 6,563,984

In addition to the above outstanding debt, the City has advanced $4,143,643 to TID No. 5 to finance debt service and other costs.

The Districts incurred project plan expenditures of $143,557 and $1,428,437 for TID No. 5 and TID No. 6, respectively, during 2012. TID No. 5 and No. 6 are expected to generate tax increments of $902,580 and $1,443,260 respectively, in 2012.

TID No. 7

The District incurred expenditures of $144,528 in 2012.

TID No. 7 currently has outstanding debt of $2,369,244 on December 31, 2012. The debt is due in annual installments as shown below:

	TID No. 7		
Due	Principal	Interest	Total
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	131,453	107,206	238,659
2018 - 2022	731,431	428,606	1,160,037
2023 - 2027	1,085,000	192,640	1,277,640
	$ 2,369,244	$ 1,208,427	$ 3,577,671

No tax increment is currently being earned by the District. However, the District did receive a payment in lieu of taxes of $179,998 in 2013 for 2012.

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

TID No. 8
The District incurred expenditures of $1,127,864 in 2012.

TID No. 8 currently has outstanding debt of $3,312,230 on December 31, 2012. The debt is due in annual installments as shown below:

	TID No. 8		
Due	Principal	Interest	Total
2013	$ 179,457	$ 98,175	$ 277,632
2014	176,155	83,483	259,638
2015	217,046	81,349	298,395
2016	176,938	78,608	255,546
2017	176,938	75,933	252,871
2018 - 2022	956,387	322,606	1,278,993
2023 - 2027	1,096,674	180,505	1,277,179
2028 - 2029	332,635	18,580	351,215
	$ 3,312,230	$ 939,239	$ 4,251,469

No tax increment is currently being earned by the District.

TID No. 9
The District incurred expenditures of $15,316 in 2012.

TID No. 9 currently has outstanding debt of $665,000 on December 31, 2012. The debt is due in annual installments as shown below:

	TID No. 9		
Due	Principal	Interest	Total
2013	$ -	$ 21,191	$ 21,191
2014	-	17,700	17,700
2015	35,000	17,700	52,700
2016	35,000	17,403	52,403
2017	35,000	17,035	52,035
2018 - 2022	175,000	76,565	251,565
2023 - 2027	200,000	53,562	253,562
2028 - 2031	185,000	18,060	203,060
	$ 665,000	$ 239,216	$ 904,216

No tax increment is currently being earned by the District.

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

TID No. 10
The District incurred expenditures of $136,285 in 2012.

TID No. 9 currently has outstanding debt of $495,000 on December 31, 2012. The debt is due in annual installments as shown below:

	TID No. 10		
Due	Principal	Interest	Total
2013	$ -	$ 15,336	$ 15,336
2014	-	12,810	12,810
2015	25,000	12,810	37,810
2016	25,000	12,598	37,598
2017	25,000	12,335	37,335
2018 - 2022	150,000	54,620	204,620
2023 - 2027	160,000	35,972	195,972
2028 - 2030	110,000	8,565	118,565
	$ 495,000	$ 165,046	$ 660,046

No tax increment is currently being earned by the District.

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 2012 for amounts recoverable by the City from the TID's on December 31, 2012 follows:

	TID No. 5	TID No. 6	TID No. 7	TID No. 8
Due from (to) TID December 31, 2012	$ 4,143,643	$ (3,770,209)	$ 712,031	$ 108,405

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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 position of $889,263 for the year ended December 31, 2012 compared to an increase of $1,256,284 for the year ended December 31, 2011.

	2012	2011
Operating Revenues		
Metered sales	$ 4,678,189	$ 4,430,294
Fire protection	1,320,043	1,280,127
Other	353,745	797,014
Total Operating Revenues	6,351,977	6,507,435
Operating Expenses		
Operation and maintenance	4,588,844	4,561,331
Depreciation	429,529	366,707
Taxes	41,587	42,735
Total Operating Expenses	5,059,960	4,970,773
Operating Income	1,292,017	1,536,662
Nonoperating Revenues (Expenses)		
Interest revenue	9,105	10,454
Interest and fiscal charges	(119,746)	(129,773)
Total Nonoperating Revenues (Expenses)	(110,641)	(119,319)
Income before Contributions and Transfers	1,181,376	1,417,343
Capital contributions	140,490	261,955
Transfers out	(432,603)	(423,014)
Change in Net Position	$ 889,263	$ 1,256,284

The last water rate increase implemented in 2011 established a rate of return of 6.5%. In 2012, the City's rate of return calculated to 8.81%. 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 $267,866.

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WASTEWATER UTILITY

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 an increase in net position of $539,411 for the year ended December 31, 2012 compared to a decrease of $75,567 for the year ended December 31, 2011.

	2012	2011
Operating Revenues		
Measured sales	$ 3,310,526	$ 2,888,511
Other	3,706,529	3,235,276
Total Operating Revenues	7,017,055	6,123,787
Operating Expenses		
Operation and maintenance	6,160,434	5,845,086
Depreciation	485,718	474,676
Total Operating Expenses	6,646,152	6,319,762
Operating Income (Loss)	370,903	(195,975)
Nonoperating Revenues		
Gain on sale of capital assets	-	-
Loss before Contributions and Transfers	370,903	(195,975)
Capital contributions	437,683	390,205
Transfers out	(269,175)	(269,797)
Change in Net Position	$ 539,411	$ (75,567)

As of December 31, 2012 the Wastewater Utility owed the general fund $796,792 for operating purposes, which was a decrease of $60,687 from the amount owed a year earlier. 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 2013.

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STORMWATER UTILITY

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

Income Account

The Stormwater Utility reported an increase in net position of $185,217 for the year ended December 31, 2012 compared to an increase of $14,437 for the year ended December 31, 2011.

	2012	2011
Operating Revenues		
Charges for services	$ 1,017,471	$ 917,062
Operating Expenses		
Operation and maintenance	522,918	710,464
Depreciation	309,336	301,161
Total Operating Expenses	832,254	1,011,625
Operating Income (Loss) before Contributions	185,217	(94,563)
Capital contributions	-	109,000
Change in Net Position	$ 185,217	$ 14,437

At year end, available cash of the Stormwater Utility totaled $586,478.

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STATUS OF PRIOR YEAR COMMENTS AND RECOMMENDATIONS

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, 2012, the City's capital assets for governmental activities totaled approximately $102 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 considering purchasing a module of current software for their capital assets. Furthermore, we believe the City should consider assigning the maintenance of capital asset records to a specific employee.

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 2012 and 2013 budget contained appropriations of $400,000 and $500,000 respectively. Although the City appropriated tax levy for equipment purchases in the Capital Equipment fund the current practice is to transfer some of 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.

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3. Evaluating Any Potential Liability for Post-employment Benefits

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.

In the prior year we recommended 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 City did not complete an actuarial study for the year ended December 31, 2012, accordingly we recommend the City complete an actuarial study for the year ended December 31, 2013 to determine the implicit rate for retirees is immaterial to the City's financial statements.

4. 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.

During the current year little progress was made with the allocation of project expenditures prior to the audit. We recommend that the finance director and public works complete this once a project has been completed and final payment is made to the contractor therefore all of the expenditures will be allocated, recorded, and scheduled out on worksheets before the audit begins. Furthermore, retirements of assets replaced should be removed from the City's general ledger soon after the project is completed.

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CURRENT YEAR COMMENTS AND RECOMMENDATIONS

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position and Statement No. 65, Items Previously Reported as Assets and Liabilities

For the year ended December 31, 2012, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These statements are intended to provide users of financial statements with information on how past transactions will impact the City's future financial statements.

The effects on the current year financial statements are to change the classification of "Net Assets" to "Net Position" and to create two additional categories on the Statement of Net Position and the Balance Sheet for deferred outflows and deferred inflows.

A deferred outflow of resources is a consumption of net assets that is applicable to a future reporting period. The City currently does not have any items that qualify for reporting in this category.

A deferred inflow of resources is an acquisition of net assets that is applicable to a future reporting period. The government-wide Statement of Net Position and governmental funds Balance Sheet report a deferred inflow for the 2013 property tax levy. Since the governmental fund financial statements use the modified accrual basis of accounting, there is an additional item reported in those balance sheets for unavailable revenues. The unavailable revenue reported is for special assessments and loans receivable.

Both of these items have been previously reported in the City's financial statements under "Liabilities", so there is no change to fund balance or net position.

This comment is for informational purposes.

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MANAGEMENT COMMUNICATIONS

CITY OF DE PERE, WISCONSIN

DECEMBER 31, 2012

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CITY OF DE PERE, WISCONSIN
December 31, 2012

TABLE OF CONTENTS

	Page No.
COMMUNICATION TO THE CITY COUNCIL	1 - 8
SUMMARY FINANCIAL INFORMATION - GENERAL CITY	
1. Governmental Fund Balances	9 - 10
2. Employees Medical Self-Insurance Funds	10
TAX INCREMENTAL DISTRICTS	11
1. Available Fund Balances and Future Debt Service Requirements	11 - 13
2. Unreimbursed TID Costs Due City	14
WATER UTILITY	
Income Account	15
WASTEWATER UTILITY	
Income Account	16
STORMWATER UTILITY	
Income Account	17
STATUS OF PRIOR YEAR COMMENTS AND RECOMMENDATIONS	
1. Capital Assets Records	18
2. Status of Internal Service Fund for City Garage and Equipment	18
3. Evaluating Any Potential Liability for Post-employment Benefits	19
4. Journal Entries for Allocation of Project Expenditures	19
CURRENT YEAR COMMENTS AND RECOMMENDATIONS	
GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position and Statement No. 65, Items Previously Reported as Assets and Liabilities	20

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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") as of and for the year ended December 31, 2012. The City's financial statements, including our report thereon dated June 5, 2013, 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, 2012, 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 2012-01	Preparation of Annual Financial Report
Finding 2012-02	Adjustments to the City's Financial Records
Finding 2012-03	Capital Asset Additions and Disposals

These findings are described in
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

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CITY OF DE PERE, WISCONSIN

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2012

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CITY OF DE PERE, WISCONSIN
December 31, 2012

Table of Contents

	Page No.
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 9
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11 - 12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13 - 14
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	15 - 16
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	17
Statement of Net Position - Proprietary Funds	18
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	19
Statement of Cash Flows - Proprietary Funds	20
Statement of Net Position - Agency Funds	21
Notes to Basic Financial Statements	22 - 43
SUPPLEMENTARY INFORMATION	
Detailed Comparison of Budgeted and Actual Revenues - General Fund	44 - 45
Detailed Comparison of Budgeted and Actual Expenditures - General Fund	46 - 47
Combining Balance Sheet - Nonmajor Governmental Funds	48 - 49
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	50 - 51
Combining Statement of Net Position - Internal Service Funds	52
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	53
Combining Statement of Cash Flows - Internal Service Funds	54
Statement of Revenues, Expenses and Changes in Net Position - Water Utility Enterprise Fund	55

DRAFT

CITY OF DE PERE, WISCONSIN
December 31, 2012

Table of Contents (Continued)

	Page No.
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	56 - 57
Schedule of Findings and Responses	58 - 59

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of De Pere, Wisconsin

Report on the Financial Statements

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, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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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, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note A.5.h, the City has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended December 31, 2012. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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 basic 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 responses 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary information, and the other information, is presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2013, 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* in considering the City's internal control over financial reporting and compliance.

Certified Public Accountants
Green Bay, Wisconsin
June 5, 2013

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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BASIC FINANCIAL STATEMENTS

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CITY OF DE PERE, WISCONSIN
Statement of Net Position
December 31, 2012

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	$ 14,200,337	$ 854,344	$ 15,054,681
Receivables			
Taxes	12,864,749	-	12,864,749
Accounts	1,307,285	3,293,077	4,600,362
Special assessments	1,151,169	-	1,151,169
Loans	885,781	-	885,781
Other	-	298,949	298,949
Internal balances	1,073,589	(1,073,589)	-
Due from other governments	-	2,407,275	2,407,275
Inventories and prepaid items	284,767	25,090	309,857
Restricted assets			
Cash and investments	404,507	150,000	554,507
Capital assets, nondepreciable			
Land	8,268,479	53,207	8,321,686
Construction in progress	3,222,635	-	3,222,635
Capital assets, depreciable			
Land improvements	2,457,540	-	2,457,540
Buildings and improvements	11,307,507	539,471	11,846,978
Machinery and equipment	9,881,491	4,317,859	14,199,350
Infrastructure	67,324,852	56,012,232	123,337,084
Less: Accumulated depreciation	(39,717,461)	(19,523,911)	(59,241,372)
TOTAL ASSETS	94,917,227	47,354,004	142,271,231
LIABILITIES			
Accounts and claims payable	1,088,644	921,752	2,010,396
Accrued and other current liabilities	453,169	586,480	1,039,649
Due to other governments	1,650	-	1,650
Accrued interest payable	164,158	9,208	173,366
Unearned revenue	10,080	-	10,080
Long-term obligations			
Due within one year	3,179,430	275,000	3,454,430
Due in more than one year	30,388,588	2,807,416	33,196,004
TOTAL LIABILITIES	35,285,719	4,599,856	39,885,575
DEFERRED INFLOWS OF RESOURCES			
Property taxes	12,831,815	-	12,831,815
NET POSITION			
Net investment in capital assets	30,805,613	38,498,858	69,304,471
Restricted for			
Loans	1,807,243	-	1,807,243
Park land acquisition	51,283	-	51,283
Recreation scholarship	14,280	-	14,280
Debt service	402,356	-	402,356
Capital projects	-	528	528
Unrestricted	13,718,918	4,254,762	17,973,680
TOTAL NET POSITION	$ 46,799,693	$ 42,754,148	$ 89,553,841

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

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CITY OF DE PERE, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2012

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities				
General government	$ 1,654,429	$ 391,798	$ -	$ -
Public safety	8,081,676	1,281,196	296,294	-
Public works	6,113,614	613,487	1,329,166	470,679
Sanitation	549,344	-	97,855	-
Health and human services	311,793	8,646	45,055	-
Culture and recreation	2,182,530	531,669	5,202	1,675,572
Conservation and development	1,686,821	24,323	-	3,000
Interest on debt	1,139,916	-	-	-
Total Governmental Activities	21,720,123	2,851,119	1,773,572	2,149,251
Business-type Activities				
Water utility	5,148,055	6,118,307	-	140,490
Wastewater treatment	835,429	-	-	-
Wastewater collection	6,596,831	7,017,055	-	437,683
Stormwater utility	825,191	1,017,471	-	-
Total Business-type Activities	13,405,506	14,152,833	-	578,173
Total	$ 35,125,629	$ 17,003,952	$ 1,773,572	$ 2,727,424

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 position

Cumulative effect of change in accounting principle

Net position - January 1

Net position - December 31

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

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Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (1,262,631)	$ -	$ (1,262,631)
(6,504,186)	-	(6,504,186)
(3,700,282)	-	(3,700,282)
(451,489)	-	(451,489)
(258,092)	-	(258,092)
29,913	-	29,913
(1,659,498)	-	(1,659,498)
(1,139,916)	-	(1,139,916)
(14,946,181)	-	(14,946,181)
-	1,110,742	1,110,742
-	(835,429)	(835,429)
-	857,907	857,907
-	192,280	192,280
-	1,325,500	1,325,500
(14,946,181)	1,325,500	(13,620,681)
7,703,147	-	7,703,147
1,238,022	-	1,238,022
1,341,276	-	1,341,276
2,576,382	-	2,576,382
376,831	-	376,831
2,103,835	-	2,103,835
141,907	9,128	151,035
660,876	233,670	894,546
701,778	(701,778)	-
16,844,054	(458,980)	16,385,074
1,897,873	866,520	2,764,393
(233,218)	-	(233,218)
45,135,038	41,887,628	87,022,666
$ 46,799,693	$ 42,754,148	$ 89,553,841

CITY OF DE PERE, WISCONSIN
Balance Sheet
Governmental Funds
December 31, 2012

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	General	Debt Service	Special Revenue - Riverwalk Pier	Capital Projects - Public Improvements	Other Governmental	Total Governmental Funds
ASSETS						
Cash and investments	$ 4,635,912	$ -	$ -	$ 669,353	$ 7,871,303	$ 13,176,568
Receivables						
Taxes	7,724,355	1,353,278	-	941,276	2,845,840	12,864,749
Accounts	310,182	-	713,889	179,998	103,811	1,307,880
Special assessments	89,512	-	-	1,061,657	-	1,151,169
Loans	-	-	-	-	885,781	885,781
Due from other funds	1,434,192	-	-	-	-	1,434,192
Advance to other funds	60,000	-	-	-	-	60,000
Inventories and prepaid items	284,767	-	-	-	-	284,767
Restricted assets						
Cash and investments	-	404,507	-	-	-	404,507
TOTAL ASSETS	$ 14,538,920	$ 1,757,785	$ 713,889	$ 2,852,284	$ 11,706,735	$ 31,569,613
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 429,670	$ 2,151	$ 464,019	$ 26,016	$ 23,870	$ 945,726
Accrued and other current liabilities	452,943	-	-	-	226	453,169
Due to other funds	-	-	247,939	-	23,996	271,935
Due to other governments	3,654	-	-	-	-	3,654
Unearned revenues	10,080	-	-	-	-	10,080
Total Liabilities	896,347	2,151	711,958	26,016	48,092	1,684,564
Deferred Inflows of Resources						
Property taxes	7,691,421	1,353,278	-	941,276	2,845,840	12,831,815
Special assessments	-	-	-	1,061,657	-	1,061,657
Loans receivable	-	-	-	-	885,781	885,781
Total Deferred Inflows of Resources	7,691,421	1,353,278	-	2,002,933	3,731,621	14,779,253
Fund Balances						
Nonspendable for						
Inventories and prepaid items	284,767	-	-	-	-	284,767
Special assessments	89,512	-	-	-	-	89,512
Advances to other funds	60,000	-	-	-	-	60,000
Delinquent property taxes	44,046	-	-	-	-	44,046
Restricted for						
Debt service	-	402,356	-	-	-	402,356
Loans	-	-	-	-	921,462	921,462
Recreation scholarship	14,280	-	-	-	-	14,280
Park land acquisition	-	-	-	-	51,283	51,283
Capital outlay	-	-	-	-	6,493,167	6,493,167
Committed for						
Subsequent years' expenditures	98,626	-	1,931	-	55,571	156,128
Capital outlay	-	-	-	823,335	405,539	1,228,874
Assigned for						
Subsequent year's budget	290,773	-	-	-	-	290,773
Unassigned	5,069,148	-	-	-	-	5,069,148
Total Fund Balances	5,951,152	402,356	1,931	823,335	7,927,022	15,105,796
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 14,538,920	$ 1,757,785	$ 713,889	$ 2,852,284	$ 11,706,735	$ 31,569,613

(Continued)

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CITY OF DE PERE, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2012

Reconciliation to the Statement of Net Position

Total Fund Balances as shown on previous page		$ 15,105,796
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		62,745,043
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		1,947,438
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 position.		733,592
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	$ (31,885,000)	
Capital leases payable	(54,430)	
Compensated absences	(1,628,588)	
Accrued interest on long-term obligations	(164,158)	(33,732,176)
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 10)		$ 46,799,693

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

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CITY OF DE PERE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	General	Debt Service	Special Revenue - Riverwalk Pier	Capital Projects - Public Improvements	Other Governmental	Total Governmental Funds
Revenues						
Taxes	$ 7,798,316	$ 1,238,022	$ -	$ 941,276	$ 2,976,382	$ 12,953,996
Special assessments	-	-	-	963,046	-	963,046
Intergovernmental	3,280,804	40,386	1,237,320	263,605	287,410	5,109,525
Licenses and permits	545,215	-	-	-	118,852	664,067
Fines and forfeits	233,638	-	-	-	-	233,638
Public charges for services	1,409,666	-	-	-	10,000	1,419,666
Intergovernmental charges for services	856,468	-	-	-	-	856,468
Miscellaneous	275,777	-	438,252	9,045	1,039,525	1,762,599
Total Revenues	14,399,884	1,278,408	1,675,572	2,176,972	4,432,169	23,963,005
Expenditures						
Current						
General government	1,630,772	-	-	-	-	1,630,772
Public safety	8,052,660	-	-	-	-	8,052,660
Public works	2,409,455	-	-	-	-	2,409,455
Sanitation	553,373	-	-	-	-	553,373
Health and human services	334,337	-	-	-	-	334,337
Culture and recreation	1,985,666	-	-	-	83,387	2,069,053
Conservation and development	211,220	-	-	-	1,839,062	2,050,282
Debt service						
Principal	-	3,040,048	-	-	-	3,040,048
Interest and fiscal charges	-	1,116,948	-	-	29,150	1,146,098
Capital outlay	-	-	3,027,149	3,108,603	728,901	6,864,653
Total Expenditures	15,177,483	4,156,996	3,027,149	3,108,603	2,680,500	28,150,731
Excess (Deficiency) of Revenues Over (Under) Expenditures	(777,599)	(2,878,588)	(1,351,577)	(931,631)	1,751,669	(4,187,726)
Other Financing Sources (Uses)						
Long-term debt issued	-	-	1,015,000	760,000	4,055,000	5,830,000
Transfers in	1,349,906	2,790,945	-	120,955	500,000	4,761,806
Transfers out	-	-	-	(300,000)	(3,760,028)	(4,060,028)
Total Other Financing Sources (Uses)	1,349,906	2,790,945	1,015,000	580,955	794,972	6,531,778
Net Change in Fund Balances	572,307	(87,643)	(336,577)	(350,676)	2,546,641	2,344,052
Fund Balances - January 1	5,378,845	489,999	338,508	1,174,011	5,380,381	12,761,744
Fund Balances - December 31	$ 5,951,152	$ 402,356	$ 1,931	$ 823,335	$ 7,927,022	$ 15,105,796

(Continued)

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CITY OF DE PERE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended December 31, 2012

Reconciliation to the Statement of Activities

Net Change in Fund Balances as shown on previous page		$ 2,344,052
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	$ 5,284,265	
Depreciation expense reported in the statement of activities	(2,577,140)	
Amount by which capital additions are greater than depreciation in current period		2,707,125
In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source. In the statement of activities only the gain (or loss) on the disposal is reported.		
Loss on disposition reported on the statement of activities	$ (31,179)	
Cost of assets disposed of		(31,179)
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 decreased by:		148,075
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.		168,882
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.		(696,976)
The issuance of long-term debt provides current financial resources to governmental funds, but is reported as an increase in long-term debt in the statement of net position and does not affect the statement of activities. The amount of debt issued in the current year is:		(5,830,000)
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 position and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is, including $41,664 of capital lease payments in current expenditures, is:		3,081,712
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.		6,182
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 11 - 12)		$ 1,897,873

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

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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, 2012

	Budgeted Amounts			Variance Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Taxes	$ 7,742,059	$ 7,742,059	$ 7,798,316	$ 56,257
Intergovernmental	3,105,539	3,105,539	3,280,804	175,265
Licenses and permits	441,350	441,350	545,215	103,865
Fines and forfeits	275,000	275,000	233,638	(41,362)
Public charges for services	1,271,780	1,271,780	1,409,666	137,886
Intergovernmental charges for services	836,863	836,863	856,468	19,605
Miscellaneous	610,922	610,922	275,777	(335,145)
Total Revenues	14,283,513	14,283,513	14,399,884	116,371
Expenditures				
Current				
General government	1,785,735	1,785,735	1,630,772	154,963
Public safety	7,965,366	7,965,366	8,052,660	(87,294)
Public works	2,592,777	2,592,777	2,409,455	183,322
Sanitation	541,320	541,320	553,373	(12,053)
Health and human services	424,755	424,755	334,337	90,418
Culture and recreation	2,048,791	2,048,791	1,985,666	63,125
Conservation and development	222,897	222,897	211,220	11,677
Total Expenditures	15,581,641	15,581,641	15,177,483	404,158
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,298,128)	(1,298,128)	(777,599)	520,529
Other Financing Sources				
Transfers in	1,298,128	1,298,128	1,349,906	51,778
Net Change in Fund Balance	-	-	572,307	572,307
Fund Balance - January 1	5,378,845	5,378,845	5,378,845	-
Fund Balance - December 31	$ 5,378,845	$ 5,378,845	$ 5,951,152	$ 572,307

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

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CITY OF DE PERE, WISCONSIN
Statement of Net Position
Proprietary Funds
December 31, 2012

	Enterprise Funds					Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility	Total	
ASSETS						
Cash and investments	$ 267,866	$ -	$ -	$ 586,478	$ 854,344	$ 1,023,769
Receivables						
Accounts	1,692,568	-	1,600,509	-	3,293,077	-
Other	298,949	-	-	-	298,949	-
Due from other governments	-	2,407,275	-	-	2,407,275	-
Inventories and prepaid expenses	25,090	-	-	-	25,090	-
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	3,831,231	-	486,628	-	4,317,859	-
Infrastructure	21,744,777	-	18,800,643	15,466,812	56,012,232	-
Less: Accumulated depreciation	(5,328,317)	-	(8,420,177)	(5,775,417)	(19,523,911)	-
TOTAL ASSETS	23,124,842	2,407,275	12,617,603	10,277,873	48,427,593	1,023,769
LIABILITIES						
Accounts and claims payable	590,463	-	893,178	15,604	1,499,245	141,509
Accrued and other current liabilities	4,143	-	3,137	1,707	8,987	-
Accrued interest payable	9,208	-	-	-	9,208	-
Due to other funds	-	365,465	796,792	-	1,162,257	60,000
Long-term obligations						
Due within one year	275,000	-	-	-	275,000	-
Due in more than one year	2,729,633	-	56,874	20,909	2,807,416	-
TOTAL LIABILITIES	3,608,447	365,465	1,749,981	38,220	5,762,113	201,509
NET POSITION						
Net investment in capital assets	17,940,369	-	10,867,094	9,691,395	38,498,858	-
Restricted for						
Capital projects	-	-	528	-	528	-
Unrestricted	1,576,026	2,041,810	-	548,258	4,166,094	822,260
TOTAL NET POSITION	$ 19,516,395	$ 2,041,810	$ 10,867,622	$ 10,239,653	42,665,480	$ 822,260
Adjustment to reflect the consolidation of the internal service fund activities related to enterprise funds					88,668	
Net position of business-type activities as reported on the Statement of Net Position (page 10)					$ 42,754,148	

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

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CITY OF DE PERE, WISCONSIN

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2012

	Enterprise Funds					Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility	Total	
Operating Revenues						
Charges for services	$ 5,998,232	$ -	$ 3,310,526	$ 1,017,471	$ 10,326,229	$ 2,958,115
Other	353,745	-	3,706,529	-	4,060,274	-
Total Operating Revenues	6,351,977	-	7,017,055	1,017,471	14,386,503	2,958,115
Operating Expenses						
Claims and administrative fees	-	-	-	-	-	2,695,311
Operation and maintenance	4,588,844	841,505	6,160,434	522,918	12,113,701	-
Depreciation	429,529	-	485,718	309,336	1,224,583	-
Taxes	41,587	-	-	-	41,587	-
Total Operating Expenses	5,059,960	841,505	6,646,152	832,254	13,379,871	2,695,311
Operating Income (Loss)	1,292,017	(841,505)	370,903	185,217	1,006,632	262,804
Nonoperating Revenues (Expenses)						
Interest income	9,105	23	-	-	9,128	189
Interest and fiscal charges	(119,746)	-	-	-	(119,746)	-
Total Nonoperating Revenues (Expenses)	(110,641)	23	-	-	(110,618)	189
Income (Loss) Before Contributions and Transfers	1,181,376	(841,482)	370,903	185,217	896,014	262,993
Capital contributions	140,490	-	437,683	-	578,173	-
Transfers out	(432,603)	-	(269,175)	-	(701,778)	-
Change in Net Position	889,263	(841,482)	539,411	185,217	772,409	262,993
Net Position - January 1	18,627,132	2,883,292	10,328,211	10,054,436	41,893,071	559,267
Net Position - December 31	$ 19,516,395	$ 2,041,810	$ 10,867,622	$ 10,239,653	$ 42,665,480	$ 822,260

Change in Net Position per above	$ 772,409
Adjustment to reflect the consolidation of the internal service fund activities related to enterprise funds	94,111
Change in Net Position of business-type activities as reported on the Statement of Activities (pages 11-12)	$ 866,520

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

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CITY OF DE PERE, WISCONSIN
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

	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	$ 6,651,399	$ -	$ 6,747,990	$ 1,017,471	$ 14,416,860	$ -
Cash received from interfund services provided	55,676	-	(55,676)	-	-	2,958,115
Cash payments to suppliers	(4,038,661)	(841,505)	(5,693,208)	(134,103)	(10,707,477)	(2,796,528)
Cash payments to employees	(626,384)	-	(404,759)	(394,292)	(1,425,435)	-
Net Cash Provided (Used) by Operating Activities	2,042,030	(841,505)	594,347	489,076	2,283,948	161,587
Cash Flows from Noncapital Financing Activities						
Changes in assets and liabilities:						
Due to other funds	-	365,465	(60,687)	-	304,778	-
Transfers out	(432,603)	-	(269,175)	-	(701,778)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(432,603)	365,465	(329,862)	-	(397,000)	-
Cash Flows from Capital and Related Financing Activities						
Acquisition of capital assets	(998,683)	-	(264,485)	(450,853)	(1,714,021)	-
Proceeds from sale of treatment plant	-	160,483	-	-	160,483	-
Principal payments on long-term debt	(265,000)	-	-	-	(265,000)	-
Interest payments on long-term debt	(120,587)	-	-	-	(120,587)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,384,270)	160,483	(264,485)	(450,853)	(1,939,125)	-
Cash Flows from Investing Activities						
Investment income	9,105	23	-	-	9,128	189
Change in Cash and Cash Equivalents	234,262	(315,534)	-	38,223	(43,049)	161,776
Cash and Cash Equivalents - January 1	33,604	315,534	150,000	548,255	1,047,393	861,993
Cash and Cash Equivalents - December 31	$ 267,866	$ -	$ 150,000	$ 586,478	$ 1,004,344	$ 1,023,769
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	$ 1,292,017	$ (841,505)	$ 370,903	$ 185,217	$ 1,006,632	$ 262,804
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	429,529	-	485,718	309,336	1,224,583	-
Depreciation charged to sewer	55,676	-	(55,676)	-	-	-
Changes in assets and liabilities						
Accounts receivable	83,237	-	(269,065)	-	(185,828)	-
Other accounts receivable	216,185	-	-	-	216,185	-
Inventories and prepaid expenses	(391)	-	-	-	(391)	-
Accounts and claims payable	(31,570)	-	75,251	(1,993)	41,688	(101,217)
Accrued liabilities	1,717	-	1,650	948	4,315	-
Compensated absences	(4,370)	-	(14,434)	(4,432)	(23,236)	-
Net Cash Provided (Used) by Operating Activities	$ 2,042,030	$ (841,505)	$ 594,347	$ 489,076	$ 2,283,948	$ 161,587
Noncash Investing, Capital and Financing Activities						
Capital contributions	$ 140,490	$ -	$ 437,683	$ -	$ 578,173	$ -

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

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CITY OF DE PERE, WISCONSIN
Statement of Net Position
Agency Funds
December 31, 2012

	Tax Collection	Trust Deposits	Total
ASSETS			
Cash and cash equivalents	$ 7,912,234	$ 25,130	$ 7,937,364
Accounts receivable			
Taxes receivable	21,454,716	-	21,454,716
TOTAL ASSETS	$ 29,366,950	$ 25,130	$ 29,392,080
LIABILITIES			
Due to other governments			
State of Wisconsin	$ 294,194	$ -	$ 294,194
Brown County	7,871,980	-	7,871,980
Northeast Wisconsin Technical College	2,713,125	-	2,713,125
School District of De Pere	8,918,254	-	8,918,254
West De Pere School District	9,569,397	-	9,569,397
Deposits held in trust	-	25,130	25,130
TOTAL LIABILITIES	$ 29,366,950	$ 25,130	$ 29,392,080

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

CITY OF DE PERE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012

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 position 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.

RIVERWALK PIER

This fund is used to account for financial resources to be used for the construction of the De Pere Riverwalk Pier. The significant revenue source is donations and grants.

PUBLIC IMPROVEMENTS FUND

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

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)

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.

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance

   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. Noncurrent portions of the interfund receivables for the governmental funds are reported as "advances to other funds" and are offset by nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

   The amount reported on the statement of net position 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.

   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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 position. 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 Outflows/Inflows of Resources
The City implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* for the year ended December 31, 2012. In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item that qualifies for reporting in this category, property taxes. This amount will be recognized as an inflow of resources in the subsequent year for which it was levied. The City also has an additional type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources, special assessments and loans receivable. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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 position. 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 expensed as incurred.

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

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. 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 position and displayed in three components:

- Net investment in capital assets - 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 position - Amount of net position that is 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 position - Net position that is neither classified as restricted nor as net investment in capital assets.

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, 2012.

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 $23,546,551 on December 31, 2012 as summarized below:

Petty cash funds	$ 3,060
Deposits with financial institutions	1,077,067
Investments	22,466,424
	$ 23,546,551

Reconciliation to the basic financial statements:

Government-wide statement of net position	
Cash and investments	$ 15,054,680
Restricted cash and investments	554,507
Fiduciary funds statement of net position	
Agency fund	7,937,364
	$ 23,546,551

Deposits and investments of the City are subject to various risks. Presented on the following page 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 City's non-interest bearing transaction accounts are fully insured through December 31, 2012. As of January 1, 2013 the City's noninterest-bearing transaction accounts are combined with its interest-bearing demand deposits for FDIC insurance coverage. 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, 2012, 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	$ 4,764,243	$ 4,764,243	$ -	$ -	$ -
Money market funds	456,057	456,057	-	-	-
Federal agency securities	5,512,262	-	5,512,262	-	-
Repurchase agreements	447,167	-	-	-	447,167
Wisconsin local government investment pool	11,286,695	-	-	-	11,286,695
Totals	$ 22,466,424	$ 5,220,300	$ 5,512,262	$ -	$ 11,733,862

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	$ 3,582,372	33%
Federal Home Loan Mortgage Corporation	1,320,544	12%

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	$ 4,764,243	$ 1,508,143	$ 1,399,811	$ 1,856,289	$ -
Money market funds	456,057	456,057	-	-	-
Federal agency securities	5,512,262	-	1,071,163	537,916	3,903,183
Repurchase agreements	447,167	447,167	-	-	-
Wisconsin local government investment pool	11,286,695	11,286,695	-	-	-
Totals	$ 22,466,424	$ 13,698,062	$ 2,470,974	$ 2,394,205	$ 3,903,183

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.	$ 5,512,262

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 $11,286,695 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, 2012, 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 Utility totaled $150,000 on December 31, 2012, and is held for capital asset replacement. Restricted cash and investments of the Debt Service fund totaled $404,507 on December 31, 2012, 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, 2012 was $2,407,275.

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CITY OF DE PERE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Capital Assets
Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 8,268,479	$ -	$ -	$ 8,268,479
Construction in progress	-	3,222,635	-	3,222,635
Total capital assets, not being depreciated	8,268,479	3,222,635	-	11,491,114
Capital assets, being depreciated:				
Land improvements	2,345,040	112,500	-	2,457,540
Buildings and improvements	11,307,507	-	-	11,307,507
Machinery and equipment	2,613,538	29,780	-	2,643,318
Vehicles	7,205,356	257,971	225,154	7,238,173
Infrastructure	68,175,441	1,742,000	2,592,589	67,324,852
Subtotals	91,646,882	2,142,251	2,817,743	90,971,390
Less accumulated depreciation for:				
Land improvements	1,949,947	50,035	-	1,999,982
Buildings and improvements	5,719,671	287,826	-	6,007,497
Machinery and equipment	1,625,794	171,719	-	1,797,513
Vehicles	4,984,898	540,482	207,392	5,317,988
Infrastructure	25,646,575	1,527,078	2,579,172	24,594,481
Subtotals	39,926,885	2,577,140	2,786,564	39,717,461
Total capital assets, being depreciated, net	51,719,997	(434,889)	31,179	51,253,929
Governmental activities capital assets, net	$ 59,988,476	$ 2,787,746	$ 31,179	62,745,043
Less related long-term debt outstanding				31,939,430
Net investment in capital assets				$ 30,805,613
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	4,062,946	258,035	3,122	4,317,859
Infrastructure	54,483,999	2,034,159	505,926	56,012,232
Subtotals	59,086,416	2,292,194	509,048	60,869,562
Less accumulated depreciation:	18,808,376	1,224,583	509,048	19,523,911
Total capital assets, being depreciated, net	40,278,040	1,067,611	-	41,345,651
Business-type activities capital assets, net	$ 40,331,247	$ 1,067,611	$ -	41,398,858
Less related long-term debt outstanding				2,900,000
Net investment in capital assets				$ 38,498,858

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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

Governmental activities	
General government	$ 40,910
Public safety	196,575
Public works	2,060,466
Culture and recreation	279,189
Total depreciation expense - governmental activities	$ 2,577,140
Business-type activities	
Water utility	$ 429,529
Wastewater utility	485,718
Stormwater utility	309,336
Total depreciation expense - business-type activities	$ 1,224,583

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, 2012 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	1,434,192	-
Special Revenue Fund		
Public Land Acquisition	-	23,996
Riverwalk Pier	-	247,939
Enterprise funds		
Wastewater Treatment Plant Utility	-	365,465
Wastewater Utility	-	796,792
Totals	$ 1,494,192	$ 1,494,192

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Interfund transfers for the year ended December 31, 2012 were as follows:

	Transfer to:				
	General Fund	Debt Service	Public Improvements	TID No. 5	Total
Transfers from:					
Public Improvements	$ -	$ 300,000	$ -	$ -	$ 300,000
Public Land Acquisition	75,000	-	-	-	75,000
Cable Access	248,128	-	-	-	248,128
Capital Equipment	325,000	-	120,995	-	445,995
TID No. 5	-	1,190,440	-	-	1,190,440
TID No. 6	-	1,300,505	-	500,000	1,800,505
Water utility	432,603	-	-	-	432,603
Wastewater Utility	269,175	-	-	-	269,175
	$ 1,349,906	$ 2,790,945	$ 120,995	$ 500,000	$ 4,761,846

Transfers are made in accordance with annual budgets.

6. Long-term Obligations
The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2012:

	Outstanding 1/1/12	Issued	Retired	Outstanding 12/31/12	Due Within One Year
Governmental activities:					
General Obligation Debt					
Bonds	$ 19,680,000	$ 2,980,000	$ 1,345,000	$ 21,315,000	$ 1,815,000
Taxable Bonds	1,765,000	2,850,000	25,000	4,590,000	25,000
Notes	6,960,000	-	1,610,000	5,350,000	1,255,000
Taxable Notes	660,000	-	30,000	630,000	30,000
Total General Obligation Debt	29,065,000	5,830,000	3,010,000	31,885,000	3,125,000
Capital lease payable	45,521	80,621	71,712	54,430	54,430
Compensated absences	1,776,663	-	148,075	1,628,588	-
Governmental activities Long-term obligations	$ 30,887,184	$ 5,910,621	$ 3,229,787	$ 33,568,018	$ 3,179,430
Business-type activities:					
Water utility revenue bonds	$ 3,165,000	$ -	$ 265,000	$ 2,900,000	$ 275,000
Compensated absences	205,652	-	23,236	182,416	-
Business-type activities Long-term obligations	$ 3,370,652	$ -	$ 288,236	$ 3,082,416	$ 275,000

Total interest paid during the year on long-term debt totaled $1,225,473.

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%	$ 1,005,000
$1,790,000 issued 7/01/03; $75,000 to $125,000 due annually through 2023; interest 2.0% to 4.0%	1,140,000
$1,115,000 issued 7/01/03; $70,000 to $105,000 due annually through 2018; interest 3.25% to 4.75%	550,000
$4,815,000 issued 3/25/04; $175,000 to $220,000 due annually through 2016; interest 2.0% to 4.0%	830,000
$3,605,000 issued 3/25/04; $285,000 to $400,000 due annually through 2019; interest 3.25% to 4%	2,445,000
$2,650,000 issued 8/1/05; $25,000 to $265,000 due annually through 2024; interest 3.5% to 4.15%	2,550,000
$4,050,000 issued 6/15/06; $165,000 to $315,000 due annually through 2025; interest 4.03%	3,165,000
$2,020,000 issued 11/7/07; $80,000 to $155,000 due annually through 2026; interest 4.05%	1,635,000
$1,000,000 issued 8/1/08; $40,000 to $75,000 due annually through 2027; interest 4.25%	855,000
$2,270,000 issued 8/1/08; $45,000 to $255,000 due annually through 2027; interest 4.55%	2,170,000
$2,245,000 issued 8/15/11; $180,000 to $255,000 due annually through 2025; interest 0.50% to 3.45%	1,990,000
$2,980,000 issued 9/20/2012; $150,000 to $400,000 due annually through 2027; interest 0.50% to 2.40%	2,980,000
Total Bonds	21,315,000
Taxable Bonds	
$1,875,000 issued 5/12/09; $85,000 to $155,000 due annually through 2028; interest 2.0% to 5.625%	1,740,000
$2,850,000 issued 9/20/2012; $50,000 to $235,000 due annually through 2031; interest 0.85% to 3.90%	2,850,000
Total Taxable Bonds	4,590,000
Notes	
$1,690,000 issued 3/25/04; $190,000 to $210,000 due annually through 2013; interest 1.2% to 3.4%	210,000
$2,375,000 issued 8/1/05; $140,000 to $370,000 due annually through 2015; interest 3.80% to 5.0%	835,000
$1,220,000 issued 8/1/08; $125,000 to $155,000 due annually through 2017; interest 3.43%	725,000
$2,985,000 issued 10/28/10; $205,000 to $360,000 due annually through 2020; interest 1.50% to 3.0%	2,445,000
$1,565,000 issued 8/15/11; $80,000 to $430,000 due annually through 2020; interest 2.0% to 2.70%	1,135,000
Total Notes	5,350,000
Taxable Notes	
$800,000 issued 5/12/09; $30,000 to $130,000 due annually through 2018; interest 2.0% to 4.75%	630,000
Total General Obligation Debt	$ 31,885,000

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NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of $31,885,000 on December 31, 2012 are detailed below:

Year Ended December 31	Governmental Activities		
	Principal	Interest	Total
2013	$ 3,125,000	$ 1,036,553	$ 4,161,553
2014	2,975,000	939,515	3,914,515
2015	3,030,000	850,373	3,880,373
2016	2,810,000	761,491	3,571,491
2017	2,555,000	671,180	3,226,180
2018-2022	9,930,000	2,191,899	12,121,899
2023-2027	6,705,000	664,375	7,369,375
2028-2031	755,000	8,719	763,719
	$ 31,885,000	$ 7,124,105	$ 39,009,105

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, 2012 was $55,194,706 as follows:

Equalized valuation of the City		$ 1,733,547,000
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		86,677,350
Total outstanding general obligation debt applicable to debt limitation	$ 31,885,000	
Less: Funds held in debt service fund for retirement of general obligation debt	402,356	31,482,644
Legal Margin for New Debt		$ 55,194,706

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
2013	$ 57,445
Less: Amount representing interest	3,015
Present Value of Future Minimum Lease Payments	$ 54,430

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Water Utility Revenue Bonds

Water Utility Revenue Bonds outstanding on December 31, 2012 totaled $2,900,000 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%	$ 2,900,000

Annual principal and interest maturities of the outstanding water utility revenue bonds of $2,900,000 on December 31, 2012 are detailed below:

	Business-type Activities		
Due	Principal	Interest	Total
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	320,000	65,913	385,913
2018-2021	1,410,000	136,588	1,546,588
	$ 2,900,000	$ 579,882	$ 3,479,882

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 $3,479,882. Principal and interest paid for the current year and total customer net revenues were $385,587 and $1,730,651, respectively.

7. Fund Equity

In the fund financial statements, portions of governmental fund balances are committed by County Board action. At December 31, 2012, fund balance was committed as follows:

General Fund	
Committed for subsequent years' expenditures	
Elections-backup voting machine	$ 6,100
Police - radio outlay	22,291
Police - community policing	2,137
Police - training	2,827
Fire/Rescue - sirens	8,750
Fire/Rescue - copy machine	1,392
Fire/Rescue - ACT 102	4,569
Fire/Rescue - EOC	2,168
Fire/Rescue - fire prevention	2,720
Public works- machinery and equipment-fuel system	13,962
Community center - outdoor light fixtures	2,500
Swimming pools - ADA lifts	8,670
Economic development - consulting - Main St. baseline	8,144
GIS - consulting for DIME consortium project	8,205
GIS - backup/ LIDAR software	4,191
Total	$ 98,626

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Special Revenue Funds		
Committed for subsequent years' expenditures		
Cable access	$	41,843
Dog park		13,728
Riverwalk Pier		1,931
Total	$	57,502

Capital Projects Funds		
Committed for capital outlay		
Public improvements	$	823,335
Capital equipment		399,416
Community center		3,191
Police/Fire expansion		2,932
Total	$	1,228,874

8. Minimum Fund Balance Policy
The City Council has adopted a policy that fund balance in the amount of 25% 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 2013 General Fund Expenditures	$ 15,709,119
Minimum Fund Balance %	(x) 25%
Minimum Fund Balance Amount	$ 3,927,280

The City's unassigned general fund balance of $5,069,148 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 employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

Prior to June 29, 2011, covered employees in the General/Teacher/Educational Support Personnel category were required by statute to contribute 6.5% of their salary (3.9% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security, and 4.8% for Protective Occupations without Social Security) to the plan. Employers could make these contributions to the plan on behalf of employees. Employers were required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

NOTE D - OTHER INFORMATION (Continued)

Effective the first day of the first pay period on or after June 29, 2011 the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. Contribution rates are as follows:

	2012	
	Employee	Employer
General (including Teachers)	5.9%	5.9%
Executives & Elected Officials	7.05%	7.05%
Protective with Social Security	5.9%	9.0%
Protective without Social Security	5.9%	11.3%

The payroll for City employees covered by the WRS for the year ended December 31, 2012 was $8,555,923; the employer's total payroll was $9,221,028. The total required contribution for the year ended December 31, 2012 was $1,189,405, which consisted of $684,606 or 8.0% of covered payroll from the employer, and $504,799, or 5.9% of covered payroll from employees. Total contributions for the years ended December 31, 2011 and 2010 were $1,198,812 and $1,087,583, 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. A 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 and on or after April 24, 1998 and prior to July 1, 2011 are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes.

The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 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 2012, 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, 2012, the health self-insurance fund had a net position balance of $778,768, while the dental self-insurance fund had unrestricted net position balance of $43,492. 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 2011 and 2012 follow:

	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

	2012			
	Liability January 1	Current Year Claims	Claim Payments	Liability December 31
Health	$ 240,909	$ 2,181,311	$ 2,290,258	$ 131,962
Dental	1,817	102,178	94,448	9,547
Total	$ 242,726	$ 2,283,489	$ 2,384,706	$ 141,509

3. Tax Incremental Districts
The City maintains capital projects funds for six 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 six of the City's Districts are still eligible to incur project costs. Accordingly, the Districts are accounted for in capital projects funds.

NOTE D - OTHER INFORMATION (Continued)

A summary of pertinent financial information for the City's TID Districts on December 31, 2012 follows:

	TID No. 5	TID No. 6	TID No. 7	TID No. 8	TID No. 9	TID No. 10
Creation date	1/1/1996	1/1/1998	1/1/2007	1/1/2007	1/1/2012	1/1/2012
Termination date	12/31/2018	12/31/2020	12/31/2029	12/31/2029	12/31/2034	12/31/2034
Tax increment property tax revenues for 2012	$ 944,175	$ 1,452,209	$ 179,998	$ -	$ -	$ -
Net unreimbursed project costs due City	7,073,509	478,404	1,731,376	762,679	15,316	136,285

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

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 2012 the City paid the Authority $3,632,732 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 statutes provide for a limit on the property tax levies for all Wisconsin cities, towns and counties. For the 2012 and 2013 budget years, 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 2012 budget was .94%. The actual limit for the City for the 2013 budget was 1.12%. 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.

NOTE D - OTHER INFORMATION (Continued)

7. Cumulative Effect of Change in Accounting Principle
The City has adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities,* which requires debt issuance costs to be expensed in the period incurred, rather than recorded as assets and amortized over the life of the related debt issue. The cumulative effect of this change was to decrease the December 31, 2012 net position of the governmental activities by $233,218.

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SUPPLEMENTARY INFORMATION

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CITY OF DE PERE, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Revenues
For the Year Ended December 31, 2012

	Budget Original	Budget Final	Actual	Variance Final Budget - Positive (Negative)
Taxes				
General property	$ 7,694,839	$ 7,694,839	$ 7,703,147	$ 8,308
Mobile home	7,000	7,000	7,023	23
Sales tax	120	120	-	(120)
Room tax	5,400	5,400	6,098	698
Payments in lieu of taxes	2,500	2,500	1,395	(1,105)
Housing authority	28,000	28,000	25,512	(2,488)
Interest and penalties	1,100	1,100	2,626	1,526
Interest and penalties on special assessments	3,100	3,100	52,515	49,415
Total Taxes	7,742,059	7,742,059	7,798,316	56,257
Intergovernmental				
Law enforcement training	5,800	5,800	13,503	7,703
State shared taxes	1,420,224	1,420,224	1,420,304	80
Exempt computer aid	140,193	140,193	92,130	(48,063)
Fire insurance	58,900	58,900	64,958	6,058
Rescue squad	7,756	7,756	7,304	(452)
Transportation	1,034,376	1,034,376	1,034,376	-
Mass transit	294,790	294,790	294,790	-
Public health	49,000	49,000	45,055	(3,945)
Recycling	91,000	91,000	97,855	6,855
Other	3,500	3,500	210,529	207,029
Total Intergovernmental	3,105,539	3,105,539	3,280,804	175,265
Licenses and Permits				
Licenses				
Liquor and malt beverages	35,000	35,000	33,490	(1,510)
Operators	8,700	8,700	28,197	19,497
Cigarette	2,000	2,000	2,100	100
Food and beverage	50,000	50,000	52,664	2,664
DATCP licensing	12,000	12,000	13,357	1,357
Cable television	136,000	136,000	162,810	26,810
Electrical contractors	6,650	6,650	5,625	(1,025)
Trailer park	100	100	100	-
Dog	3,500	3,500	3,333	(167)
Other licenses/permits	3,500	3,500	4,853	1,353
Permits				
Construction	-	-	480	480
Electrical and plumbing	60,000	60,000	76,879	16,879
Sanitary sewer	6,000	6,000	3,625	(2,375)
Zoning and inspection	117,900	117,900	157,702	39,802
Total Licenses and Permits	441,350	441,350	545,215	103,865

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CITY OF DE PERE, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Revenues (Continued)
For the Year Ended December 31, 2012

	Budget Original	Budget Final	Actual	Variance Final Budget - Positive (Negative)
Fines and Forfeits				
Court forfeitures and costs	250,000	250,000	210,265	(39,735)
Parking violations	25,000	25,000	23,373	(1,627)
Total Fines and Forfeits	275,000	275,000	233,638	(41,362)
Public Charges for Services				
General government	27,200	27,200	29,582	2,382
Police	17,160	17,160	5,325	(11,835)
Alarm monitoring fees	15,000	15,000	3,625	(11,375)
Ambulance	672,000	672,000	724,678	52,678
Streets	54,500	54,500	81,918	27,418
Snow removal	5,000	5,000	8,201	3,201
Parking rentals	18,000	18,000	-	(18,000)
Weed cutting	-	-	575	575
Recycling	1,000	1,000	4,052	3,052
Public health	13,600	13,600	8,646	(4,954)
Community center	225,420	225,420	249,747	24,327
Swimming pools	123,000	123,000	107,951	(15,049)
Parks	8,200	8,200	13,228	5,028
Recreation	91,700	91,700	147,600	55,900
Concession sales	-	-	24,538	24,538
Total Public Charges for Services	1,271,780	1,271,780	1,409,666	137,886
Intergovernmental Charges for Services				
General government	131,900	131,900	107,554	(24,346)
Public safety	263,563	263,563	281,461	17,898
Public works	441,400	441,400	467,453	26,053
Total Intergovernmental Charges for Services	836,863	836,863	856,468	19,605
Miscellaneous				
Investment income	275,000	275,000	107,442	(167,558)
Donations	500	500	-	(500)
Sale of assets				
Sale of City property	216,500	216,500	66,930	(149,570)
Salvage products	-	-	10,086	10,086
Rental income	118,422	118,422	87,275	(31,147)
Department revenue	-	-	3,231	3,231
Other	500	500	813	313
Total Miscellaneous	610,922	610,922	275,777	(335,145)
Total Revenues	$ 14,283,513	$ 14,283,513	$ 14,399,884	$ 116,371

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CITY OF DE PERE, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Expenditures
For the Year Ended December 31, 2012

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
General Government				
Council	$ 82,530	$ 82,530	$ 76,973	$ 5,557
Council outlay	3,000	3,000	3,000	-
Municipal court	88,703	88,703	89,639	(936)
Mayor	36,929	36,929	34,309	2,620
Administrator	125,119	125,119	114,364	10,755
Administrator outlay	450	450	450	-
Clerk/treasurer	238,946	238,946	216,717	22,229
Elections	71,500	71,500	83,772	(12,272)
Elections outlay	13,250	13,250	35	13,215
Assessment of property	58,272	58,272	56,971	1,301
Accounting and finance	106,241	106,241	106,785	(544)
Data processing	112,998	112,998	140,550	(27,552)
Personnel and insurance	174,393	174,393	161,963	12,430
Legal	163,704	163,704	155,316	8,388
Legal outlay	500	500	498	2
City hall	101,500	101,500	111,081	(9,581)
City hall outlay	10,000	10,000	8,787	1,213
Other general government	397,700	397,700	269,562	128,138
Total General Government	1,785,735	1,785,735	1,630,772	154,963
Public Safety				
Police department	4,038,931	4,038,931	3,911,585	127,346
Police department outlay	180,000	180,000	207,342	(27,342)
Traffic control	90,939	90,939	78,765	12,174
Fire/ambulance department	3,227,873	3,227,873	3,308,142	(80,269)
Fire/ambulance department outlay	169,000	169,000	286,596	(117,596)
Building and electrical	243,563	243,563	245,630	(2,067)
Jail	15,060	15,060	14,600	460
Total Public Safety	7,965,366	7,965,366	8,052,660	(87,294)
Public Works				
Street machinery repair	125,140	125,140	111,489	13,651
Street machinery repair outlay	15,891	15,891	476	15,415
Municipal service center	113,856	113,856	96,616	17,240
Municipal service center outlay	48,000	48,000	50,569	(2,569)
Mechanics	204,476	204,476	190,571	13,905
Mechanics outlay	6,850	6,850	4,972	1,878
Administration	143,636	143,636	143,653	(17)
Engineer	369,306	369,306	371,531	(2,225)
Engineer outlay	7,700	7,700	5,790	1,910
Street maintenance	134,592	134,592	126,380	8,212
Brush pickup	97,493	97,493	85,160	12,333
Weed cutting	4,709	4,709	2,607	2,102
Snow and ice control	259,427	259,427	171,815	87,612

(Continued)

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CITY OF DE PERE, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Expenditures (Continued)
For the Year Ended December 31, 2012

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
Public Works (Continued)				
Traffic signs and markings	143,218	143,218	143,686	(468)
Traffic lights	40,589	40,589	44,184	(3,595)
Street lighting	435,898	435,898	407,951	27,947
Transit system	441,996	441,996	452,005	(10,009)
Total Public Works	2,592,777	2,592,777	2,409,455	183,322
Sanitation				
Garbage and refuse collection	270,490	270,490	280,035	(9,545)
Landfill waste disposal	160,000	160,000	162,529	(2,529)
Recycling	110,830	110,830	110,809	21
Total Sanitation	541,320	541,320	553,373	(12,053)
Health and Human Services				
Nurse	422,835	422,835	332,690	90,145
Board of health	1,920	1,920	1,647	273
Total Health and Human Services	424,755	424,755	334,337	90,418
Culture and Recreation				
Community center	521,267	521,267	479,461	41,806
Community center outlay	10,950	10,950	8,450	2,500
Special events and celebrations	10,819	10,819	9,029	1,790
Park and recreation administration	184,243	184,243	197,006	(12,763)
Recreation	279,920	279,920	216,377	63,543
Swimming pools	260,837	260,837	226,343	34,494
Swimming pools outlay	27,000	27,000	15,010	11,990
Parks	369,889	369,889	445,233	(75,344)
Parks outlay	85,000	85,000	89,613	(4,613)
Parks equipment maintenance	63,585	63,585	87,257	(23,672)
Boat ramps	21,268	21,268	17,897	3,371
Boat ramps outlay	-	-	36	(36)
Forestry	203,568	203,568	188,124	15,444
Historical society	10,445	10,445	5,830	4,615
Total Culture and Recreation	2,048,791	2,048,791	1,985,666	63,125
Conservation and Development				
Economic development	222,897	222,897	211,220	11,677
Total Expenditures	$ 15,581,641	$ 15,581,641	$ 15,177,483	$ 404,158

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CITY OF DE PERE, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	Special Revenue Funds				
	Development Loan Program	Public Land Acquisition	Cable Access	Dog Park	Total Special Revenue Funds
ASSETS					
Cash and investments	$ 921,462	$ -	$ 16,144	$ 13,728	$ 951,334
Receivables					
Taxes	-	-	-	-	-
Accounts	-	75,535	28,276	-	103,811
Loans	885,781	-	-	-	885,781
TOTAL ASSETS	$ 1,807,243	$ 75,535	$ 44,420	$ 13,728	$ 1,940,926
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	$ -	$ 256	$ 2,351	$ -	$ 2,607
Accrued and other current liabilities	-	-	226	-	226
Due to other funds	-	23,996	-	-	23,996
Total Liabilities	-	24,252	2,577	-	26,829
Deferred Inflows of Resources					
Property taxes	-	-	-	-	-
Loans receivable	885,781	-	-	-	885,781
Total Deferred Inflows of Resources	885,781	-	-	-	885,781
Fund Balances					
Restricted for					
Loans	921,462	-	-	-	921,462
Park land acquisition	-	51,283	-	-	51,283
Capital outlay	-	-	-	-	-
Committed for					
Subsequent years' expenditures	-	-	41,843	13,728	55,571
Capital outlay	-	-	-	-	-
Total Fund Balances	921,462	51,283	41,843	13,728	1,028,316
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,807,243	$ 75,535	$ 44,420	$ 13,728	$ 1,940,926

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Capital Project Funds										
Capital Equipment	Community Center	Police/Fire Expansion	TID No.5	TID No.6	TID No.7	TID No.8	TID No.9	TID No. 10	Total Capital Projects Funds	Total Governmental Funds
$ 399,565	$ 3,191	$ 2,932	$ 452,211	$ 1,011,703	$ 1,349,899	$ 2,689,784	$ 651,084	$ 359,600	$6,919,969	$ 7,871,303
500,000	-	-	902,580	1,443,260	-	-	-	-	2,845,840	2,845,840
-	-	-	-	-	-	-	-	-	-	103,811
-	-	-	-	-	-	-	-	-	-	885,781
$ 899,565	$ 3,191	$ 2,932	$ 1,354,791	$ 2,454,963	$ 1,349,899	$ 2,689,784	$ 651,084	$ 359,600	$9,765,809	$ 11,706,735
$ 149	$ -	$ -	$ -	$ -	$ -	$ 18,829	$ 1,400	$ 885	$ 21,263	$ 23,870
-	-	-	-	-	-	-	-	-	-	226
-	-	-	-	-	-	-	-	-	-	23,996
149	-	-	-	-	-	18,829	1,400	885	21,263	48,092
500,000	-	-	902,580	1,443,260	-	-	-	-	2,845,840	2,845,840
-	-	-	-	-	-	-	-	-	-	885,781
500,000	-	-	902,580	1,443,260	-	-	-	-	2,845,840	3,731,621
-	-	-	-	-	-	-	-	-	-	921,462
-	-	-	-	-	-	-	-	-	-	51,283
-	-	-	452,211	1,011,703	1,349,899	2,670,955	649,684	358,715	6,493,167	6,493,167
-	-	-	-	-	-	-	-	-	-	55,571
399,416	3,191	2,932	-	-	-	-	-	-	405,539	405,539
399,416	3,191	2,932	452,211	1,011,703	1,349,899	2,670,955	649,684	358,715	6,898,706	7,927,022
$ 899,565	$ 3,191	$ 2,932	$ 1,354,791	$ 2,454,963	$ 1,349,899	$ 2,689,784	$ 651,084	$ 359,600	$9,765,809	$ 11,706,735

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CITY OF DE PERE, WISCONSIN

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2012

	Special Revenue Funds				
	Development Loan Program	Public Land Acquisition	Cable Access	Dog Park	Total Special Revenue Funds
Revenues					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-
Licenses and permits	-	-	118,852	-	118,852
Public charges for services	-	10,000	-	-	10,000
Miscellaneous	477,944	3,000	-	5,202	486,146
Total Revenues	477,944	13,000	118,852	5,202	614,998
Expenditures					
Current					
Culture and recreation	-	-	83,039	348	83,387
Conservation and development	350,120	-	8,505	-	358,625
Debt service					
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	28,245	280	-	28,525
Total Expenditures	350,120	28,245	91,824	348	470,537
Excess (Deficiency) of Revenues Over (Under) Expenditures	127,824	(15,245)	27,028	4,854	144,461
Other Financing Sources (Uses)					
Long-term debt issued	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	(75,000)	(248,128)	-	(323,128)
Total Other Financing Sources (Uses)	-	(75,000)	(248,128)	-	(323,128)
Net Change in Fund Balances	127,824	(90,245)	(221,100)	4,854	(178,667)
Fund Balances - January 1	793,638	141,528	262,943	8,874	1,206,983
Fund Balances - December 31	$ 921,462	$ 51,283	$ 41,843	$ 13,728	$ 1,028,316

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Capital Projects Funds										
Capital Equipment	Community Center	Police/Fire Expansion	TID No.5	TID No.6	TID No.7	TID No.8	TID No.9	TID No. 10	Total Capital Projects Funds	Total
$ 400,000	$ -	$ -	$ 944,175	$1,452,209	$ 179,998	$ -	$ -	$ -	$2,976,382	$2,976,382
-	-	-	6,861	6,088	717	273,744	-	-	287,410	287,410
-	-	-	-	-	-	-	-	-	-	118,852
-	-	-	-	-	-	-	-	-	-	10,000
101,896	-	-	3,789	447,694	-	-	-	-	553,379	1,039,525
501,896	-	-	954,825	1,905,991	180,715	273,744	-	-	3,817,171	4,432,169
-	-	-	-	-	-	-	-	-	-	83,387
-	-	-	-	547,925	2,101	778,810	15,316	136,285	1,480,437	1,839,062
-	-	-	150	-	-	29,000	-	-	29,150	29,150
201,544	-	-	21,195	163,348	13,060	301,229	-	-	700,376	728,901
201,544	-	-	21,345	711,273	15,161	1,109,039	15,316	136,285	2,209,963	2,680,500
300,352	-	-	933,480	1,194,718	165,554	(835,295)	(15,316)	(136,285)	1,607,208	1,751,669
-	-	-	-	-	-	2,895,000	665,000	495,000	4,055,000	4,055,000
-	-	-	500,000	-	-	-	-	-	500,000	500,000
(445,955)	-	-	(1,190,440)	(1,800,505)	-	-	-	-	(3,436,900)	(3,760,028)
(445,955)	-	-	(690,440)	(1,800,505)	-	2,895,000	665,000	495,000	1,118,100	794,972
(145,603)	-	-	243,040	(605,787)	165,554	2,059,705	649,684	358,715	2,725,308	2,546,641
545,019	3,191	2,932	209,171	1,617,490	1,184,345	611,250	-	-	4,173,398	5,380,381
$ 399,416	$ 3,191	$ 2,932	$ 452,211	$1,011,703	$1,349,899	$2,670,955	$ 649,684	$ 358,715	$6,898,706	$7,927,022

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CITY OF DE PERE, WISCONSIN
Combining Statement of Net Position
Internal Service Funds
December 31, 2012

	Health Self Insurance	Dental Self Insurance	Total
ASSETS			
Cash and investments	$ 960,730	$ 63,039	$ 1,023,769
LIABILITIES			
Accounts and claims payable	131,962	9,547	141,509
Due to other funds	50,000	10,000	60,000
TOTAL LIABILITIES	181,962	19,547	201,509
NET POSITION			
Unrestricted	$ 778,768	$ 43,492	$ 822,260

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CITY OF DE PERE, WISCONSIN

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

Internal Service Funds

For the Year Ended December 31, 2012

	Health Self Insurance	Dental Self Insurance	Total
Operating Revenues			
Charges for services	$ 2,830,896	$ 127,219	$ 2,958,115
Operating Expenses			
Claims and administrative fees	2,585,602	109,709	2,695,311
Operating Income	245,294	17,510	262,804
Nonoperating Revenues			
Interest income	189	-	189
Change in Net Position	245,483	17,510	262,993
Net Position - January 1	533,285	25,982	559,267
Net Position - December 31	$ 778,768	$ 43,492	$ 822,260

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CITY OF DE PERE, WISCONSIN
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2012

	Health Self-Insurance	Dental Self-Insurance	Total
Cash Flows from Operating Activities			
Cash received from interfund services provided	$ 2,830,896	$ 127,219	$ 2,958,115
Cash payments to suppliers	(2,694,549)	(101,979)	(2,796,528)
Net Cash Provided by Operating Activities	136,347	25,240	161,587
Cash Flows from Investing Activities			
Investment income	189	-	189
Change in Cash and Cash Equivalents	136,536	25,240	161,776
Cash and Cash Equivalents - January 1	824,194	37,799	861,993
Cash and Cash Equivalents - December 31	$ 960,730	$ 63,039	$ 1,023,769
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	$ 245,294	$ 17,510	$ 262,804
Adjustments to reconcile operating income to net cash provided by operating activities:			
Changes in current liabilities			
Accounts and claims payable	(108,947)	7,730	(101,217)
Net Cash Provided by Operating Activities	$ 136,347	$ 25,240	$ 161,587
Noncash Investing, Capital and Financing Activities			
None	$ -	$ -	$ -

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CITY OF DE PERE, WISCONSIN
Water Utility Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2012 and 2011

	2012	2011
Operating Revenues		
Charges for Services		
Residential	$ 2,962,830	$ 2,787,263
Commercial	935,450	879,352
Industrial	588,839	604,445
Public authorities	191,070	159,234
Public fire protection	1,320,043	1,280,127
Total Charges for Services	5,998,232	5,710,421
Other Operating Revenues		
Forfeited discounts	67,542	61,578
Other water revenues	286,203	735,436
Total Other Operating Revenues	353,745	797,014
Total Operating Revenues	6,351,977	6,507,435
Operating Expenses		
Operation and Maintenance		
Source of supply	29,066	35,379
Pumping	75,738	85,563
Water treatment	42,002	34,606
Transmission and distribution	396,540	432,335
Customer accounts	144,321	127,269
Administrative and general	3,901,177	3,846,179
Total Operation and Maintenance	4,588,844	4,561,331
Depreciation	429,529	366,707
Taxes	41,587	42,735
Total Operating Expenses	5,059,960	4,970,773
Operating Income	1,292,017	1,536,662
Nonoperating Revenues (Expenses)		
Interest income	9,105	10,454
Interest and amortization expense	(119,746)	(129,773)
Total Nonoperating Revenues (Expenses)	(110,641)	(119,319)
Income Before Contributions and Transfers	1,181,376	1,417,343
Capital Contributions	140,490	261,955
Transfers out	(432,603)	(423,014)
Changes in Net Position	889,263	1,256,284
Net Position - January 1	18,627,132	17,370,848
Net Position - December 31	$ 19,516,395	$ 18,627,132

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ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

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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, in accordance with the 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, 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, 2012, and the related notes to the financial statements, which collectively comprise the City of De Pere's basic financial statements, and have issued our report which included an emphasis of matter paragraph as indicated on page 2 dated June 5, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of De Pere, Wisconsin's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the City of De Pere, Wisconsin's internal control.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2012-01, 2012-02 and 2012-03 that we consider to be significant deficiencies.

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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*.

City of De Pere, Wisconsin's Response to Findings

City of De Pere, Wisconsin's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. City of De Pere, Wisconsin's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of City of De Pere, Wisconsin's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government *Auditing Standards* in considering the City of De Pere, Wisconsin's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Certified Public Accountants
Green Bay, Wisconsin
June 5, 2013

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CITY OF DE PERE, WISCONSIN
Schedule of Findings and Responses
For the Year Ended December 31, 2012

Section I - Internal Control Over Financial Reporting

Finding No.	Control Deficiencies

2012-01 Preparation of Annual Financial Report

Condition: Current City staff maintain accounting records which reflect the City's financial transactions; however, preparing the City's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The City contracts with us and our knowledge of applicable accounting principles, financial statement formats, and note disclosures to prepare the annual financial report in an efficient manner.

Criteria: The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes.

Cause: City management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.

Effect: Without our involvement, the City may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

Recommendation: We recommend the City continue reviewing the annual financial report prepared by Schenck. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the City is necessary to obtain a complete and adequate understanding of the City's annual financial report.

Management Response: Management agrees it may not be cost beneficial to train additional staff to completely prepare the report, but will more thoroughly review the information to gain an increased understanding in hopes of assisting with the annual report preparation in 2013.

2012-02 Adjustments to the City's Financial Records

Condition: As part of our 2012 audit, we proposed adjusting journal entries that were material to the City's financial statement.

Criteria: Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.

Cause: While City staff maintains financial records which accurately report revenues and expenditures throughout the year, preparing year end adjusting and closing entries requires additional expertise that would entail additional training and staff time to develop.

Effect: Year-end financial records prepared by the City may contain material misstatements.

Recommendation: We recommend the City Finance Director work to prepare the adjusting and closing entries necessary, prior to the audit, to reduce the risk of material misstatement to the financial statements.

Management Response: The Finance Department recognizes that the adjustments reflected capital additions and disposals which are discussed in further detail in Finding 2012-03 and hope to have this ready for audit review in 2013.

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CITY OF DE PERE, WISCONSIN
Schedule of Findings and Responses (Continued)
For the Year Ended December 31, 2012

Section I - Internal Control Over Financial Reporting (Continued)

Finding No.	Control Deficiencies
2012-03	**Capital Asset Additions and Disposals**
Condition:	City staff 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 expense. During our 2012 audit, we identified material capital asset additions and disposals that were not reported to us by City staff.
Criteria:	A material adjustment to the underlying accounting records is considered to be an internal control deficiency.
Cause:	The City does not have a system in place to identify capital asset transactions throughout the year.
Effect:	The City could have capital assets transactions which are not reflected in the detailed capital records and the annual financial report.
Recommendation:	We recommend the City develop a system to identify capital asset additions and disposals throughout the year.
Management Response:	Management will review the costs to acquire software to assist the City in recording capital asset additions and deletions and related depreciation. If the software is approved for purchase by the City Council, the Finance Department will have the records revised for all 2013 activities by the time the 2013 accounting records are closed and ready for audit review.

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, 2012.

CITY OF DE PERE

335 South Broadway
De Pere, WI 54115
Fax No.: 920/339-4049
Web: http://www.de-pere.org

June 11, 2013

To: Finance Committee

From: Ken Pabich, Director of Planning and Economic Development

RE: Residential Infrastructure Development funding request by Trailside Development II LLC (Landmark) for Trailside Estates Subdivision – Roth Road

The City has received a request from Trailside Development II LLC to fund the extension of Roth Road in Trailside Estate Subdivision. Roth Road is the last remaining street within the subdivision that has not been constructed. The street has already been platted. The developer has reviewed the City Residential Infrastructure Development Policy and is willing to meet all of the requirements outlined in the policy.

The extension of Roth Road would provide 11 new lots available for development. A preliminary estimate for the construction of the road is $221,000. This means that each lot would have an assessment of $20,900.

Included with the staff memo are the following attachments:
1. Letter requesting extension
2. Summary information other funded projects.
3. Copy of denial letter from the bank for the road extension.

If the Finance Committee supports the project, staff would continue to developed detailed costs for the project and also the development agreement.

Recommendation
Based on the policy that was approved by the City Council, staff would recommend that the project is approved and that staff work on creating the development agreement that would be presented to the City Council.

LANDMARK
REAL ESTATE & DEVELOPMENT

June 7, 2013

City of De Pere
Ken Pabich
Director of Planning and Economic Development
335 S. Broadway St
De Pere, WI 54115

Dear Ken,

We hereby request the City of De Pere to install the improvements on the ten remaining lots on Roth Road in Trailside Estates. We will provide a letter of denial from Anchor Bank by Tues. of next as well as any other information as requested.

The status of the lots on Melcorn Cr. is that all the lots on the south side are sold and on the north side, four lots are under contract. We anticipate to be 100% sold out on Melcorn within the next 8-10 months.

Thank you for your help and we look forward to working with the City of De Pere in our efforts to provide new housing to families that want to live in De Pere.

Sincerely,

Keith E. Garot

Landmark Real Estate & Development, Inc. ▪ Suite 300 ▪ 320 Main Avenue ▪ De Pere, WI 54115
Phone 920-337-9566 ▪ FAX 920-337-9568
www.LandmarkNeighborhoods.com

AnchorBank fsb
420 South Koeller Street | Oshkosh, WI 54902 | (920) 303-4900 | anchorbank.com

January 23, 2013

Ken Pabich
Director of Planning & Economic Development
335 S. Broadway Street
DePere WI 54115

RE: Trailside Development II, LLC

Dear Mr. Pabich,

Anchorbank fsb has declined several requests from Mr. Keith Garot, owner of Trailside Development II, LLC for funding of infrastructure in the Trailside subdivision in DePere. It is unlikely that we will be offering funds for infrastructure in the future.

Please call me if you have further questions, my direct phone number is 920-303-4925.

Sincerely,

Lorie A. Bunke
Vice President/
Senior Special Assets Manager
Anchorbank, fsb