

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
OF THE
CITY OF APPLETON, WISCONSIN**
Year Ended December 31, 2001

FINANCE DEPARTMENT

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Lisa R. Maloney, Grants Administrator

CITY OF APPLETON

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INTRODUCTORY SECTION



**DEPARTMENT OF FINANCE
100 North Appleton Street
Appleton, WI 54911
920/832-6442**

May 15, 2002

The Honorable Mayor Hanna
Chairman Groat and Members of the Common Council
City of Appleton:

The Comprehensive Annual Financial Report of the City of Appleton for the fiscal year ended December 31, 2001, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the city. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the city and the cash flows of the proprietary funds and nonexpendable trust fund. All disclosures necessary to enable the reader to gain an understanding of the city's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Supplemental Information and Single Audit. The Introductory Section includes this transmittal letter, reporting awards, the city's organizational chart and a directory of officials. The Financial Section includes the general purpose financial statements and the combining, individual fund and account group financial statements and schedules, as well as the independent auditors' report on the financial statements and schedules. The Statistical Section includes selected financial and demographic information, generally presented on a multiyear basis. The Single Audit Section is described in the following paragraph.

The city is required to undergo an annual single audit in accordance with Generally Accepted Auditing Standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Information related to this single audit, including

the schedule of federal and state financial assistance, findings and recommendations and auditors' reports on the internal control structures and compliance with applicable laws and regulations, are presented under this cover.

The Comprehensive Annual Financial Report includes all funds and account groups of the city. The city provides a full range of services, including police and fire protection, sanitation services, construction and maintenance of highways, streets and infrastructure, health services, planning and development, library, recreational activities and cultural events. The Water Utility, Wastewater Utility, Valley Transit System, Parking Utility, Stormwater Utility and Reid Municipal Golf Course are reported as enterprise funds of the primary government. The Appleton Housing Authority, Business Improvement District and the Appleton Redevelopment Authority discreetly presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government. However, the school districts (Appleton, Menasha, Kimberly), sanitary districts (Grand Chute Sanitary District #1, Town of Menasha Utility District, Waverly Sanitary District, Darboy Sanitary District) and Fox Valley Technical College do not meet the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report. These entities are independent jurisdictions with elected governing bodies and minimal financial interdependency with the city.

BACKGROUND/GENERAL INFORMATION

In 1634, Jean Nicolet, commissioned by Champlain to explore this region, paddled his way up the Fox River from Green Bay. Various tribes of Indians roamed the lands of present day Appleton which was ceded by the Menominee Indians to the United States in the Treaty of 1831. During the first few years of its history, there were three villages where the City of Appleton now stands: Lawesburgh on the east side, Grand Chute on the west end and Appleton in the middle. The three villages were incorporated under the name of Appleton in 1857. Very early, the Fox River improvements -- the building of dams and canals making it possible to use the water power for industry -- gave impetus to the growth of our city. The residents of our community are proud of Appleton's past and present; they manifest a great confidence in its future and a dedication to its ongoing betterment.

Geographically, the city is located in northeast Wisconsin in Outagamie, Winnebago, and Calumet Counties. It lies 30 miles south of Green Bay and 90 miles north of Milwaukee on Lake Winnebago. The city has a mayor/aldermanic form of government and eighteen alderpersons (redistricting in April of 2002 will decrease the number to 17 for 2002-2003 and further to 16 after April 2003). Alderpersons are elected for two-year alternating terms, while our mayor is elected for a four-year term.

Because of its strategic location and population, the City of Appleton is a Metropolitan Statistical Area "central city" of the Appleton-Oshkosh-Neenah urban area as defined by the Federal Office of Management and Budget. Thus, the city is an "entitlement city" under the federal block grant program. Appleton is the county seat for Outagamie County and the largest city in both Outagamie and Calumet Counties.

City service units and facilities include: police services (140 full-time), fire protection (102 firefighters), public works (156.5 employees), administrative offices (71.5 employees), health services (12.8 employees), parks and recreation (40.5 employees), library services (45.5 employees), transportation (62 employees) and utilities (46 employees). Approximately 507 of the city's 676.8 employees are represented by the following bargaining units:

- International Association of Firefighters, representing city firefighters;
- Appleton Professional Policemen's Association, representing city non-supervisory police professionals;
- Appleton Professional Policemen's Association Supervisory Unit, representing supervisory police professionals;
- American Federation of Municipal Employees, representing Wastewater Division, Water Department Plant Employees and Central Building Maintenance;
- Teamster's Union Local 563, representing street, sanitation, maintenance, electrical, CEA, inspection, engineering aides, water distribution, health sanitarians, Valley Transit, community service officers, animal control officers, parking ramp personnel, meter checkers and clerical personnel in City Hall, police, fire, wastewater, park & recreation and water departments.

The city has historically enjoyed a low unemployment rate although the events since September 11, 2001 and the slight downturn in the economy have the unemployment rates higher at this time along with the majority of the rest of the United States (4.8% for 2001). The city does maintain an above average adjusted gross income per household (40,885 for 1999). Additional background data is included in the "Supplemental Information Section" of this report.

ECONOMIC CONDITION AND OUTLOOK

The City of Appleton is one of the top growth areas in Wisconsin. Appleton is a significant regional center for the insurance industry and has an extensive presence of the paper manufacturing and related industry facilities. The presence of four major insurance industry home offices or regional headquarters has stimulated related services as well as an "up-scale" housing market. The city's population has exceeded 70,000.

In 2001, total valuation of residential building construction was \$42,250,172. There were 166 single-family homes constructed with an average construction cost of \$189,254. In addition, there were 6 two-family residences and 17 apartment buildings constructed with a combined total of 200 units. Additions or alterations to existing dwellings added \$6,045,238 in value.

Appleton's commercial industrial permits totaled 153 in 2001 and with a valuation of \$76,490,026. These permits were the result of heavy new construction in the developing outlying areas.

The former Zwicker Knitting Mill site has been approved for a \$21 million mixed-use, residential and commercial project with Professional Realty and Development Corporation (PRDC). The urban character of the project and the niche it will fill in providing a range of residential and commercial living opportunities in the downtown area are major selling points. Groundbreaking ceremonies were held on May 1, 2002.

Based on current projections, these positive trends are expected to continue however, currently at a much slower pace. While having a positive impact, this growth also presents significant challenges. The city continues to strive toward growth in a rational and economically sound direction. If the present high level of services is to be maintained in the future, the city must continue to explore innovative methods of financing and providing services.

MAJOR INITIATIVES

The Water Utility has constructed a new 24 mgd Water Filtration Plant. The plant began producing water in July of 2001. The cost of the project was approximately \$54 million.

Construction continues on a \$44 million dollar, 2100 seat Performing Arts Center in downtown Appleton. The completion of the project is targeted for fall of 2002.

Along County Highway KK near State Highway 441, several new retail developments have been completed including a \$13.5 million Walmart, \$6 million Home Depot, a \$3.5 million Kohl's Department Store and a \$15 million Target Discount Store.

FINANCIAL INFORMATION

Management of the city is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the city are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

SINGLE AUDIT: As a recipient of federal, state and county financial assistance, the city also is responsible for establishing an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This system of internal controls is subject to periodic evaluation by management.

As a part of the city's single audit, described earlier, tests are made to determine the adequacy of the internal controls, including that portion related to federal and state financial assistance programs, as well as to determine that the city has complied with applicable laws and regulations.

BUDGETARY CONTROLS: The City of Appleton maintains budgetary controls in order to ensure compliance with legal provisions embodied in the annual budget approved by the Common Council. Activities of the general fund, special revenue funds, debt service funds, capital projects funds, enterprise funds, internal service funds and trust funds are included in the annual budget. In addition, project length financial plans are adopted for most capital projects funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the total fund expenditure level. The city also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances are reappropriated as part of the following year's budget through formal resolution.

As demonstrated by the statements and schedules included in the Financial Section of this report, the city continues to meet its responsibility for sound financial management.

GENERAL GOVERNMENT FUNCTIONS: The following schedule presents a summary of general fund, special revenue fund and debt service fund revenues for the fiscal year ended December 31, 2001, and the amount and percentage of increases and decreases in relation to prior year revenues.

REVENUES	AMOUNT	PERCENT OF TOTAL	INCREASE (DECREASE) FROM 2000	PERCENTAGE INCREASE (DECREASE)
Taxes	\$28,531,242	50.47%	\$2,366,801	9.04%
Intergovernmental	19,041,448	33.68%	(535,616)	(2.74%)
Licenses and Permits	791,011	1.40%	40,976	5.46%
Fines and Forfeitures	550,333	.97%	105,666	23.76%
Special Assessments	1,711,955	3.03%	870,122	103.36%
Interest	2,081,136	3.68%	(539,828)	(20.60%)
Charges for Services	2,299,146	4.07%	243,626	11.85%
Other	1,525,065	2.70%	543,543	55.38%
TOTAL REVENUES	\$56,531,336	100.00%	\$3,095,290	5.79%

A large revenue decrease came from interest; however, this can be deceiving due to unrealized gains (losses) are the result of the fluctuations in the price of bonds and do not represent an actual sale of an investment. It is the City's practice to hold securities to maturity to avoid any realized losses. The fluctuation from the unrealized gain in 2000 to the unrealized loss in 2001 accounted for \$452,267 of the \$539,828 decrease. Intergovernmental revenue also had a substantial decrease of \$643,204 in the Community Development Block Grant area mainly due to the timing of projects/draws requested.

The largest revenue increase was in the form of taxes. While the total City tax levy increased 6.03%, fluctuation in where the dollars were allocated resulted in a larger % for general government functions. Another large increase is special assessments. Some projects were in progress at year end 2000 and thus billed in 2001 when the work was completed. The increase in other revenue is mainly due to the ACT 11 credit received from the Wisconsin Retirement System in 2001.

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended December 31, 2001 and the amount and percentage of increases and decreases in relation to prior year amounts.

EXPENDITURES	AMOUNT	PERCENT OF TOTAL	INCREASE (DECREASE) FROM 2000	PERCENTAGE INCREASE (DECREASE)
Current:				
General Government	\$5,838,715	9.86%	\$60,914	1.05%
Planning & Development	2,631,857	4.44%	(540,747)	(17.04%)
Education & Recreation	7,888,695	13.32%	639,204	8.82%
Public Works	13,233,142	22.34%	587,144	4.64%
Public Safety	20,334,106	34.33%	1,562,836	8.33%
Debt Service:				
Principal	6,322,600	10.67%	190,657	3.11%
Interest and Fees	2,985,967	5.04%	264,380	9.71%
TOTAL EXPENDITURES	\$59,235,082	100.00%	\$2,764,388	4.90%

The largest expenditure increase came from public safety (nine firefighters added mid year). Education and Recreation increase is related to major repairs at the Library for windows and HVAC in addition to installation of sidewalk on Witzke Boulevard in Memorial Park. Public Works increases were mainly due to more asphalt paving projects. The largest expenditure decrease is due to the Community Development Block Grant Project expenditures during the calendar year.

ENTERPRISE OPERATIONS: The city's enterprise operations are comprised of six separate and distinct activities: Water Utility, Wastewater Utility, Valley Transit, Parking Utility, Stormwater Utility and Reid Municipal Golf Course.

RETIREMENT PROGRAM: The city participates in the Wisconsin Retirement System, paying both employer and employee shares of contributions for most employees. Contributions benefit formulas and eligibility are all determined by the system, and explained in footnote 5 of this report.

DEBT ADMINISTRATION: As of December 31, 2001, the city had twenty-five debt issues outstanding. These issues included \$56,346,612 of general obligation bonds and notes and \$93,647,660 of revenue bonds. The city has continually maintained its "Aa1" rating from Moody's Investors Service on general obligation debt, "A1" on its water, "A3" on its sewerage revenue bonds. The Stormwater Utility received an upgrade from "A1" to "Aa3" from Moody's Investor Services. The Utility has been in existence for only four years and has achieved a rating already equal to our longstanding Wastewater Utility. Under Wisconsin statutes, general obligation debt is subject to a legal limitation based on 5% of total equalized value of real and personal property. As of December 31, 2001, the city's net general obligation debt of \$53,807,839 was well below the legal limit of \$162,858,690 (33.04%) and debt per capita equaled \$766.85. The city adheres to an aggressive repayment policy and uses capital financing to augment a "pay as you go" philosophy.

CASH MANAGEMENT: Cash temporarily idle during the year was invested in demand deposits, U.S. government and agency securities, corporate bonds, Wisconsin Investment Trust, the State of Wisconsin Local Government Investment Pool, repurchase agreements, and Government Money Markets. The average yield on all cash investments was 5.58%. The city and its proprietary funds earned investment revenue of \$5,813,882 on all investments for the year ended December 31, 2001.

The city's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Deposits are insured by federal depository insurance up to \$100,000. Investments in the State of Wisconsin Local Government Investment Pool, although unsecured, are insured and considered very safe since the pool's primary investment is government securities

RISK MANAGEMENT: The city became a member of the Cities and Villages Mutual Insurance Company on January 1, 1990. To join the insurance mutual, the city issued a \$2,300,000 taxable general obligation promissory note payable to the company. Our mutual insurance company is comprised of 37 Wisconsin cities and villages pooling their risk in the exposure areas of general liability, workers compensation, police professionals and public officials' liability. The pool is capitalized in excess of \$25,000,000 and has not incurred any significant claims to date. The city anticipates substantial annual cost savings, increased self-insured levels (as accumulated funds grow) and advances in health, wellness, and safety programs to further reduce our risk.

INDEPENDENT AUDIT

City policy is in accordance with state and federal requirements to provide for an annual audit by independent certified public accountants. The accounting firm of Virchow, Krause and Company, LLP was selected by the city. In addition to meeting the requirements set forth by the American Institute of Certified Public Accountants, the audit also was designed to meet the requirements of the federal Single Audit Act

of 1984 and related OMB Circular A-133. The independent auditors' report on the general purpose financial statements and combining, individual fund and account group financial statements and schedules is included in the Financial Section of this report. The independent auditors' reports related specifically to the single audit are also included in this Single Audit Section.

REPORTING ACHIEVEMENTS

This report has been prepared following the guidelines recommended by the Government Finance Officers' Association of the United States and Canada. The Government Finance Officers' Association awards a "Certificate of Achievement for Excellence in Financial Reporting" to those governments whose annual financial reports are judged to conform substantially with high standards of public financial reporting, including Generally Accepted Accounting Principles promulgated by the Governmental Accounting Standards Board (GASB).

The City of Appleton was awarded the "Certificate of Achievement for Excellence in Financial Reporting" for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2000. A "Certificate of Achievement for Excellence in Financial Reporting" is valid for a period of one year only.

We believe our current report for the year ended December 31, 2001 continues to meet program standards. It will be submitted to the Government Finance Officers' Association to determine its eligibility for the "Certificate of Achievement for Excellence in Financial Reporting".

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the city's Finance Department, our auditors, Virchow, Krause and Company, LLP, and various other city personnel. We would like to express our sincere appreciation to all who assisted and contributed to its preparation. We would also like to thank Mayor Hanna and the Common Council for their interest and continuing support in planning and conducting the financial operations of the city in a responsible and progressive manner.

Sincerely,

Lisa A. Maertz, CPA
Director of Finance

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Appleton for its comprehensive annual financial report for the fiscal year ended December 31, 2000. This was the fifteenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Appleton, Wisconsin

For its Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2000

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Thomas A. Druce
President

Jeffrey L. Esdell
Executive Director

CITY OF APPLETON

Directory of Officials

MAYOR

Timothy M. Hanna

PRESIDENT OF THE COUNCIL

Helen I. Nagler

COUNCIL MEMBERS

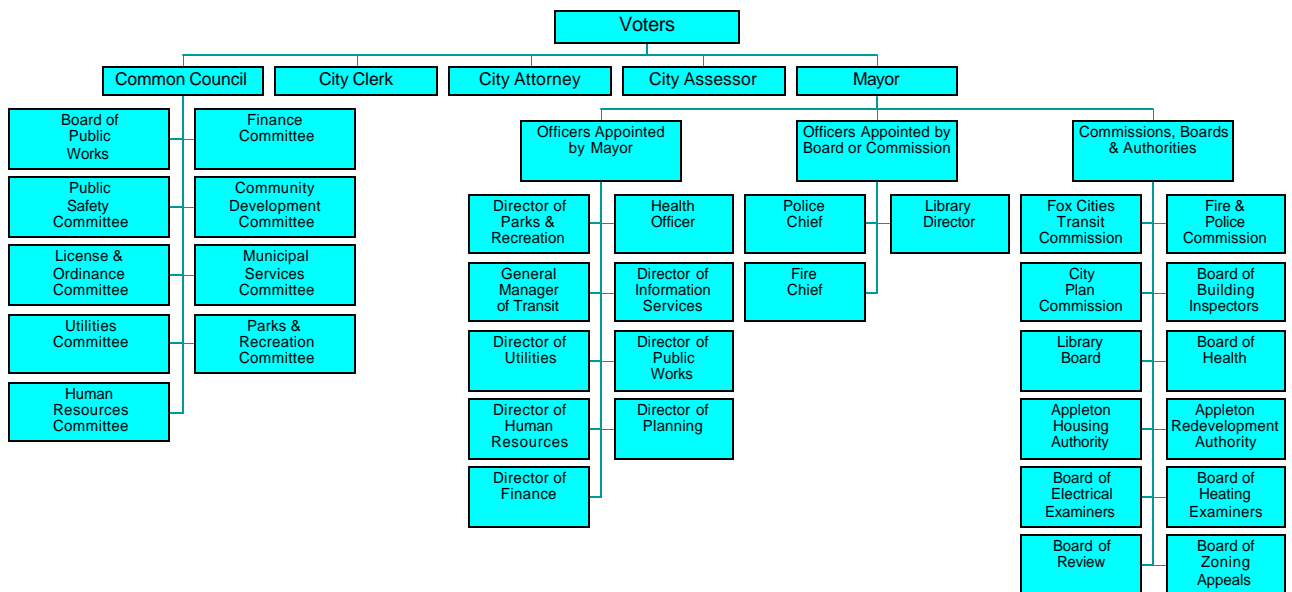
District 1:	Walter H. Kalata	District 10:	Robert V. Bellin
District 2:	Helen I. Nagler	District 11:	Earl J. Brooker
District 3:	Karen E. Harkness	District 12:	Erik A. Saucerman
District 4:	Edward L. Spang	District 13:	Charlie J. Goff
District 5:	Edward S. Baranowski	District 14:	Kathy D. Groat
District 6:	A. Paul Trelc	District 15:	Jo A. Egelhoff
District 7:	James E. Clemons	District 16:	Jerome R. Hiler
District 8:	Richard A. Thompson	**	Jane F. Heuring
District 9:	Ronald D. Klemp, Sr		

DEPARTMENT/DIVISION HEADS

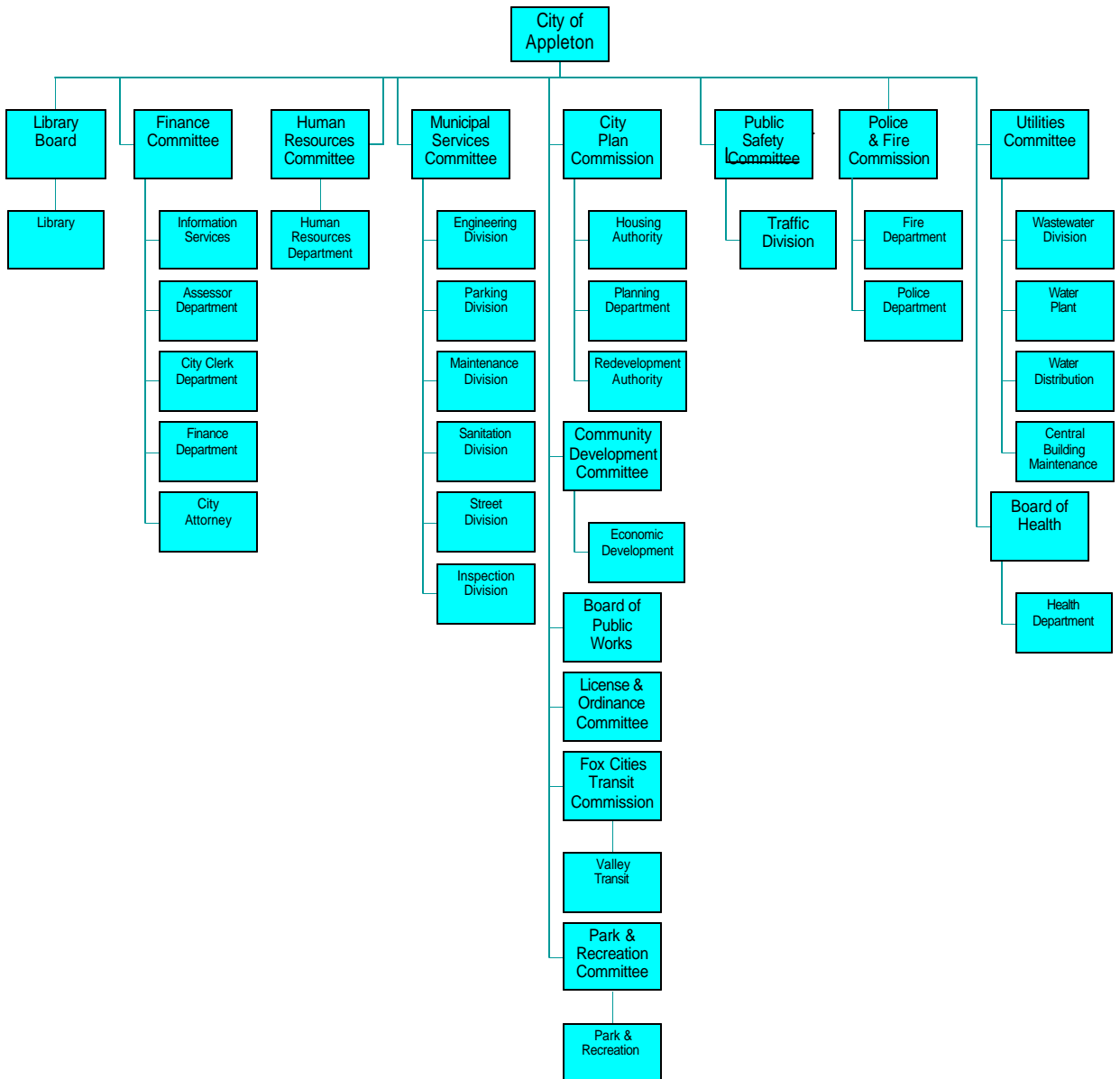
Director of Human Resources	Sandra A. Neisen
City Attorney	James P. Walsh
Fire Chief	Neil A. Cameron
Director of Library	Terry P. Dawson
Director of Economic Develop.	Peter A. Hensler
Director of Parks & Recreation	William N. Lecker
City Clerk	Cindi I. Hesse
Valley Transit General Manager	Charles L. Kamp
Director of Utilities	Duane D. Leaf
Director of Information Services	Scott J. Liske
Police Chief	Richard W. Myers
Director of Public Works	Paula A. Vandehey
City Assessor	Dawn C. Washatka
Health Officer	Kurt D. Eggebrecht
Director of Finance	Lisa A. Maertz
Director of Planning	Laura D. Johnston

** Serving out balance of term, which expires 4/15/03.

City of Appleton Structure by Voters



City of Appleton Organizational Structure by Committee



FINANCIAL SECTION

This section contains the following subsections:

- INDEPENDENT AUDITORS' REPORT
- GENERAL PURPOSE FINANCIAL STATEMENTS
- NOTES TO THE FINANCIAL STATEMENTS
- COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS AND SCHEDULES

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the Common Council
City of Appleton
Appleton, Wisconsin

We have audited the general purpose financial statements of the City of Appleton as of and for the year ended December 31, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Housing Authority of the City of Appleton, a discretely presented component unit, which represents 73% of the assets and 66% of the operating revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Housing Authority, is based solely on the report of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Appleton, Wisconsin as of December 31, 2001, and the results of its operations and cash flows of its proprietary fund types, nonexpendable trust fund, and discretely presented component units for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The City of Appleton adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, as of January 1, 2001. This results in a change to the accounting for capital contributions. See Note 22.

The Honorable Mayor and
Members of the Common Council
City of Appleton

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2002, on our consideration of the City of Appleton's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit. This report is included in Section IV.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules for the year ended December 31, 2001, and the individual fund financial statements for the year ended December 31, 2000 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Appleton, Wisconsin. The information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements for the years ended December 31, 2001 and 2000 and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole. The accompanying schedule of federal and state assistance is presented for additional analysis as required by the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and the State Single Audit Guidelines, and is also not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole. The "Letter of Transmittal" and "Statistical Section" listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Appleton, Wisconsin. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements of the City and, accordingly, we do not express an opinion on it.

Virchow Krause & Company, LLP
Madison, Wisconsin
March 29, 2002

**GENERAL PURPOSE
FINANCIAL STATEMENTS**

CITY OF APPLETON

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS

December 31, 2001

(With Comparative Totals - Primary Government for December 31, 2000)

ASSETS AND OTHER DEBITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS				
Cash and investments	\$ 18,159,146	\$ 3,356,883	\$ 50,475	\$ 13,176,220
Receivables				
Property taxes	22,021,270	4,344,214	3,000,396	2,916,702
Deferred loans	-	4,979,598	-	-
Customer accounts	-	-	-	-
Special assessments	950,653	-	-	1,913,509
Delinquent special assessments	12,302	-	-	-
Developer loans	644,243	-	-	-
Rehabilitation loans	-	-	-	-
Accrued interest	439,785	-	-	-
Other	487,811	180,436	1,105,000	19,189
Due from other governmental units	722,658	259,002	-	-
Due from other funds	1,408,736	1,656	-	-
Due from primary government	-	-	-	-
Inventories	434,194	-	-	-
Prepaid items	18,098	-	-	-
Advances to other funds	22,458,223	-	-	-
Restricted Assets				
Cash and investments	-	-	-	-
Investment in CVMIC	-	-	-	-
Receivable from mutual insurance company	-	-	-	-
Other	-	-	-	-
Fixed assets	-	-	-	-
Less accumulated depreciation	-	-	-	-
Construction work in progress	-	-	-	-
Property held for future use	-	-	-	-
Unamortized debt expense	-	-	-	-
OTHER DEBITS				
Resources available in governmental fund types	-	-	-	-
Resources to be provided by city/authority	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 67,757,119</u>	<u>\$ 13,121,789</u>	<u>\$ 4,155,871</u>	<u>\$ 18,025,620</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS

December 31, 2001

(With Comparative Totals - Primary Government for December 31, 2000)

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Primary Government Totals (Memorandum Only)		Component Units
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	2001	2000	
\$ 13,699,219	\$ 4,638,637	\$ 37,773,829	\$ -	\$ -	\$ 90,854,409	\$ 89,075,790	\$ 4,704,759
-	-	13,410,617	-	-	45,693,199	47,908,318	-
-	-	-	-	-	4,979,598	4,822,438	-
4,805,476	-	-	-	-	4,805,476	4,467,446	-
280,481	-	-	-	-	3,144,643	3,165,654	-
-	-	-	-	-	12,302	9,539	-
-	-	23,168	-	-	667,411	680,078	-
-	-	-	-	-	-	-	987,289
10,142	-	155	-	-	450,082	265,373	-
140,687	9,862	-	-	-	1,942,985	2,202,045	8,700
557,698	5,181	-	-	-	1,544,539	1,590,845	345,046
299,087	-	-	-	-	1,709,479	809,792	-
-	-	-	-	-	-	-	109,257
597,961	19,108	-	-	-	1,051,263	1,028,443	208,688
2,736	47,081	-	-	-	67,915	102,236	9,523
10,887,660	-	-	-	-	33,345,883	27,329,034	-
20,372,020	-	-	-	-	20,372,020	29,025,012	143,865
-	2,020,950	-	-	-	2,020,950	2,020,950	-
-	174,945	-	-	-	174,945	186,169	-
304,594	-	-	-	-	304,594	139,417	-
315,666,494	17,978,226	-	58,654,906	-	392,299,626	325,246,966	10,172,820
(81,240,968)	(8,954,300)	-	-	-	(90,195,268)	(87,867,534)	(2,499,453)
5,054,080	-	-	-	-	5,054,080	49,447,772	-
-	-	-	-	-	-	997,370	-
325,369	-	-	-	-	325,369	599,639	-
-	-	-	-	6,582,727	6,582,727	4,745,427	-
-	-	-	-	46,963,009	46,963,009	47,441,672	-
<u>\$ 291,762,736</u>	<u>\$ 15,939,690</u>	<u>\$ 51,207,769</u>	<u>\$ 58,654,906</u>	<u>\$ 53,545,736</u>	<u>\$ 574,171,236</u>	<u>\$ 555,439,891</u>	<u>\$ 14,190,494</u>

(continued)

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS
AND DISCRETELY PRESENTED COMPONENT UNITS (cont.)
December 31, 2001
(With Comparative Totals - Primary Government for December 31, 2000)

LIABILITIES, EQUITY AND OTHER CREDITS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
LIABILITIES				
Accounts payable	\$ 879,575	\$ 184,143	\$ -	\$ 561,863
Compensated absences	-	-	-	-
Other accrued liabilities	2,117,685	74,985	-	5,255
Claims payable	1,616,545	-	-	-
Due to other governments	-	-	-	-
Due to other taxing authorities	-	-	-	-
Due to other funds	-	400,165	-	1,008,571
Due to component unit	-	-	-	-
Payable From Restricted Assets				
Revenue bonds	-	-	-	-
Accrued interest	-	-	-	-
Security deposits	-	-	-	-
Tenant FSS escrow	-	-	-	-
Deferred revenues	33,260,717	9,369,406	4,105,396	4,477,289
General obligation bonds and notes payable	-	-	-	-
Revenue bonds and notes payable	-	-	-	-
Landfill closure and postclosure care	-	-	-	-
Employee benefits payable	-	-	-	-
Advances from other funds	-	15,911,628	-	14,055,819
Total Liabilities	37,874,522	25,940,327	4,105,396	20,108,797
EQUITY AND OTHER CREDITS				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	-
Retained Earnings				
Reserved	-	-	-	-
Unreserved	-	-	-	-
Fund Balances				
Reserved	14,484,261	13,320	50,475	891,490
Unreserved				
Designated	15,120,157	1,554,996	-	11,792,447
Undesignated (deficit)	278,179	(14,386,854)	-	(14,767,114)
Total Equity and Other Credits	29,882,597	(12,818,538)	50,475	(2,083,177)
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 67,757,119	\$ 13,121,789	\$ 4,155,871	\$ 18,025,620

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNITS (cont.)

December 31, 2001

(With Comparative Totals - Primary Government for December 31, 2000)

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Primary Government Totals		Component Units
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	(Memorandum Only)		
					2001	2000	
\$ 4,038,556	\$ 59,368	\$ -	\$ -	\$ -	\$ 5,723,505	\$ 8,037,275	\$ 120,772
916,516	190,891	-	-	4,062,588	5,169,995	4,180,873	13,150
629,316	108,291	-	-	-	2,935,532	2,746,017	53,726
-	911,000	-	-	-	2,527,545	2,375,075	-
1,955,323	-	-	-	-	1,955,323	2,014,338	6,944
-	-	49,707,041	-	-	49,707,041	48,927,258	-
-	-	300,743	-	-	1,709,479	809,792	-
-	-	109,257	-	-	109,257	-	-
4,095,764	-	-	-	-	4,095,764	2,687,761	-
150,492	-	-	-	-	150,492	159,817	-
-	-	-	-	-	-	-	35,786
-	-	-	-	-	-	-	108,079
1,359,278	-	25,168	-	-	52,597,254	49,132,821	1,096,714
5,910,000	1,155,265	-	-	49,281,347	56,346,612	54,246,360	-
88,948,702	-	-	-	-	88,948,702	88,280,827	-
-	-	-	-	-	-	2,945,669	-
-	-	-	-	201,801	201,801	212,158	-
<u>3,378,436</u>	-	-	-	-	<u>33,345,883</u>	<u>27,329,034</u>	-
<u>111,382,383</u>	<u>2,424,815</u>	<u>50,142,209</u>	-	<u>53,545,736</u>	<u>305,524,185</u>	<u>294,085,075</u>	<u>1,435,171</u>
-	-	-	58,654,906	-	58,654,906	53,325,729	-
103,049,196	7,020,424	-	-	-	110,069,620	109,864,337	8,905,695
13,111,703	-	-	-	-	13,111,703	12,244,120	1,704,412
64,219,454	6,494,451	-	-	-	70,713,905	67,919,716	2,145,216
-	-	1,065,560	-	-	16,505,106	18,786,363	-
-	-	-	-	-	28,467,600	26,560,083	-
-	-	-	-	-	(28,875,789)	(27,345,532)	-
<u>180,380,353</u>	<u>13,514,875</u>	<u>1,065,560</u>	<u>58,654,906</u>	-	<u>268,647,051</u>	<u>261,354,816</u>	<u>12,755,323</u>
<u>\$ 291,762,736</u>	<u>\$ 15,939,690</u>	<u>\$ 51,207,769</u>	<u>\$ 58,654,906</u>	<u>\$ 53,545,736</u>	<u>\$ 574,171,236</u>	<u>\$ 555,439,891</u>	<u>\$ 14,190,494</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT) - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
REVENUES				
Taxes	\$ 20,959,626	\$ 4,634,489	\$ 2,937,127	\$ 2,465,786
Intergovernmental	17,989,613	1,051,835	-	64,289
Licenses and permits	791,011	-	-	-
Fines and forfeitures	550,333	-	-	-
Special assessments	1,711,955	-	-	1,530,635
Investment income	1,895,338	110,625	75,173	679,903
Charges for services	1,629,233	669,913	-	-
Other	1,091,984	306,684	126,397	1,614,753
Total Revenues	<u>46,619,093</u>	<u>6,773,546</u>	<u>3,138,697</u>	<u>6,355,366</u>
EXPENDITURES				
Current				
General government	5,598,662	240,053	-	-
Community development	1,599,140	1,032,717	-	-
Education and recreation	7,820,153	68,542	-	-
Public works	9,899,220	3,333,922	-	-
Public safety	20,180,181	153,925	-	-
Debt Service				
Principal	-	-	6,322,600	-
Interest and fees	-	766,051	2,219,916	631,424
Capital outlay	-	-	-	11,208,473
Total Expenditures	<u>45,097,356</u>	<u>5,595,210</u>	<u>8,542,516</u>	<u>11,839,897</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,521,737</u>	<u>1,178,336</u>	<u>(5,403,819)</u>	<u>(5,484,531)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of general obligation debt	-	-	85,870	9,737,769
Operating transfers in	354,411	-	5,335,333	1,204,985
Operating transfers out	(1,559,338)	(747,040)	-	(4,846,754)
Operating transfers out to component unit	-	-	-	(4,149,992)
Sale of city property	-	-	-	740,827
Total Other Financing Sources (Uses)	<u>(1,204,927)</u>	<u>(747,040)</u>	<u>5,421,203</u>	<u>2,686,835</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	316,810	431,296	17,384	(2,797,696)
FUND BALANCES (DEFICIT), Beginning	29,565,787	(11,910,394)	33,091	(624,921)
Residual Equity Transfers In	-	-	-	1,339,440
Residual Equity Transfers Out	-	(1,339,440)	-	-
FUND BALANCES (DEFICIT), ENDING	<u>\$ 29,882,597</u>	<u>\$ (12,818,538)</u>	<u>\$ 50,475</u>	<u>\$ (2,083,177)</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES (DEFICIT) - ALL GOVERNMENTAL FUND TYPES
AND EXPENDABLE TRUST FUNDS
Year Ended December 31, 2001
(With Comparative Totals for the Year Ended December 31, 2000)

Fiduciary Fund Type	Totals (Memorandum Only)	
Expendable Trust	2001	2000
\$ -	\$ 30,997,028	\$ 29,058,416
-	19,105,737	20,316,452
-	791,011	750,035
-	550,333	444,667
-	3,242,590	2,163,984
58,734	2,819,773	3,523,432
73,933	2,373,079	2,073,791
-	<u>3,139,818</u>	<u>2,763,466</u>
<u>132,667</u>	<u>63,019,369</u>	<u>61,094,243</u>
6,650	5,845,365	5,784,192
-	2,631,857	3,172,604
-	7,888,695	7,249,491
-	13,233,142	12,645,998
-	20,334,106	18,771,270
-	6,322,600	6,131,943
-	3,617,391	3,247,678
-	<u>11,208,473</u>	<u>15,952,220</u>
<u>6,650</u>	<u>71,081,629</u>	<u>72,955,396</u>
<u>126,017</u>	<u>(8,062,260)</u>	<u>(11,861,153)</u>
-	9,823,639	10,465,000
-	6,894,729	9,737,583
-	(7,153,132)	(9,463,467)
-	(4,149,992)	(3,472,528)
-	<u>740,827</u>	<u>382,082</u>
-	<u>6,156,071</u>	<u>7,648,670</u>
126,017	(1,906,189)	(4,212,483)
924,120	17,987,683	18,524,106
-	1,339,440	3,679,284
-	<u>(1,339,440)</u>	<u>(3,224)</u>
<u>\$ 1,050,137</u>	<u>\$ 16,081,494</u>	<u>\$ 17,987,683</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES Year Ended December 31, 2001

	General Fund		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 20,966,553	\$ 20,959,626	\$ (6,927)
Intergovernmental	17,837,489	17,989,613	152,124
Licenses and permits	704,509	791,011	86,502
Fines and forfeitures	415,000	550,333	135,333
Special assessments	1,695,985	1,711,955	15,970
Investment income	1,715,000	1,895,338	180,338
Charges for services	1,507,894	1,629,233	121,339
Other	938,961	1,091,984	153,023
Total Revenues	45,781,391	46,619,093	837,702
EXPENDITURES			
Current			
General government	6,484,070	5,598,662	885,408
Community development	1,691,602	1,599,140	92,462
Education and recreation	7,938,394	7,820,153	118,241
Public works	10,777,406	9,899,220	878,186
Public safety	20,814,692	20,180,181	634,511
Debt Service			
Principal	-	-	-
Interest and fees	-	-	-
Capital outlay	-	-	-
Total Expenditures	47,706,164	45,097,356	2,608,808
Excess (Deficiency) of Revenues Over Expenditures	(1,924,773)	1,521,737	3,446,510
OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	-	-	-
Operating transfers in	344,338	354,411	10,073
Operating transfers out	(1,587,475)	(1,559,338)	28,137
Operating transfers out to component unit	-	-	-
Sale of city property	-	-	-
Total Other Financing Sources (Uses)	(1,243,137)	(1,204,927)	38,210
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(3,167,910)	316,810	3,484,720
FUND BALANCES (DEFICITS), Beginning	29,565,787	29,565,787	-
Residual Equity Transfer In	-	-	-
Residual Equity Transfer Out	-	-	-
FUND BALANCES (DEFICITS), ENDING	\$ 26,397,877	\$ 29,882,597	\$ 3,484,720

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - BUDGET AND ACTUAL - ALL GOVERNMENTAL FUND TYPES Year Ended December 31, 2001

Special Revenue Funds			Debt Service Fund			Capital Projects Funds		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable Unfavorable	Budget	Actual	Variance - Favorable (Unfavorable)
\$ 4,701,302	\$ 4,634,489	\$ (66,813)	\$ 2,937,127	\$ 2,937,127	\$ -	\$ 2,779,477	\$ 2,465,786	\$ (313,691)
1,259,604	1,051,835	(207,769)	-	-	-	53,276	64,289	11,013
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,750,887	1,530,635	(1,220,252)
69,700	110,625	40,925	35,000	75,173	40,173	514,300	679,903	165,603
658,200	669,913	11,713	-	-	-	-	-	-
186,500	306,684	120,184	126,397	126,397	-	1,600,030	1,614,753	14,723
<u>6,875,306</u>	<u>6,773,546</u>	<u>(101,760)</u>	<u>3,098,524</u>	<u>3,138,697</u>	<u>40,173</u>	<u>7,697,970</u>	<u>6,355,366</u>	<u>(1,342,604)</u>
321,400	240,053	81,347	-	-	-	-	-	-
1,207,142	1,032,717	174,425	-	-	-	-	-	-
62,200	68,542	(6,342)	-	-	-	-	-	-
3,416,615	3,333,922	82,693	-	-	-	-	-	-
279,004	153,925	125,079	-	-	-	-	-	-
-	-	-	6,322,600	6,322,600	-	-	-	-
716,822	766,051	(49,229)	2,183,952	2,219,916	(35,964)	667,319	631,424	35,895
-	-	-	-	-	-	19,497,924	11,208,473	8,289,451
<u>6,003,183</u>	<u>5,595,210</u>	<u>407,973</u>	<u>8,506,552</u>	<u>8,542,516</u>	<u>(35,964)</u>	<u>20,165,243</u>	<u>11,839,897</u>	<u>8,325,346</u>
<u>872,123</u>	<u>1,178,336</u>	<u>306,213</u>	<u>(5,408,028)</u>	<u>(5,403,819)</u>	<u>4,209</u>	<u>(12,467,273)</u>	<u>(5,484,531)</u>	<u>6,982,742</u>
-	-	-	48,000	85,870	37,870	10,322,869	9,737,769	(585,100)
-	-	-	5,345,028	5,335,333	(9,695)	1,136,246	1,204,985	68,739
(736,967)	(747,040)	(10,073)	-	-	-	(4,856,358)	(4,846,754)	9,604
-	-	-	-	-	-	(4,183,486)	(4,149,992)	33,494
-	-	-	-	-	-	557,500	740,827	183,327
<u>(736,967)</u>	<u>(747,040)</u>	<u>(10,073)</u>	<u>5,393,028</u>	<u>5,421,203</u>	<u>28,175</u>	<u>2,976,771</u>	<u>2,686,835</u>	<u>(289,936)</u>
135,156	431,296	296,140	(15,000)	17,384	32,384	(9,490,502)	(2,797,696)	6,692,806
(11,910,394)	(11,910,394)	-	33,091	33,091	-	(624,921)	(624,921)	-
-	-	-	-	-	-	-	1,339,440	1,339,440
-	(1,339,440)	(1,339,440)	-	-	-	-	-	-
<u>\$ (11,775,238)</u>	<u>\$ (12,818,538)</u>	<u>\$ (1,043,300)</u>	<u>\$ 18,091</u>	<u>\$ 50,475</u>	<u>\$ 32,384</u>	<u>\$ (10,115,423)</u>	<u>\$ (2,083,177)</u>	<u>\$ 8,032,246</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED
EARNINGS/FUND BALANCE - ALL PROPRIETARY FUND TYPES,
NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 2001
(With Comparative Totals - Primary Government for the Year Ended December 31, 2000)

	Proprietary Fund Types		Fiduciary Fund Type
	Enterprise	Internal Service	Non- Expendable Trust
OPERATING REVENUES			
Charges for services	\$ 25,359,999	\$ 3,963,549	\$ -
Other	612,687	262,620	1,000
Total Operating Revenues	<u>25,972,686</u>	<u>4,226,169</u>	<u>1,000</u>
OPERATING EXPENSES			
Operation and maintenance	19,480,781	4,624,157	-
Depreciation	8,493,490	1,509,335	-
Scholarships	-	-	-
Total Operating Expenses	<u>27,974,271</u>	<u>6,133,492</u>	<u>-</u>
Operating Income (Loss)	<u>(2,001,585)</u>	<u>(1,907,323)</u>	<u>1,000</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	2,736,675	256,242	1,192
Interest expense	(4,607,062)	(102,977)	-
Amortization of debt expense	(156,610)	-	-
Gain on sale of fixed assets	16,700	201,707	-
Amortization of prior losses on refunding of bonds	(93,151)	-	-
Loss on investment in CVMIC	-	(11,224)	-
Subsidies from other governmental units	4,099,733	-	-
Sale of city property	-	2,937	-
Other	22,640	8,837	-
Total Nonoperating Revenues	<u>2,018,925</u>	<u>355,522</u>	<u>1,192</u>
Income (Loss) Before Operating Transfers	17,340	(1,551,801)	2,192
Operating transfers in	429,353	-	-
Operating transfers in from primary government	-	-	-
Operating transfers out	<u>(170,950)</u>	<u>-</u>	<u>-</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND AMORTIZATION	275,743	(1,551,801)	2,192
Depreciation charged to contributed capital	2,528,441	581,717	-
Capital contributions	1,965,447	-	-
Amortization of capital grants	-	-	-
Accumulated depreciation on contributed assets retired	<u>3,373</u>	<u>-</u>	<u>-</u>
Net Additions (Deductions) to Retained Earnings/ Fund Balance	4,773,004	(970,084)	2,192
RETAINED EARNINGS/FUND BALANCE, Beginning	72,699,301	7,464,535	13,231
Residual Equity Transfer Out	<u>(141,148)</u>	<u>-</u>	<u>-</u>
RETAINED EARNINGS/FUND BALANCE, ENDING	<u>\$ 77,331,157</u>	<u>\$ 6,494,451</u>	<u>\$ 15,423</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED
EARNINGS/FUND BALANCE - ALL PROPRIETARY FUND TYPES,
NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 2001
(With Comparative Totals - Primary Government for the Year Ended December 31, 2000)

Primary Government		Component Units
Totals		
(Memorandum Only)		
2001	2000	
\$ 29,323,548	\$ 27,846,752	\$ 591,127
<u>876,307</u>	<u>885,892</u>	<u>218,536</u>
<u>30,199,855</u>	<u>28,732,644</u>	<u>809,663</u>
24,104,938	22,095,498	3,986,020
10,002,825	8,788,964	308,239
-	1,000	-
<u>34,107,763</u>	<u>30,885,462</u>	<u>4,294,259</u>
<u>(3,907,908)</u>	<u>(2,152,818)</u>	<u>(3,484,596)</u>
2,994,109	3,451,140	74,511
(4,710,039)	(3,776,017)	-
(156,610)	(145,310)	-
218,407	73,086	-
(93,151)	(97,128)	-
(11,224)	(8,210)	-
4,099,733	3,894,762	2,106,608
2,937	17,310	-
<u>31,477</u>	<u>3,833</u>	<u>45,789</u>
<u>2,375,639</u>	<u>3,413,466</u>	<u>2,226,908</u>
(1,532,269)	1,260,648	(1,257,688)
429,353	371,834	-
-	-	4,149,992
<u>(170,950)</u>	<u>(645,950)</u>	<u>-</u>
(1,273,866)	986,532	2,892,304
3,110,158	3,067,600	-
1,965,447	-	50,106
-	-	275,841
<u>3,373</u>	<u>5,715</u>	<u>-</u>
3,805,112	4,059,847	3,218,251
80,177,067	79,793,280	631,377
<u>(141,148)</u>	<u>(3,676,060)</u>	<u>-</u>
<u>\$ 83,841,031</u>	<u>\$ 80,177,067</u>	<u>\$ 3,849,628</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES,
NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 2001
(With Comparative Totals - Primary Government for the Year Ended December 31, 2000)

	Proprietary Fund Types		Fiduciary Fund Type
	Enterprise	Internal Service	Non- Expendable Trust
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (2,001,585)	\$ (1,907,323)	\$ 1,000
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for)			
Operating Activities			
Non-operating income	22,640	8,837	-
Depreciation expense	8,493,490	1,509,335	-
Depreciation charged to wastewater utility	94,647	-	-
Other miscellaneous adjustments	-	-	-
Changes in assets and liabilities			
Customer accounts receivable	(339,687)	-	-
Accounts receivable - other	(36,138)	(2,244)	-
Due from other governments	-	5,104	-
Due from other funds	(40,140)	-	-
Due from primary government	-	-	-
Inventories	61,905	(5,744)	-
Prepaid items	(1,107)	15,694	-
Accounts payable	93,047	(31,373)	-
Compensated absences	125,323	13,401	-
Other accrued liabilities	35,549	(4,031)	-
Claims payable	-	111,000	-
Due to other funds	19,104	-	-
Security deposits	-	-	-
Deferred revenues	3,519	-	-
Net Cash Provided by (Used for)			
Operating Activities	<u>6,530,567</u>	<u>(287,344)</u>	<u>1,000</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating grants received	-	-	-
Principal paid on notes payable	-	(141,157)	-
Interest paid on notes payable	-	(105,906)	-
Operating transfers in	429,353	-	-
Operating transfers in from primary government	-	-	-
Operating transfers out	(170,950)	-	-
Operating subsidies received from other governmental units	3,968,544	-	-
Residual transfer in	(141,148)	-	-
Other	-	-	-
Advances from other funds	3,378,436	-	-
Advances to other funds	(4,619,374)	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>2,844,861</u>	<u>(247,063)</u>	<u>-</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES,
NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS
Year Ended December 31, 2001
(With Comparative Totals - Primary Government for the Year Ended December 31, 2000)

Primary Government		Component Units
Totals		
(Memorandum Only)		
2001	2000	
\$ (3,907,908)	\$ (2,152,818)	\$ (3,484,596)
31,477	-	-
10,002,825	8,788,964	308,239
94,647	71,283	-
-	(1,113)	-
(339,687)	(66,345)	-
(38,382)	(9,151)	2,117
5,104	26,617	-
(40,140)	533	-
-	-	(109,257)
56,161	(45,606)	(165,392)
14,587	(53,925)	(478)
61,674	(375,445)	52,036
138,724	(35,026)	-
31,518	125,796	2,151
111,000	203,946	-
19,104	-	-
-	-	15,514
3,519	1,622	109,257
<u>6,244,223</u>	<u>6,479,332</u>	<u>(3,270,409)</u>
-	-	1,725,591
(141,157)	(130,063)	-
(105,906)	(114,446)	-
429,353	371,834	-
-	-	4,149,992
(170,950)	(645,950)	-
3,968,544	3,686,630	-
(141,148)	-	-
-	-	46,163
3,378,436	-	-
(4,619,374)	(600,000)	-
<u>2,597,798</u>	<u>2,568,005</u>	<u>5,921,746</u>

(continued)

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS (cont.)

Year Ended December 31, 2001

(With Comparative Totals - Primary Government for the Year Ended December 31, 2000)

	Proprietary Fund Types		Fiduciary Fund Type
	Enterprise	Internal Service	Non- Expendable Trust
	Enterprise	Internal Service	Non- Expendable Trust
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of fixed assets	\$ (18,731,237)	\$ -	\$ -
Residual equity transfer out	-	-	-
Proceeds from sale of fixed assets	110,000	216,460	-
Proceeds from revenue bonds	46,441,556	-	-
Costs of issuing revenue bonds	(85,794)	-	-
Principal paid on long-term debt	(45,392,391)	-	-
Interest paid on long-term debt	(4,728,050)	-	-
Capital contributed by city	140,829	-	-
Capital contributed by others	195,266	-	-
Special assessments received	584,014	-	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	(21,465,807)	216,460	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(10,964,810)	-	(1,155)
Proceeds from sales and maturities of investments	4,305,196	-	-
Investment income	2,259,951	256,242	1,199
Net Cash Provided by (Used for) Investing Activities	(4,399,663)	256,242	44
Net Increase (Decrease) in Cash and Cash Equivalents	(16,490,042)	(61,705)	1,044
CASH AND CASH EQUIVALENTS, Beginning	32,273,257	4,700,342	792
CASH AND CASH EQUIVALENTS, ENDING	\$ 15,783,215	\$ 4,638,637	\$ 1,836
RECONCILIATION TO COMBINED BALANCE SHEET			
Cash and investments	\$ 13,699,219	\$ 4,638,637	\$ 37,773,829
Restricted cash and investments	20,372,020	-	-
Less: Long-term investments	(18,288,024)	-	(13,432)
Expendable trust and agency funds	-	-	(37,758,561)
ENDING CASH AND CASH EQUIVALENTS - COMBINED STATEMENT OF CASH FLOWS	\$ 15,783,215	\$ 4,638,637	\$ 1,836

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS (cont.)

Year Ended December 31, 2001

(With Comparative Totals - Primary Government for the Year Ended December 31, 2000)

Primary Government		Component Units
Totals		
(Memorandum Only)		
2001	2000	
\$ (18,731,237)	\$ (34,328,122)	\$ (129,596)
-	(3,676,060)	-
326,460	532,469	-
46,441,556	20,745,000	-
(85,794)	(211,117)	-
(45,392,391)	(3,479,195)	-
(4,728,050)	(3,671,728)	-
140,829	133,526	-
195,266	230,609	79,256
584,014	275,898	-
(21,249,347)	(23,448,720)	(50,340)
(10,965,965)	(4,982,546)	-
4,305,196	15,657,878	-
2,517,392	3,228,463	72,295
(4,143,377)	13,903,795	72,295
(16,550,703)	(497,588)	2,673,292
36,974,391	37,471,979	2,175,332
\$ 20,423,688	\$ 36,974,391	\$ 4,848,624
\$ 56,111,685	\$ 51,801,243	\$ 4,704,759
20,372,020	29,025,012	143,865
(18,301,456)	(11,328,664)	-
(37,758,561)	(32,523,200)	-
\$ 20,423,688	\$ 36,974,391	\$ 4,848,624

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINED STATEMENT OF CASH FLOWS – ALL PROPRIETARY FUND TYPES,
NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS
(cont.)

Year Ended December 31, 2001

(With Comparative Totals – Primary Government for the Year Ended December 31, 2000)

NONCASH ACTIVITIES

ENTERPRISE FUNDS

During 2001, the Water Utility accepted ownership of \$817,577 of plant additions contributed by developers and customers; the Wastewater Utility accepted ownership of \$560,078 of plant additions contributed by developers and customers; the Stormwater Utility accepted \$1,960,541 of fixed assets contributed by the City and developers; and Reid Golf Course accepted \$28,444 of fixed assets contributed by the City.

Consistent with prior years, the City adjusted their investments to market during 2001. This adjustment resulted in an unrealized loss of \$171,385 in the Water Utility and a \$483,408 gain in the Wastewater Utility.

During 2001, the Water Utility issued bonds to advance refund \$19,005,000 of revenue bonds and BANS.

INTERNAL SERVICE FUNDS

During 2001, the Central Equipment Agency fund accepted ownership of \$1,723,668 of fixed assets contributed by various funds of the City.

During the year, there was a decrease of \$11,224 in what CVMIC owes the City which resulted in a loss on the investment in the Insurance fund.

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL COMPONENT UNITS

December 31, 2001

(With Comparative Totals for December 31, 2000)

	Appleton Redevelopment Authority	Housing Authority	Business Improvement District	Totals (Memorandum Only)	
	<u>2001</u>	<u>2000</u>		<u>2001</u>	<u>2000</u>
ASSETS					
CURRENT ASSETS					
Cash and investments	\$ 3,389,028	\$ 1,204,767	\$ 110,964	\$ 4,704,759	\$ 2,038,027
Receivables					
Rehabilitation loans	-	987,289	-	987,289	987,145
Other	-	8,700	-	8,700	32,901
Due from other governmental units	-	345,046	-	345,046	191,822
Due from primary government	-	-	109,257	109,257	-
Inventories	188,721	19,967	-	208,688	39,284
Prepaid items	-	9,523	-	9,523	13,535
Total Current Assets	<u>3,577,749</u>	<u>2,575,292</u>	<u>220,221</u>	<u>6,373,262</u>	<u>3,302,714</u>
RESTRICTED ASSETS					
Cash and investments	-	143,865	-	143,865	137,305
Total Restricted Assets	<u>-</u>	<u>143,865</u>	<u>-</u>	<u>143,865</u>	<u>137,305</u>
FIXED ASSETS					
Land, buildings and improvements	-	9,473,224	-	9,473,224	8,480,391
Equipment, furniture and vehicles	-	699,596	-	699,596	665,608
Less: Accumulated depreciation	-	(2,499,453)	-	(2,499,453)	(2,191,214)
Construction work in progress	-	-	-	-	900,119
Net Fixed Assets	<u>-</u>	<u>7,673,367</u>	<u>-</u>	<u>7,673,367</u>	<u>7,854,904</u>
TOTAL ASSETS	<u>\$ 3,577,749</u>	<u>\$ 10,392,524</u>	<u>\$ 220,221</u>	<u>\$ 14,190,494</u>	<u>\$ 11,294,923</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL COMPONENT UNITS

December 31, 2001

(With Comparative Totals for December 31, 2000)

	Appleton Redevelopment Authority	Housing Authority	Business Improvement District	Totals (Memorandum Only)	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>	<u>2000</u>
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Accounts payable	\$ 65,146	\$ 31,034	\$ 24,592	\$ 120,772	\$ 68,736
Compensated absences	-	13,150	-	13,150	10,306
Other accrued liabilities	-	53,726	-	53,726	54,419
Due to other governments	-	6,944	-	6,944	228,481
Deferred revenue	-	987,457	109,257	1,096,714	987,791
Total Current Liabilities	<u>65,146</u>	<u>1,092,311</u>	<u>133,849</u>	<u>1,291,306</u>	<u>1,349,733</u>
LIABILITIES PAYABLE FROM RESTRICTED ASSETS					
Security deposits	-	35,786	-	35,786	27,441
Tenant FSS escrow	-	108,079	-	108,079	100,910
Total Liabilities Payable From Restricted Assets	<u>-</u>	<u>143,865</u>	<u>-</u>	<u>143,865</u>	<u>128,351</u>
Total Liabilities	<u>65,146</u>	<u>1,236,176</u>	<u>133,849</u>	<u>1,435,171</u>	<u>1,478,084</u>
EQUITY					
Contributed capital	<u>1,453,759</u>	<u>7,451,936</u>	<u>-</u>	<u>8,905,695</u>	<u>9,181,536</u>
Retained Earnings (Deficits)					
Reserved	-	1,704,412	-	1,704,412	1,485,276
Unreserved	<u>2,058,844</u>	<u>-</u>	<u>86,372</u>	<u>2,145,216</u>	<u>(849,973)</u>
Total Retained Earnings (Deficits)	<u>2,058,844</u>	<u>1,704,412</u>	<u>86,372</u>	<u>3,849,628</u>	<u>635,303</u>
Total Equity	<u>3,512,603</u>	<u>9,156,348</u>	<u>86,372</u>	<u>12,755,323</u>	<u>9,816,839</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 3,577,749</u>	<u>\$ 10,392,524</u>	<u>\$ 220,221</u>	<u>\$ 14,190,494</u>	<u>\$ 11,294,923</u>

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS (DEFICITS) - ALL COMPONENT UNITS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Appleton Redevelopment Authority	Housing Authority	Business Improvement District	Totals (Memorandum Only)	
				2001	2000
OPERATING REVENUES					
Charges for services	\$ -	\$ 591,127	\$ -	\$ 591,127	\$ 603,623
Other	-	13,556	204,980	218,536	33,576
Total Operating Revenues	-	604,683	204,980	809,663	637,199
OPERATING EXPENSES					
Operating expenses	1,261,916	2,597,288	126,816	3,986,020	5,394,745
Depreciation	-	308,239	-	308,239	252,510
Total Operating Expenses	1,261,916	2,905,527	126,816	4,294,259	5,647,255
Operating Income (Loss)	(1,261,916)	(2,300,844)	78,164	(3,484,596)	(5,010,056)
NONOPERATING REVENUES (EXPENSES)					
Investment income	20,741	45,562	8,208	74,511	49,376
Subsidies (to) from other governmental units	-	2,106,608	-	2,106,608	2,012,411
Other	-	45,789	-	45,789	120,968
Total Nonoperating Revenues (Expenses)	20,741	2,197,959	8,208	2,226,908	2,182,755
Income (Loss) Before Operating Transfers	(1,241,175)	(102,885)	86,372	(1,257,688)	(2,827,301)
Operating transfers in from primary government	4,149,992	-	-	4,149,992	3,472,528
INCOME (LOSS) BEFORE CONTRIBUTIONS AND AMORTIZATION	2,908,817	(102,885)	86,372	2,892,304	645,227
Capital contributions	-	50,106	-	50,106	-
Amortization of capital grants	-	275,841	-	275,841	232,451
Net Additions to Retained Earnings (Deficits)	2,908,817	223,062	86,372	3,218,251	877,678
RETAINED EARNINGS (DEFICITS), Beginning (as restated)	(849,973)	1,481,350	-	631,377	(242,375)
RETAINED EARNINGS (DEFICITS), ENDING	\$ 2,058,844	\$ 1,704,412	\$ 86,372	\$ 3,849,628	\$ 635,303

See accompanying notes to financial statements.

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS - ALL COMPONENT UNITS
Year Ended December 31, 2001
(With Comparative Totals for the Year Ended December 31, 2000)

	Appleton	Housing	Business	Totals	
	Redevelopment Authority	Authority	Improvement District	(Memorandum Only)	
				2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ (1,261,916)	\$ (2,300,844)	\$ 78,164	\$ (3,484,596)	\$ (5,010,056)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
Depreciation expense	-	308,239	-	308,239	252,510
Changes in Assets and Liabilities					
Accounts receivable - other	-	2,117	-	2,117	(7,222)
Due from other funds	-	-	-	-	(135,049)
Due from primary government	-	-	(109,257)	(109,257)	-
Inventories	(168,721)	3,329	-	(165,392)	(180)
Prepaid items	-	(478)	-	(478)	(7,382)
Accounts payable	(37)	27,481	24,592	52,036	59,089
Other accrued liabilities	-	2,151	-	2,151	(12,541)
Due to other funds	-	-	-	-	132,029
Security deposits	-	15,514	-	15,514	6,541
Deferred revenues	-	-	109,257	109,257	-
Net Cash Provided by (Used for) Operating Activities	<u>(1,430,674)</u>	<u>(1,942,491)</u>	<u>102,756</u>	<u>(3,270,409)</u>	<u>(4,722,261)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Operating grants received	-	1,725,591	-	1,725,591	1,848,310
Operating transfers in from primary government	4,149,992	-	-	4,149,992	3,472,528
Other	-	46,163	-	46,163	49,005
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>4,149,992</u>	<u>1,771,754</u>	<u>-</u>	<u>5,921,746</u>	<u>5,369,843</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of fixed assets	-	(129,596)	-	(129,596)	(299,730)
Capital contributed by others	-	79,256	-	79,256	203,749
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>-</u>	<u>(50,340)</u>	<u>-</u>	<u>(50,340)</u>	<u>(95,981)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	<u>20,741</u>	<u>43,346</u>	<u>8,208</u>	<u>72,295</u>	<u>48,852</u>
Net Cash Provided by (Used for) Investing Activities	<u>20,741</u>	<u>43,346</u>	<u>8,208</u>	<u>72,295</u>	<u>48,852</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,740,059	(177,731)	110,964	2,673,292	600,453
CASH AND CASH EQUIVALENTS, Beginning	<u>648,969</u>	<u>1,526,363</u>	<u>-</u>	<u>2,175,332</u>	<u>1,574,879</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 3,389,028</u>	<u>\$ 1,348,632</u>	<u>\$ 110,964</u>	<u>\$ 4,848,624</u>	<u>\$ 2,175,332</u>

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS - ALL COMPONENT UNITS
 Year Ended December 31, 2001
 (With Comparative Totals for the Year Ended December 31, 2000)

	Appleton Redevelopment Authority	Housing Authority	Business Improvement District	Totals (Memorandum Only)	
				2001	2000
RECONCILIATION TO COMBINED BALANCE SHEET					
Cash and investments	\$ 3,389,028	\$ 1,204,767	\$ 110,964	\$ 4,704,759	\$ 2,038,027
Restricted cash and investments	-	143,865	-	143,865	137,305
ENDING CASH AND CASH EQUIVALENTS					
COMBINING STATEMENT OF CASH FLOWS	<u>\$ 3,389,028</u>	<u>\$ 1,348,632</u>	<u>\$ 110,964</u>	<u>\$ 4,848,624</u>	<u>\$ 2,175,332</u>

NONCASH ACTIVITIES

None.

CITY OF APPLETON

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CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Appleton, Wisconsin conform to generally accepted accounting principles as applicable to governmental units.

A. REPORTING ENTITY

This report includes all of the funds and account groups of the City of Appleton. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

Included within the reporting entity:

Redevelopment Authority of the City of Appleton

The general purpose financial statements include the Redevelopment Authority of the City of Appleton ("Redevelopment Authority") as a component unit. The Redevelopment Authority is a legally separate organization. The board of the Redevelopment Authority is appointed by the mayor of Appleton and approved by city council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the Redevelopment Authority, and also create a potential financial benefit to or burden on the City. See Note 19. As a component unit, the Redevelopment Authority's financial statements have been presented as a discrete column in the general purpose financial statements. The information presented is for the fiscal year ended December 31, 2001. Separately issued financial statements of the Redevelopment Authority of the City of Appleton may be obtained from the Redevelopment Authority's office, which is located at 100 North Appleton Street, Appleton, WI 54911.

Housing Authority of the City of Appleton

The general purpose financial statements include the Housing Authority of the City of Appleton ("Housing Authority") as a component unit. The Housing Authority is a legally separate organization. The board of the Housing Authority is appointed by the mayor of Appleton. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the Housing Authority, and also create a potential financial benefit to or burden on the City. See Note 19. As a component unit, the Housing Authority's financial statements have been presented as a discrete column in the general purpose financial statements. The information presented is for the fiscal year ended December 31, 2001. Separately issued financial statements of the Housing Authority of the City of Appleton may be obtained from the Housing Authority's office, which is located at 525 North Oneida Street, Appleton, WI 54911.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Included within the reporting entity:

Business Improvement District

The general purpose financial statements include the Business Improvement District of the City of Appleton ("District") as a component unit. The District is a legally separate organization. The board of the District is appointed by the mayor of Appleton and approved by city council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the District, and also create a potential financial benefit to or burden on the City. See Note 19. As a component unit, the District's financial statements have been presented as a discrete column in the general purpose financial statements. The information presented is for the fiscal year ended December 31, 2001. Separately issued financial statements of the Housing Authority of the City of Appleton may be obtained from Appleton Downtown Incorporated, which is located at 10 College Avenue, Suite A1, Appleton, WI 54911.

B. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the City.

GOVERNMENTAL FUNDS

General Fund

The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

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

Transactions relating to the City's Tax Incremental District No. 1, Tax Incremental District No. 2, Community Development Block Grant, Rental Rehabilitation Grants, Sanitation and Recycling Program, Olde Oneida Bridge Project, City Parades, Health Grants, Hazardous Materials Level A, Forestry, Room Tax, and Emergency Shelter are accounted for in special revenue funds.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE (cont.)

GOVERNMENTAL FUNDS (cont.)

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

The City uses capital projects funds to account for activities relating to Subdivision Development Projects, Industrial Park Land, Park and Recreation Projects, Tax Incremental District No. 2, Tax Incremental District No. 3, Tax Incremental District No. 4, Tax Incremental District No. 5, Tax Incremental District No. 6, Public Safety Facilities, Public Works Equipment, Vosters' Property, Mackville Landfill, Technology, CEA Replacement, Performing Arts Center, and Riverfront Initiatives.

PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds are used to account for operations (a) 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; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Activities of the City's Water Utility, Wastewater Utility, Valley Transit, Parking Utility, Stormwater Utility and Reid Municipal Golf Course are accounted for in enterprise funds.

Internal Service Funds

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

The City uses internal service funds to account for its Central Equipment Agency, Central Building Maintenance operations and its Insurance Fund.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. DESCRIPTION OF FUND AND ACCOUNT GROUP STRUCTURE (cont.)

FIDUCIARY FUNDS

Trust and Agency Funds

Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

The City maintains one nonexpendable trust fund – Frank P. Young Memorial, and six expendable trust funds – Tuchscherer Disability, Peabody Estate, Balliet Locomotive, Lutz Park, Park Purpose Open Space, and Union Spring Park. The City accounts for tax collections on behalf of other taxing authorities in an agency fund.

ACCOUNT GROUPS

General Fixed Assets Account Group

This account group is established to account for all fixed assets of the City other than those accounted for in the proprietary funds and non-expendable trust funds.

General Long-Term Obligations Account Group

This account group is established to account for all long-term obligations of the City except those obligations accounted for in the proprietary funds and non-expendable trust funds.

C. TOTALS (MEMORANDUM ONLY)

The columns captioned Totals (Memorandum Only) in the general purpose financial statements are an aggregation of the columnar statements by fund type and account group. The totals column is not comparable to a consolidation and does not present financial position, results of operations and cash flows in conformity with generally accepted accounting principles because the same basis of accounting is not used by all funds and interfund transactions and balances and account group balancing accounts have not been eliminated.

D. COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position, operations, and cash flows. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in all statements since their inclusion would make the statements unduly complex and difficult to read.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

E. BASIS OF ACCOUNTING

The modified accrual basis of accounting is followed by the governmental funds, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided. In addition to property taxes for the City, taxes are collected for and remitted to the state and county governments as well as the local school and sanitary districts and technical school district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as deferred revenues and due to other taxing units on the accompanying balance sheet. Taxes are levied in December on the assessed value of property as of the prior January 1.

Property tax calendar – 2001 tax roll:

Lien date and levy date	December, 2001
Tax bills mailed	December, 2001
Payment in full, or	January 31, 2002
First installment due	January 31, 2002
Second installment due	March 31, 2002
Third installment due	May 31, 2002
Fourth installment due	July 31, 2002
Final settlement with county	August 15, 2002
Personal property taxes in full	January 31, 2002
Tax sale – 2001 delinquent real estate taxes	October, 2004

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled to the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services and interest.

Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

E. BASIS OF ACCOUNTING (cont.)

The City reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Proprietary funds and nonexpendable trust funds are accounted for on the accrual basis. Revenues such as user fees are recognized in the accounting period in which they are earned; expenses are recognized in the period incurred. Unbilled receivables are recorded when services are provided.

The proprietary funds have elected to follow Financial Accounting Standards Board pronouncements issued before November 30, 1989, and all pronouncements of the Governmental Accounting Standards Board.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

F. MEASUREMENT FOCUS

The measurement focus of all governmental and expendable trust funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the general long-term obligations account group. The related expenditures are recognized when the liabilities are liquidated.

The measurement focus of proprietary funds and nonexpendable trust funds is the flow of economic resources. Under this concept, revenues and expenses are matched using the accrual basis of accounting. All fixed assets are capitalized at historical cost and depreciated over their useful lives.

G. CASH AND CASH EQUIVALENTS

For purposes of the combined statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

H. INVENTORIES

Proprietary fund inventories are generally used for construction and for operation and maintenance work. They are not for resale. They are valued at cost based on the weighted average method, and charged to construction, operation and maintenance expense when used. Governmental fund inventories, if material, are recorded at cost based on either the weighted average or FIFO method using the consumption method of accounting.

I. LONG-TERM OBLIGATIONS/CONDUIT DEBT

Short-term and proprietary fund long-term liabilities are recorded as fund liabilities. All other long-term liabilities are recorded in the general long-term obligations account group. However, that portion expected to be financed from expendable available financial resources is reported as a fund liability in the governmental funds.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as "Other Financing Sources" in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure in the year in which the debt matures or is repaid, whichever is earlier.

The City has approved the issuance of industrial revenue bonds (IRB's) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately \$19,378,000, made up of nine (9) series.

J. GENERAL FIXED ASSETS

General fixed assets acquired for governmental purposes are recorded as expenditures in the governmental funds. Purchased fixed assets are capitalized at cost or estimated cost in the general fixed assets account group. Contributed fixed assets are recorded at fair market value at the time received. Interest incurred during construction is not capitalized.

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks and lighting systems are not capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets.

Generally accepted accounting principles do not require depreciation to be recorded on general fixed assets.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

K. FIXED ASSETS – PROPRIETARY FUNDS

Additions to and replacements of plant and equipment are recorded at original cost, which includes material, labor, overhead and an allowance for the cost of funds used during construction when significant. Utility plant is recorded at cost or fair market value at the time of contribution to the utility. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Interest is capitalized on enterprise fund property acquired with tax exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. Capitalized interest cost is amortized on the same basis as the related asset is depreciated. During the year, \$4,643,627 of interest expense was incurred, of which \$36,565 was capitalized.

The provision for depreciation shown in the financial statements results from the application of straight-line rates to original costs.

Estimated average useful lives by asset category are as follows:

Buildings and Improvements, including	
Parking Ramps	15-30 Years
Water Distribution and Sewerage Collection Systems	10-77 Years
Equipment, Furniture and Vehicles	3-25 Years

L. ADVANCES TO OTHER FUNDS

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Refer to Note 6 which details the interfund advances.

M. ENCUMBRANCES

Encumbrances outstanding represent the estimated amount of expenditures ultimately to result if unperformed contracts and open purchase orders at year end are fulfilled. Encumbrances outstanding at year end are reported as reservations of fund balance and do not represent liabilities or expenditures. Encumbrance accounting applies only to governmental fund types.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

N. BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Prior to the end of July, the department heads submit to the mayor proposed budgets, including expenditures and applicable revenue projections.
- b. The mayor and staff then develop the budget and service plan and submit it to the common council at the first council meeting in October. The executive budget includes proposed expenditures and the means of financing them. Copies of the document are made available for public review.
- c. Public hearings are conducted to obtain taxpayer comments.
- d. The budget is adopted formally by resolution of the common council at the first finance committee meeting in November.
- e. Activities of the general fund, special revenue funds, the debt service fund, capital projects funds, enterprise funds, internal service funds and trust funds are budgeted. The budget as adopted shows total expenditures/expenses by individual fund. Expenditures/expenses cannot legally exceed appropriations at this level without two-thirds common council approval. Council policies include additional budgetary controls beyond this legal level.
- f. Under council policy, new appropriations up to \$10,000 require written approval by the mayor, countersigned by the Director of Finance, and reported to the Finance Committee as an informational item if funded by grants, user fees, or other non-tax revenues. New appropriations in excess of \$10,000 and those funded by taxes, or debt require the approval of the finance committee and two-thirds of the common council.
- g. Formal budgetary integration is employed as a management control device during the year for all funds.

A comparison of budget and actual is included in the accompanying financial statements for all governmental fund types. The budget presentations are at the function level, whereas the legal level of control is at the total expenditures level.

- h. All budgets adopted conform to generally accepted accounting principles (GAAP). Budget amounts are as originally adopted or as amended. Individual amendments were legally authorized as described above. Supplemental appropriations for all governmental fund types during the year were \$10,644,683.
- i. Budgets for all governmental funds lapse at year end. Reappropriations of any funds is made by council action.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

O. COMPENSATED ABSENCES

All Funds

The City's policy allows employees to earn varying amounts of vacation pay for each year employed. Upon retirement or termination of employment, the employee is entitled to payment in cash for any unused accrued vacation. Sick leave is earned at the rate of eight hours per month of full-time service to a maximum of 120 days. Employees are not compensated for unused sick leave upon termination of employment except upon retirement or death. Upon retirement or death, accumulated sick leave, to a maximum of 90 days for represented staff or 120 days for non-represented, is paid to the employee or the estate. For nonrepresented employees an additional 15 days is paid upon death. Upon retirement, the additional amount is retained by the City and used to pay postemployment health insurance premiums until it is depleted.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2001 are determined on the basis of current salary rates and include salary related payments.

Governmental and Fiduciary Funds

In governmental and fiduciary funds, the cost of vacation and sick leave is recognized when payments are made to employees. A long-term liability for these compensated absences has been recorded in the general long-term obligations account group. No current liability has been recorded in governmental funds, since accrued vacation and sick leave amounts as of the fiscal year end are not expected to be liquidated with expendable available resources.

Proprietary Funds

Vested or accumulated vacation and sick leave of proprietary funds is accrued as an expense and liability of those funds as the benefits are earned by employees.

P. ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

General accounts receivable have been adjusted for all known uncollectible accounts. No allowance is necessary at year end. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made in the accompanying water, wastewater and stormwater enterprise fund financial statements because those funds have the right by law to place delinquent bills on the tax roll.

Q. CLAIMS AND JUDGMENTS

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental fund types. If they are not to be liquidated with expendable available financial resources, a liability is recorded in the general long-term obligations account group. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the proprietary fund types as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

R. CONTRIBUTED CAPITAL – PROPRIETARY FUNDS

Contributions in Aid of Construction

Contributions in aid of construction represent amounts received from customers/developers for construction and the value of property (plant) contributed to the utility. These amounts are not subject to repayment. Refer to Note 22.

Capital Paid in by City

The City has invested capital in the enterprise and internal service funds at various times. The capital is not subject to specific repayment schedules.

Grants

The utilities have received state and federal grants to aid in utility plant construction. The utilities are amortizing these grants on a straight-line basis. Refer to Note 22.

S. FUND BALANCE TERMINOLOGY

Fund balances are segregated into three separate classifications. Reservations represent the portion of fund balances which may not be appropriated for expenditure or have been segregated for specific future uses by legal mandate.

Designations of fund balances represent tentative plans by the City for financial resource utilization in a future period as documented in the minutes or budgeting process for a succeeding year. Such plans are subject to change from original authorizations and may never result in expenditures.

Undesignated fund balance represents the amount available for appropriation after reservations and designations. It also is a measurement of current working capital position.

T. ECONOMIC DEVELOPMENT AND HOUSING REHABILITATION LOANS RECEIVABLE

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs that have been loaned to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed.

It is the City's policy to record deferred revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as designated fund balance in the general-purpose financial statements.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

U. BASIS FOR EXISTING RATES – PROPRIETARY FUNDS

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin (PSCW) on March 6, 2001.

Wastewater Utility

Current wastewater rates were approved by the common council on April 18, 2001.

V. OTHER ASSETS

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

W. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

NOTE 2 – CASH AND INVESTMENTS

Investment of City funds is restricted by state statutes. Available investments are limited to:

1. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association maturing in three years or less.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, or by the University of Wisconsin Hospitals and Clinics Authority.
3. Bonds or securities issued or guaranteed by the federal government.
4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 2 – CASH AND INVESTMENTS (cont.)

6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

Investment of most trust funds are regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

No significant violations of these restrictions occurred during the year.

Total cash and investments in the combined balance sheet consist of the following:

Petty cash and cash on hand	\$ 71,185
Deposits	18,102,344
Investments	<u>93,052,900</u>
Total Cash and Investments	<u>\$ 111,226,429</u>

DEPOSITS

At December 31, 2001, the carrying amount of the City's deposits was \$18,102,344 and the bank balance was \$16,649,463. The difference between the carrying amount and the bank balance represents outstanding checks and deposits in transit.

Of the bank balance, \$1,600,000 was covered by federal depository insurance, and \$15,049,463 was uninsured and uncollateralized.

Deposits in each local and area bank are insured by the FDIC in the amount of \$100,000 for interest bearing accounts and \$100,000 for noninterest bearing accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing the amounts covered by insurance above.

Fluctuating cash flows during the year due to tax collections, receipt of state aids and/or proceeds from borrowing may have resulted in temporary balances exceeding insured amounts by substantially higher amounts.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 2 – CASH AND INVESTMENTS (cont.)

INVESTMENTS

The City's investments are categorized to give an indication of the level of custodial credit risk assumed by the entity at year end. Category 1 includes items that are insured or registered or which are evidenced by securities held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments, with securities held by the counterparty or its trust department or agent but not in the City's name.

	Category			Carrying Amount
	1	2	3	
Corporate bonds and notes	\$ -	\$ 4,942,634	\$ -	\$ 4,942,634
U.S. Government securities	-	43,585,716	-	43,585,716
Commercial paper	-	5,343,603	-	5,343,603
Sub-Totals	\$ -	\$ 53,871,953	\$ -	53,871,953
Money market mutual funds				38,786,986
Local government investment pool				308,059
Wisconsin investment trust pool				85,902
Total Investments				\$ 93,052,900

The City had no significant type of investment during the year not included in the above schedule.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances.

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 days' notice. At December 31, 2001, the fair value of the underlying LGIP's assets were substantially equal to the City's share value as reported above.

Investments in the LGIP are covered under a surety bond issued by Financial Security Assurance, Inc. The bond insures against losses arising from principal defaults on substantially all types of securities acquired by the pool except U.S. Government and agency securities. The bond provides unlimited coverage on principal losses, reduced by any FDIC and State of Wisconsin Guarantee Fund insurance.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS

A. GENERAL OBLIGATION DEBT

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Notes and bonds in the general long-term obligations account group will be retired by future property tax levies accumulated by the debt service funds and by tax increments generated by the TID districts. Proprietary fund debt is payable by revenues from user fees of those funds, or if the revenues are not sufficient, by future tax levies.

	<u>Balance</u> 1-1-01	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> 12-31-01
General Long-Term Obligations Account Group	\$ 45,780,308	\$ 9,823,639	\$ 6,322,600	\$ 49,281,347
Proprietary Funds				
Enterprise	7,169,630	-	1,259,630	5,910,000
Internal Service	<u>1,296,422</u>	<u>-</u>	<u>141,157</u>	<u>1,155,265</u>
Total General Obligation Debt	<u>\$ 54,246,360</u>	<u>\$ 9,823,639</u>	<u>\$ 7,723,387</u>	<u>\$ 56,346,612</u>

The following is a list of long-term obligations of the City at December 31, 2001:

<u>Long-Term Obligations Account Group</u>	<u>Interest Rates</u>	<u>Final Maturity Dates</u>	<u>Balance</u>
General Obligation Bonds			
General Obligation Refunding Bond, Series 1991	8.30 – 8.70	2007	\$ 1,155,265
General Obligation Bonds, Series 1993A	5.30 – 5.60	2013	2,885,000
General Obligation Refunding Bonds, Series 1998A	4.25 – 4.75	2013	8,000,000
General Obligation and Promissory Notes			
General Obligation Notes, Series 1992B	5.60	2002	125,000
General Obligation Notes, Series 1994A	5.00	2002	1,095,000
General Obligation Notes, Series 1995A	4.35	2002	590,000
General Obligation Notes, Series 1996A	4.95 – 5.05	2006	3,485,000
General Obligation Notes, Series 1997A	4.625	2007	7,385,000
1997 State Trust Fund Loan	5.75	2007	547,708
General Obligation Notes, Series 1998B	4.10 – 4.50	2008	7,670,000
General Obligation Notes, Series 1999A	4.30 – 4.90	2009	970,000
General Obligation Notes, Series 1999B	6.50 – 6.60	2009	2,555,000
General Obligation Notes, Series 2000A	4.875 – 5.00	2010	10,060,000
General Obligation Notes, Series 2001A	4.00 – 4.40	2011	4,070,000
General Obligation Notes, Series 2001B	6.00	2011	3,270,000
2001 State Trust Fund Loan	5.00	2011	<u>2,483,639</u>
Sub-Totals – General Obligation			56,346,612
Less: Proprietary fund general obligation			<u>(7,065,265)</u>
Total General Obligation Debt – Long-Term Debt Account Group			<u>\$ 49,281,347</u>

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS (cont.)

B. OTHER LONG-TERM OBLIGATIONS

	Balance 1-1-01	Increases	Decreases	Balance 12-31-01
Compensated absences (Note 1.0)	\$ 3,248,964	\$ 2,362,465	\$ 1,548,841	\$ 4,062,588
Landfill liability (Note 14)	2,945,669	-	2,945,669	-
Disability benefits (Note 14)	212,158	-	10,357	201,801
Total Other Long-Term Obligations	<u>\$ 6,406,791</u>	<u>\$ 2,362,465</u>	<u>\$ 4,504,867</u>	<u>\$ 4,264,389</u>

C. REVENUE DEBT

Revenue bonds are payable only from revenues derived from the operation of the water, wastewater, and stormwater utilities.

	Balance 1-1-01	Increases	Decreases	Balance 12-31-01
Water Utility	\$ 66,977,975	\$ 60,354,882	\$ 61,850,000	\$ 65,482,857
Wastewater Utility	17,985,613	-	1,089,004	16,896,609
Stormwater Utility	6,005,000	4,810,000	150,000	10,665,000
Total Revenue Debt	<u>\$ 90,968,588</u>	<u>\$ 65,164,882</u>	<u>\$ 63,089,004</u>	<u>\$ 93,044,466</u>

Revenue debt payable for enterprise funds at December 31, 2001 consists of the following:

<u>Water Utility</u>	<u>Interest Rates</u>	<u>Final Maturity Dates</u>	<u>Balance</u>
Water System Revenue Bonds, Series 1998	4.375 – 4.85	2014	\$ 4,170,000
Water System Revenue Bonds, Series 2000	5.00 – 5.70	2020	3,190,000
Water System Revenue Refunding Bonds, Series 2001	3.00 – 5.375	2022	58,400,000
Less: Deferred unamortized loss on advance refunding			(277,143)
Total Water Utility			<u>\$ 65,482,857</u>

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS (cont.)

C. REVENUE DEBT (cont.)

<u>Wastewater Utility</u>	<u>Interest Rates</u>	<u>Final Maturity Dates</u>	<u>Balance</u>
Sewerage System Revenue Bonds, Series 1993A	3.37	2012	\$ 1,785,000
Sewerage System Mortgage Revenue Bonds, Series 1993B	4.80 – 5.00	2005	9,212,660
Sewerage System Mortgage Revenue Refunding Bonds, Series 1995	4.30 – 5.15	2010	6,225,000
Less: Deferred unamortized loss on advance refunding			<u>(326,051)</u>
Total Wastewater Utility			<u><u>\$ 16,896,609</u></u>
 <u>Stormwater Utility</u>			
Stormwater System Revenue Bonds Series 1999	4.15 – 5.26	2019	\$ 2,700,000
Stormwater System Revenue Bonds Series 2000	4.35 – 5.65	2020	3,155,000
Stormwater System Revenue Bonds Series 2001	4.00 – 5.00	2021	<u>4,810,000</u>
Total Stormwater Utility			<u><u>\$ 10,665,000</u></u>
Future Debt Service Requirements – Revenue Debt			\$ 93,647,660
Future Debt Service Requirements – General Obligation Debt			<u>5,910,000</u>
Total Future Debt Service Requirements – Enterprise Funds			<u><u>\$ 99,557,660</u></u>

D. DEBT SERVICE REQUIREMENTS TO MATURITY ARE AS FOLLOWS:

<u>Years</u>	<u>General</u>		<u>Enterprise Funds</u>		<u>Internal Service Funds</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2002	\$ 7,149,027	\$ 2,175,474	\$ 5,900,764	\$ 3,898,849	\$ 153,398	\$ 93,605	\$ 16,606,117
2003	4,358,571	1,994,673	4,824,541	4,364,673	167,169	79,891	15,789,518
2004	4,548,316	1,761,464	5,529,119	4,178,635	182,088	64,698	16,264,320
2005	4,288,455	1,553,656	5,884,525	3,958,744	198,920	48,124	15,932,424
2006	5,853,828	1,309,408	5,610,788	3,717,897	216,899	30,036	16,738,856
Thereafter	<u>23,083,150</u>	<u>2,808,909</u>	<u>71,807,923</u>	<u>28,332,019</u>	<u>236,791</u>	<u>10,300</u>	<u>129,044,092</u>
Totals	<u><u>\$49,281,347</u></u>	<u><u>\$11,603,587</u></u>	<u><u>\$99,557,660</u></u>	<u><u>\$48,450,817</u></u>	<u><u>\$ 1,155,265</u></u>	<u><u>\$ 326,654</u></u>	<u><u>\$210,375,327</u></u>

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS (cont.)

Estimated payments of accumulated employee benefits and other commitments are not included in the repayment schedule on the previous page. Amounts available to service the general obligation debt and other long-term obligations include the following:

General Fund – general obligation debt	\$ 2,386,692
General Fund – compensated absences	3,114,814
General Fund – debt defeasance	834,358
Debt Service Fund – general obligation debt	50,475
Capital Project Funds – general obligation debt	101,606
Expendable Trust Fund – Tuchscherer disability	<u>94,782</u>
Total	<u>\$ 6,582,727</u>

E. OTHER DEBT INFORMATION

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2001, was \$162,858,690. Total general obligation debt outstanding at year end was \$56,346,612.

A statutory mortgage lien upon the City's utility system and any additions, improvements and extensions thereto is created by Section 66.066 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issues. The City's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The City believes it is in compliance with all significant limitations and restrictions.

F. ADVANCE REFUNDING

On October 17, 2001, the City, on behalf of the water utility, issued \$60,400,000 in bonds (new bonds) with an average interest rate of 5.0 percent to pay off the 1998 bond anticipation notes and to advance refund \$19,005,000 of outstanding bonds (old bonds) with average interest rates of 5.0% and 5.3%. From the net proceeds of \$60,482,050 (after payment of \$788,592 in underwriting fees, insurance and other issuance costs and an offering premium of \$870,642), \$18,971,558 was used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the old bonds. As a result, the old bonds are considered to be defeased and the liability for the old bonds has been removed from the balance sheet.

The cash flow requirements on the old bonds prior to the advance refunding was \$20,487,081 from 2001 through 2009. The cash flow requirements on the new bonds are \$29,505,923 from 2002 through 2022. The advance refunding resulted in an economic loss (difference between the present values of the debt service payments on the old and new bonds) of \$40,000. The refinancing was done to convert the 2000 Bond Anticipation Notes into permanent financing and to reduce interest rates on the 1993 bonds.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 3 – LONG-TERM OBLIGATIONS (cont.)

G. PRIOR-YEAR DEFEASANCE OF DEBT

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At December 31, 2001, \$5,075,000 of bonds outstanding are considered defeased. \$1,660,000 is callable in 2002 and \$3,415,000 is callable in 2003.

NOTE 4 – RESTRICTED ASSETS

Mandatory segregations of assets are presented on the combined balance sheet as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is a reservation of retained earnings.

LONG-TERM DEBT ACCOUNTS

- Redemption – Used to segregate resources accumulated for debt service payments over the next twelve months.
- Reserve – Used to report resources set aside to make up potential future deficiencies in the redemption account.
- Depreciation – Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.
- Construction – Used to report proceeds of revenue bond issuances that are restricted for use in construction.

EQUIPMENT REPLACEMENT ACCOUNT

The wastewater utility established an equipment replacement account to be used for mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Following is a list of restricted assets at December 31, 2001:

Bond redemption account	\$ 2,008,396
Bond depreciation account	1,500,000
Bond reserve account	8,198,542
Construction account	1,760,703
Equipment replacement account	<u>6,904,379</u>
Total Restricted Assets – Cash and Investments	<u>\$ 20,372,020</u>

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 5 – EMPLOYEES' RETIREMENT SYSTEM

All eligible City employees participate in the Wisconsin Retirement System (System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All permanent employees expected to work over 600 hours a year are eligible to participate in the System. Covered employees in the General category are required by statute to contribute 5.2% of their salary (3.9% for Executives and Elected Officials, 3.8% for Protective Occupations with Social Security, and 3.3% for Protective Occupations without Social Security) to the plan. Employers generally make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for City employees covered by the system for the year ended December 31, 2001 was \$30,183,246; the employer's total payroll was \$30,774,441. The total required contribution for the year ended December 31, 2001 was \$3,435,364 or 11.4 percent of covered payroll. Of this amount, 100 percent was contributed for the current year. Total contributions for the years ending December 31, 2000 and 1999 were \$3,401,550 or 12.2 percent of covered payroll and \$3,517,053 or 13.17 percent of covered payroll, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 55 for protective occupation employees) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. Retirement benefits are calculated as 1.6% (2.0% for Executives, Elected Officials, and Protective Occupations with Social Security and 2.5% for Protective Occupations without Social Security) of final average earnings for each year of creditable service. Final average earnings is the average of the employee's three highest years earnings. Employees terminating covered employment 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 are immediately vested.

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

The pension-related debt for the City was \$-0- at December 31, 2001. This liability was determined in accordance with provisions of GASB Statement 27 regarding pension-related debt. Depending on actuarial assumptions, this estimate can vary significantly. The actuarial methods and assumptions used are unchanged from those used prior to the implementation of GASB Statement 27.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 5 – EMPLOYEES' RETIREMENT SYSTEM (cont.)

In addition to the above mentioned retirement system, the State of Wisconsin administers an agent multiple-employer plan which covers 21 retired employees of the City Police and Fire Departments. These individuals were covered by a private pension plan prior to the City joining the system. No new employees are added to the plan. The City's policy is to fund retirement contributions to meet current benefit payments of these retired employees (i.e. "pay as you go"). Contributions are not actuarially determined. The total cost for 2001 was approximately \$90,010. The total estimated unfunded pension benefit obligation of this plan is approximately \$692,900 as of December 31, 2001, all of which relates to retirees and beneficiaries currently receiving benefits. The City has designated fund balance of \$692,900 for the unfunded pension liability in the general fund. The rate of investment return is presently assumed to be 6.0%. The estimated remaining period of amortization is 16 years.

NOTE 6 – INTERFUND RECEIVABLES/PAYABLES AND ADVANCES

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Revenue – Tax Incremental District No. 2	\$ 310,000
General	Special Revenue – Community Development Block Grant	72,997
General	Special Revenue – Forestry	705
General	Special Revenue – Room Tax Administration	3,762
General	Special Revenue – Emergency Shelter	12,701
General	Capital Projects – Subdivision Development Projects	1,008,571
Special Revenue – Sanitation and Recycling Program	Agency – Tax Collecting	1,656
Enterprise – Water Utility	Agency – Tax Collecting	112,239
Enterprise – Wastewater Utility	Agency – Tax Collecting	123,242
Enterprise – Stormwater Utility	Agency – Tax Collecting	63,606
Total		<u>\$ 1,709,479</u>

The following is a schedule of interfund receivables and payables between the primary government and component unit:

Component Unit –		
Business Improvement District	Agency – Tax Collecting	<u>\$ 109,257</u>

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 6 – INTERFUND RECEIVABLES/PAYABLES AND ADVANCES (cont.)

Balances in advance from/to other funds at December 31, 2001 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General	Special Revenue – Tax Incremental District No. 1	\$ 5,328,479	\$ 9,519,818	\$ 14,848,297
General	Special Revenue – Tax Incremental District No. 2	680,922	382,409	1,063,331
General	Capital Projects – Tax Incremental District No. 3	5,794,286	684,524	6,478,810
General	Capital Projects – Tax Incremental District No. 6	62,982	4,803	67,785
Enterprise–Wastewater Utility	Enterprise – Water Utility	3,378,436	-	3,378,436
Enterprise – Parking Utility	Capital Projects – Tax Incremental District No. 3	6,169,632	1,339,592	7,509,224
Total		<u>\$ 21,414,737</u>	<u>\$ 11,931,146</u>	<u>\$ 33,345,883</u>

In 1999, the City approved charging interest on the advances to the Tax Incremental Districts at 5%, compounded annually. Accumulated interest is shown as deferred revenue in the general fund and the parking utility and charged to expenditures annually in the payable fund. No interest is being charged on the advance to the water utility. No repayment schedules have been established for these advances.

NOTE 7 – INTERFUND TRANSFERS

OPERATING TRANSFERS

Operating transfers for the year ended December 31, 2001 consist of the following:

<u>Fund Transferred to</u>	<u>Fund Transferred from</u>	<u>Amount</u>
General	Special Revenue – Room Tax	\$ 26,915
	Capital Projects – Industrial Park Land	156,546
	Enterprise – Water Utility	13,800
	Enterprise – Wastewater Utility	117,450
	Enterprise – Parking Utility	9,300
	Enterprise – Stormwater Utility	12,500
	Enterprise – Reid Municipal Golf Course	17,900
	Debt Service	General
Special Revenue – Tax Incremental District No. 1		720,125
Capital Projects – Industrial Park Land		39,320
Capital Projects – Tax Incremental District No. 2		97,548
Capital Projects – Tax Incremental District No. 3		2,691,627
Capital Projects – Tax Incremental District No. 4		989,668
Capital Projects – Tax Incremental District No. 5		10,827
Capital Projects – Tax Incremental District No. 6		287,680
	Capital Projects – Vosters' Property	73,538

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 7 – INTERFUND TRANSFERS (cont.)

<u>Fund Transferred to</u>	<u>Fund Transferred from</u>	<u>Amount</u>
Capital Projects		
Subdivision Development Projects	General	\$ 156,246
Tax Incremental District No. 6	Capital Projects – Tax Incremental District No. 3	255,000
Public Safety Facilities	General	68,739
Public Safety Facilities	Capital Projects – Tax Incremental District No. 3	45,000
Public Safety Facilities	Capital Projects – Tax Incremental District No. 5	200,000
Mackville Landfill	General	400,000
Technology	General	80,000
Enterprise		
Valley Transit	General	<u>429,353</u>
Total		<u><u>\$ 7,324,082</u></u>

The following is a schedule of interfund transfers between the primary government and component unit.

<u>Fund Transferred to</u>	<u>Fund Transferred from</u>	<u>Amount</u>
Appleton Redevelopment Authority (Component Unit)	Capital Projects – Tax Incremental District No. 2	\$ 504,276
Appleton Redevelopment Authority (Component Unit)	Capital Projects – Tax Incremental District No. 3	3,210,000
Appleton Redevelopment Authority (Component Unit)	Capital Projects – Performing Art Center	<u>435,716</u>
Total		<u><u>\$ 4,149,992</u></u>

RESIDUAL EQUITY TRANSFERS

2001 residual equity transfers consist of the following:

The residual equity transfers in/out do not equal because the water utility shows the residual equity transfer as a transfer out and the CEA fund shows the residual equity transfer as contributed capital.

<u>Fund Transferred From</u>	<u>Fund Transferred To</u>	<u>Amount</u>	<u>Description</u>
Special Revenue – Tax Incremental District No. 2	Capital Projects – Tax Incremental District No. 2	\$ 1,339,440	Close out fund and establish new fund
Water Utility	Internal service – CEA	<u>141,148</u>	Establish an equipment replacement fund for CEA assets
Residual Equity Total		<u><u>\$ 1,480,588</u></u>	

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 8 – DESIGNATED FUND BALANCES

Designated fund balances as of December 31, 2001 includes the following items:

General Fund designated for

Debt Service	\$ 2,386,692
Working Capital	8,091,393
Compensated Absences	3,114,814
Unfunded Pension Liability	692,900
Debt Defeasance	<u>834,358</u>
Total	<u>\$ 15,120,157</u>

Special Revenue Funds designated for

Rental Rehabilitation Grants	\$ 175,234
Sanitation and Recycling Program	1,068,688
Olde Oneida Bridge Project	24,485
City Parades	9,914
Hazardous Materials Level A	271,688
Forestry	1,225
Room Tax	<u>3,762</u>
Total	<u>\$ 1,554,996</u>

Capital Projects Funds designated for

Industrial Park Land	\$ 447,081
Park and Recreation Projects	287,447
Tax Incremental District No. 4	3,947,085
Tax Incremental District No. 5	20,851
Tax Incremental District No. 6	751,250
Public Safety Facilities	111,838
Public Works Equipment	90,608
Vosters' Property	46,873
Mackville Landfill	2,136,160
Technology	403,958
CEA Replacement	3,508,256
Riverfront Initiatives	<u>41,040</u>
Total	<u>\$ 11,792,447</u>

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 9 – RESERVED FUND BALANCES/RETAINED EARNINGS

Reserved fund balances and retained earnings as of December 31, 2001 includes the following items:

General Fund	
Encumbrances	\$ 1,521,057
Inventories and prepaid items	452,292
Developer loans	644,243
Advance to other funds (principal portion-Note 6)	<u>11,866,669</u>
Total	<u>\$ 14,484,261</u>
Special Revenue Fund	
Sanitation and Recycling Program – Encumbrances	<u>\$ 13,320</u>
Debt Service Fund	
Debt Service	<u>\$ 50,475</u>
Capital Projects Funds	
Subdivision Development Projects – Encumbrances	\$ 76,657
Industrial Park Land – Encumbrances	70,750
Industrial Park Land – Debt Service	101,606
Park and Recreation Programs – Encumbrances	219,100
Tax Incremental District No. 4 – Encumbrances	24,210
Tax Incremental District No. 6 – Encumbrances	96,602
Public Safety Facilities – Encumbrances	103,623
Public Works Equipment – Encumbrances	59,725
CEA Replacement – Encumbrances	<u>139,217</u>
Total	<u>\$ 891,490</u>
Enterprise Funds	
Water Utility – Debt Service	\$ 3,391,971
Wastewater Utility – Debt Service	2,465,780
Wastewater Utility – DNR Replacement Fund	6,108,446
Stormwater Utility – Debt Service	<u>1,145,506</u>
Total	<u>\$ 13,111,703</u>

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 9 – RESERVED FUND BALANCES/RETAINED EARNINGS (cont.)

Trust Funds

Frank P. Young Memorial Scholarships	\$ 15,423
Tuchscherer Disability Settlement Payments	94,782
Peabody Estate	78,128
Balliet Locomotive	8,034
Lutz Park	640,969
Park Purpose Open Space	224,891
Union Spring Park	<u>3,333</u>
 Total	 <u>\$ 1,065,560</u>

NOTE 10 – FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance		Adjustments	Balance
	1-1-01	Additions	/ Deletions	12-31-01
Land	\$ 17,216,329	\$ 3,105,080	\$ 416,410	\$ 19,904,999
Buildings	26,448,113	2,919,313	-	29,367,426
Improvements	4,815,616	387,697	-	5,203,313
Equipment, furniture and fixtures	3,954,262	237,847	12,941	4,179,168
Construction work in progress	891,409	-	891,409	-
 Totals	 <u>\$ 53,325,729</u>	 <u>\$ 6,649,937</u>	 <u>\$ 1,320,760</u>	 <u>\$ 58,654,906</u>

A summary of proprietary fund fixed assets at December 31 follows:

	Enterprise Funds	Internal Service Funds
Land and land rights	\$ 13,302,174	\$ -
Buildings and improvements	237,638,874	-
Equipment, furniture and vehicles	<u>64,725,446</u>	<u>17,978,226</u>
 Totals	 <u>\$ 315,666,494</u>	 <u>\$ 17,978,226</u>

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 11 – EXCESS EXPENDITURES OVER APPROPRIATIONS

The following individual funds had an excess of expenditures or transfers out over appropriations at the legal level of budgetary control for the year ended December 31, 2001:

	<u>Excess</u>
Special Revenue Funds	
Tax Incremental District No. 1	\$ 15,021
Tax Incremental District No. 2	33,891
Rental rehabilitation grants	17,708
City parades	6,435
Debt Service Fund	35,964

NOTE 12 – DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

SPECIAL REVENUE FUNDS

Tax Incremental District No. 1 – The fund deficit of \$13,007,805 is the result of expenditures in excess of revenues. In future years, this deficit is expected to be offset as incremental tax revenues are collected.

Tax Incremental District No. 2 – The fund deficit of \$1,373,331 is the result of expenditures in excess of revenues. In future years, this deficit is expected to be offset as incremental tax revenues are collected.

Community Development Block Grant – The fund deficit of \$5,374 is the result of expenditures in excess of revenues. This deficit will be offset by grant revenues drawn in 2002.

Emergency Shelter – The fund deficit of \$344 is the result of expenditures in excess of revenues. In future years, this deficit will be offset by grant revenues.

CAPITAL PROJECTS FUNDS

Subdivision Development Projects – The fund deficit of \$711,316 is the result of expenditures in excess of revenues. In future years, this deficit is expected to be offset by development projects or transfers from the general fund.

Tax Incremental District No. 3 – The fund deficit of \$13,979,141 is the result of expenditures in excess of revenues. In future years, this deficit is expected to be offset as incremental tax revenues are collected.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 12 – DEFICIT BALANCES (cont.)

ENTERPRISE FUNDS

Valley Transit – The accumulated deficit of \$635,677 is equal to the amount of accumulated depreciation, which is not an allowable cost for grant purposes, net of the accumulated amortization of federal contributed capital.

Parking Utility – The accumulated deficit of \$1,861,854 results because the City's parking fees are not designed to recover the depreciation on contributed assets. Total fund equity despite the deficit is \$23,242,156.

NOTE 13 – SEGMENTS OF ENTERPRISE ACTIVITIES

The City maintains six enterprise funds. Segment information as of and for the year ended December 31, 2001, is presented below (in thousands of dollars):

	<u>Water Utility</u>	<u>Waste- water Utility</u>	<u>Valley Transit</u>	<u>Parkin Utility</u>	<u>Storm- water Utility</u>	<u>Reid Municipal Golf</u>	<u>Total All Funds</u>
Operating Revenues	\$ 10.991	\$ 8.947	\$ 761	\$ 1.797	\$ 2.804	\$ 672	\$ 25.972
Depreciation and Amortization Expense	2.886	3.689	482	904	722	61	8.744
Operating Income (Loss)	2.715	(309)	(4.990)	(45)	586	41	(2.002)
Subsidies from (to) Other Governments	-	-	4.079	-	21	-	4.100
Operating Transfers In	-	-	429	-	-	-	429
Operating Transfers	(14)	(117)	-	(9)	(13)	(18)	(171)
Income (Loss) Before Contributions and Amortization	4	284	(482)	31	434	5	276
Capital Contributions	847	563	255	-	1.966	28	3.659
Additions to Fixed Assets	60.213	2.114	144	96	4.228	114	66.909
Retirements of Fixed Assets	6.462	19	17	-	130	-	6.628
Net Working Capital (Deficit)	(1.138)	6.357	91	(920)	5.896	(597)	9.689
Total Assets	106.759	108.550	5.873	24.675	44.441	1.465	291.763

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 13 – SEGMENTS OF ENTERPRISE ACTIVITIES (cont.)

	<u>Water Utility</u>	<u>Waste- water Utility</u>	<u>Vallev Transit</u>	<u>Parkin Utility</u>	<u>Storm- water Utility</u>	<u>Reid Municipal Golf</u>	<u>Total All Funds</u>
Long-Term Liabilities	\$ 64.028	\$ 15.716	\$ -	\$ -	\$ 13.310	\$ -	\$ 93.054
Advances payable	3.378	-	-	-	-	-	3.378
Total Equity	32.541	89.784	4.235	23.242	29.847	731	180.380
Pavment to City in Lieu of Taxes	980	-	-	-	-	-	980

NOTE 14 – COMMITMENTS AND CONTINGENCIES

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted 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.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

State and federal laws and regulations require the City to place a final cover on its Mackville Landfill, which no longer receives solid waste, and to perform certain maintenance and monitoring functions at the site for 40 years after closure. Construction of the cover has been completed at December 31, 2001.

The City does have postclosure care responsibility at the Mackville Landfill. As of December 31, 2001, a \$2,862,161 liability was estimated based on what it would cost to perform all postclosure care in 2001 and thereafter. Actual costs may be higher due to inflation, changes in technology or changes in regulations. Per GASB 18, since landfill has not accepted waste since October 9, 1993, this liability has been removed from general long-term debt group. The Mackville Landfill Capital Projects Fund has \$2,136,160 available at December 31, 2001 to help fund these costs. The City did not incur closure costs in 2001.

Fox River Cleanup is a source of potential liability to the City. It appears likely that some remedial action will be required. It is not possible to estimate the financial impact to the City at this time.

Three former City employees are entitled to monthly disability benefits from the City for the rest of their lives. Disability payments total \$1,620 per month. The City's policy is to fund disability expenditures as benefit payments become due. The liability for future payments is presently reflected in the City's General Long-Term Obligations Account Group.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 14 – COMMITMENTS AND CONTINGENCIES (cont.)

During 2001, the City borrowed monies for the purpose of making various capital improvements. These monies, as well as other revenue sources, are reflected in various Capital Projects Funds. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures. The balance of contract amounts plus open purchase orders is included in reserve for encumbrances.

Funding for the operating budget of the City comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the City. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. The State of Wisconsin is currently experiencing budget problems, and is considering numerous alternatives including reducing aid to local governments. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the City.

NOTE 15 – RISK MANAGEMENT

The City is exposed to various risks of loss including torts; theft of, damage to, and destruction of assets; errors and omissions; workers compensation; health care and injuries to employees; and natural disasters. All funds of the City participate in the Insurance Fund. The cost of providing these risk management services is allocated by charging a "premium" to each fund based on historical estimates of the amounts needed to pay prior and current year claims and administration costs. The charge considers recent trends in actual claims experience of the City as a whole and makes provision for losses relating to catastrophes. "Premiums" are allocated by fund based on estimated current-year payroll, property values and other appropriate factors.

SELF-INSURANCE

For 2001, the Insurance Fund provided coverage for up to \$250,000 for each worker's compensation claim, \$175,000 for each general, automobile, police professional or public officials liability claim up to \$700,000 in a year, and \$100-10,000 for each property damage claim (\$50,000 for flood and earthquake). The City purchases commercial insurance for claims in excess of coverage provided by the fund and all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year. A total reserve for claims losses at December 31, 2001 of \$911,000 has been recorded. The reserve liability includes expenses and losses expected to arise from claims outstanding as of December 31, 2001 and amounts expected to arise from claims which have been incurred but have not been reported to the City as of December 31, 2001. The reserve is based on a 2001 actuarial study. A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The study took into account settled claims, the frequency of claims, industry averages and other economic and social factors. Because actual claims liabilities depend on such complex factors as inflation and damage awards, the process used to compute claims liability does not necessarily result in an exact amount. At December 31, 2001, the City has designated retained earnings of \$3,416,684 in the Insurance Fund for self-insured activities not covered by the reserves established. This amount is included in unreserved retained earnings.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS
December 31, 2001

NOTE 15 – RISK MANAGEMENT (cont.)

Changes in the claims payable follow:

	<u>Balance</u> <u>January 1</u>	<u>Incurred</u> <u>Claims</u>	<u>Claims</u> <u>Paid</u>	<u>Balance</u> <u>December 31</u>
2000	\$ 596,054	\$ 445,560	\$ 241,614	\$ 800,000
2001	800,000	413,984	302,984	911,000

HEALTH CARE

The City provides health and dental care benefits to employees through a self-funded health plan with specific and aggregate excess insurance coverage. The plan is administered by Emphesys. Insurance premiums, based on historical cost, are paid into the general fund from all other City funds and are available to pay claims and administrative costs.

Under this program, the City pays up to a maximum of \$75,000 annually for each covered employee's and each covered dependent's health care costs. The City has purchased excess loss insurance for claims in excess of this amount. In addition, the City's aggregate losses in excess of expected claims are covered by commercial insurance. Expected claims are calculated at the end of each plan year by the third party administrator based on the number of single and family contracts covered and the expected claims. Administrative costs for 2001 totaled approximately \$250,375.

The estimated liability for self-funded losses is based on reported claims for the year and those received subsequent to year end. The estimated liability for self insured losses for this program consisted of the following at December 31, 2001:

Reported and Known Claims	\$ 22,835
Incurred but not Reported Claims	<u>1,593,710</u>
Total	<u>\$1,616,545</u>

Changes in the claims payable follow:

	<u>Balance</u> <u>January 1</u>	<u>Incurred</u> <u>Claims</u>	<u>Claims</u> <u>Paid</u>	<u>Balance</u> <u>December 31</u>
2000	\$ 1,472,050	\$ 4,398,152	\$ 4,295,128	\$ 1,575,075
2001	1,575,075	6,416,309	6,374,839	1,616,545

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 15 – RISK MANAGEMENT (cont.)

PUBLIC ENTITY RISK POOLS

Transit Mutual Insurance Corporation of Wisconsin (TMICOW)

Description

The Transit Mutual Insurance Corporation of Wisconsin is a joint venture of Wisconsin municipalities which have joined together for the managing and funding of the first party property losses and third party liability claims of its member municipalities mass transit funds.

In 2001, the TMICOW is protected by a \$1,250,000 self-insurance policy. In addition to the TMICOW protection, the City of Appleton, combined together with other members of Wisconsin Municipal Transit Insurance Commission, are covered by a \$5,000,000 excess insurance policy issued by General Reinsurance Corporation effective January 1, 2000 through January 1, 2001.

Management consists of a board of directors comprised of one representative for each member. The City does not exercise any control over the activities of the agency beyond its representation on the board of directors.

Initial contributions are determined in advance of each membership year. The board of directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the membership year. Members have a contractual obligation to fund any deficit attributable to a membership year during which they were a member. The City's share of this joint venture is 4.86%. A list of the other members and their share of participation is available in the TMICOW report which is available from TMICOW, P.O. Box 1722, Appleton, WI 54912-1772.

Wisconsin Municipal Insurance Commission (WMIC) Cities and Villages Mutual Insurance Company (CVMIC)

The WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August, 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC, and has numerous cities and villages as members.

The CVMIC is a municipal mutual insurance company established on September 19, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC.

The WMIC provided for the capitalization of the CVMIC through the issuance of \$28,645,000 of WMIC revenue bonds, dated November 11, 1987 and refinanced on December 15, 1997 in the amount of \$22,800,000. The bonds are due in varying installments starting in 1998 and ending in 2007. Interest rates vary from 5.74% to 6.47%. The underlying security for the revenue bonds are general obligation bonds of each of the cities and villages participating in the enterprise. Each City and village assumed a proportionate share of the revenue bond obligation and delivered its general obligation bond in that proportionate amount to the WMIC. The principal and interest payments made by each municipality to the WMIC on its general obligation bond provides the revenue stream to make the principal and interest payments on the WMIC revenue bonds.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 15 – RISK MANAGEMENT (cont.)

PUBLIC ENTITY RISK POOLS (cont.)

Wisconsin Municipal Insurance Commission (WMIC) Cities and Villages Mutual Insurance Company (CVMIC) (cont.)

The CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The City's share of such losses is approximately 5%.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The City does not exercise any control over the activities of the agencies beyond the election of the officers and board.

The City shows the general obligation bond that it owes to WMIC in the insurance internal service fund in the amount of \$1,155,265. The City has a receivable from WMIC of \$174,945 which represents assets available to retire the City's share of the debt. The initial investment in WMIC is refundable upon withdrawal from the commission and has been reported at the original amount of \$2,020,950 in the insurance internal service fund.

Financial statements of WMIC and CVMIC are available from: Cities and Village Mutual Insurance Company, 1250 South Sunnyslope Road, Brookfield, WI 53005.

NOTE 16 – LEASE DISCLOSURES

LESSOR – CAPITAL LEASES

In 1998, the City entered into a lease/development agreement with Appleton Ice Incorporated. As part of the agreement, the City leased approximately 2.5 acres of land to Appleton Ice Incorporated to be used for the Appleton Family Ice Arena.

The ice arena built on the land is owned by Appleton Ice Incorporated but will revert to the City at the end of the lease term (40 years). Appleton Ice Incorporated must pay rent equal to the debt service for the ice arena. The lease receivable is shown in the debt service fund.

In 1996, the City entered into a lease agreement with United Sports Association for Youth, Inc. to lease land owned by the City. The USA will construct and operate a youth sports complex on the leased property. There is an option to renew the lease at the end of the fifteen (15) year lease term. This loan was forgiven by the City in 2001.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 16 – LEASE DISCLOSURES (cont.)

LESSOR – CAPITAL LEASES (cont.)

The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2001 are as follows:

	Ice Arena
2002	\$ 93,238
2003	91,370
2004	94,362
2005	92,213
2006	90,025
2007	92,688
2008	828,224
Sub-Totals	1,382,120
Less: Amount representing interest	(277,120)
Present Value of Minimum Lease Payments	\$ 1,105,000

The City has no material operating leases as lessee or lessor.

NOTE 17 – OTHER POSTEMPLOYMENT BENEFITS

The City does not provide postemployment benefits to retired employees.

NOTE 18 – CONTRIBUTED CAPITAL

Changes in contributed capital of the enterprise funds for the year ended December 31, 2001 follow (in thousands of dollars). See Note 22.

	Water Utility	Waste- water Utility	Valley Transit	Parking Utility	Storm- water Utility	Reid Municipa Golf Course	Total All Funds
Contributed Capital – January 1, 2001	\$ 14,860	\$ 35,198	\$ 5,119	\$ 25,104	\$ 23,277	\$ 329	\$ 103,887
Additions:							
City	440	116	140	-	969	29	1,694
Reduction:							
Depreciation Charged Contributed Capital	-	(1,631)	(385)	-	(509)	(4)	(2,529)
Contributed Portion of Assets Retired	-	-	(3)	-	-	-	(3)
Contributed Capital – December 31, 2001	\$ 15,300	\$ 33,683	\$ 4,871	\$ 25,104	\$ 23,737	\$ 354	\$ 103,049

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 18 – CONTRIBUTED CAPITAL (cont.)

Changes in contributed capital of the internal service funds for the year ended December 31, 2001 follow:

	<u>Central Equipment Agency</u>	<u>Insurance</u>	<u>Total</u>
Contributed Capital – January 1, 2001	\$5,636,128	\$ 341,051	\$5,977,179
Additions:			
Contributions from the City	1,624,962	-	1,624,962
Reductions:			
Depreciation charged to contributed capital	<u>(581,717)</u>	<u>-</u>	<u>(581,717)</u>
Contributed Capital – December 31, 2001	<u>\$6,679,373</u>	<u>\$ 341,051</u>	<u>\$7,020,424</u>

NOTE 19 – COMPONENT UNITS

This report contains the Redevelopment Authority of the City of Appleton ("Redevelopment Authority"), the Housing Authority of the City of Appleton ("Housing Authority"), and the Business Improvement District of the City of Appleton ("Business Improvement District") which are included as component units. Financial information is presented as a discrete column in the combined balance sheet, combined statement of revenues, expenses and changes in retained earnings/fund balance, and combined statement of cash flows.

In addition to the general purpose financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

Redevelopment Authority

a. **Basis of Accounting**

The Redevelopment Authority prepares its financial statements in accordance with generally accepted accounting principles. The accounting records are kept on the accrual method of accounting. The Redevelopment Authority has elected not to adopt the provisions of GASB 20, paragraph 7, which states that all FASB statements and interpretations issued after November 30, 1989, can be applied.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 19 – COMPONENT UNITS (cont.)

Redevelopment Authority (cont.)

b. Cash and Investments

The Redevelopment Authority, as a fund of the City, maintains common cash accounts at the same financial institutions utilized by the City. Federal Depository Insurance and the State of Wisconsin Guarantee Fund insurance apply to the City of Appleton as an individual municipality and, accordingly, the amount of insured funds is not determinable for the Redevelopment Authority. The carrying amount was \$3,389,028.

c. Contributed Capital

There was no change in contributed capital during 2001. The balance at December 31, 2001 is \$1,453,759.

Housing Authority

a. Basis of Accounting

The Housing Authority prepares its financial statements in accordance with generally accepted accounting principles. The accounting records are kept on the accrual method of accounting. The Housing Authority has elected not to adopt the provisions of GASB 20, paragraph 7, which states that all FASB statements and interpretations issued after November 30, 1989, can be applied.

b. Cash and Investments

At year end, the carrying amount of the Housing Authority's deposits was \$1,348,632 and the bank balance was \$1,425,687. Of the bank balance, \$505,931 was covered by federal depository and state guarantee fund insurance, and \$919,756 was uninsured and uncollateralized.

c. Restricted Assets

Restricted assets at December 31, 2001 consist of the following:

Cash and cash equivalents	<u>\$ 143,865</u>
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CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 19 – COMPONENT UNITS (cont.)

Housing Authority (cont.)

d. Property, Plant and Equipment

The property, plant and equipment at December 31, 2001 consist of the following:

	<u>12-31-01</u>	<u>Years</u>
Land and improvements	\$ 1,510,388	40
Buildings and structures	7,962,836	40
Equipment and furnishings	<u>699,596</u>	5-10
Total	<u>\$ 10,172,820</u>	

e. Contributed Capital

The following is a summary of the change in contributed capital:

Balance, December 31, 2000	\$ 7,727,777
Amortization of grants	<u>(275,841)</u>
Balance, December 31, 2001	<u>\$ 7,451,936</u>

f. Employee Retirement System

All eligible Housing Authority employees participate in the Wisconsin Retirement System ("System"), a cost-sharing defined benefit multiple-employer public employee retirement system (PERS). The payroll for employees covered by the System for the year ended December 31, 2001 was \$322,901; the Housing Authority's total payroll was \$331,549. The total required contribution for the year ended December 31, 2001 was \$29,061 which consisted of \$12,916 or 4.0 percent of payroll from the employer and \$16,145 or 5.0 percent of payroll from employees. Total contributions for the years ending December 31, 2000 and 1999 were \$26,468 or 9.6% and \$26,683 or 10.2%, respectively, equal to the required contributions for each year.

The unfunded liability of the Housing Authority as of December 31, 2001 was \$-0-.

g. Risk Management

The Housing Authority purchases commercial insurance with various deductibles and coverages to cover property, business auto, and general liabilities. For all insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. There were no significant reductions in coverage compared to the prior year.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 19 – COMPONENT UNITS (cont.)

Housing Authority (cont.)

h. Adjustment to Opening Retained Earnings

A prior period adjustment of \$3,926 was necessary to correct the opening grant amortization balance.

Retained earnings – December 31, 2000	\$ 1,485,276
Less: Grant amortization	<u>(3,926)</u>
Retained Earnings – January 1, 2001	<u>\$ 1,481,350</u>

Prior year balances have not been restated.

Business Improvement District

a. Basis of Accounting

The Business Improvement District prepares its financial statements in accordance with generally accepted accounting principles. The accounting records are kept on the accrual method of accounting. The Business Improvement District has elected not to adopt the provisions of GASB 20, paragraph 7, which states that all FASB statements and interpretations issued after November 30, 1989, can be applied.

b. Cash and Investments

The Business Improvement District, as a fund of the City, maintains common cash accruals at the same financial institutions utilized by the City. Federal Depository Insurance and the State of Wisconsin Guarantee Fund insurance apply to the City of Appleton as an individual municipality and, accordingly, the amount of insured funds is not determinable for the Business Improvement District. The carrying amount was \$110,964.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 20 – TAX INCREMENTAL FINANCING DISTRICTS

The City currently maintains separate special revenue and capital projects funds accounts for six Tax Incremental Financing Districts (TID). The districts were created in accordance with Section 66.46 of the Wisconsin Statutes. At the time the districts were created, the property tax base within each district was "frozen" and subsequent incremental taxes resulting from any increases to the property tax base are available to finance district improvements, including principal and interest on debt issued by the City to finance such improvements. All eligible project expenditures for the districts are made from capital projects funds and must be incurred within ten years for districts created prior to October 1, 1995, and seven years for districts created thereafter. Special revenue funds are maintained to account for tax increment and other revenues used to finance principal and interest payments on outstanding debt applicable to the districts. Unless terminated by the City prior thereto, each TID must be terminated after 27 years for districts created prior to October 1, 1995, and 23 years for districts created thereafter.

	Creation Date	Expenditure Deadline	Termination Year
TID No. 1	1980	1990	2007
TID No. 2	1991	2001	2018
TID No. 3	1993	2003	2020
TID No. 4	1995	2005	2022
TID No. 5	1999	2005	2022
TID No. 6	2000	2007	2023

Upon termination, the incremental tax base created by each TID will become part of the City's regular tax base. Any surplus remaining in the TID special revenue fund at the time of termination will be allocated among all affected taxing jurisdictions.

A summary of pertinent information for each TID follows:

	TID No. 1	TID No. 2	TID No. 3	TID No. 4	TID No.5	TID No.6
Tax increment revenues for 2001	\$ 1,598,134	\$ 80,907	\$ 355,551	\$ 1,091,910	\$ 4,746	\$ -
Debt service payments for 2001	720,125	97,548	2,691,627	989,668	10,827	287,680

NOTE 21 – EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) recently approved Statement Nos. 34, 37, and 38. These Statements require significant changes from the current method of financial reporting for all state and local governments in the United States. GASB Statement 34 *Basic Financial Statements-and Management Discussion and Analysis-for State and Local Governments*; Statement No. 37, *Basic Financial Statements-and Management Discussion and Analysis-for State and Local Governments: Omnibus*; and Statement No. 38, *Certain Financial Statement Note Disclosures* are effective for the City of Appleton for the fiscal year beginning on January 1, 2003. These Statements require retroactive application of certain accounting and reporting standards, which may restate portions of these financial statements.

CITY OF APPLETON

NOTES TO FINANCIAL STATEMENTS December 31, 2001

NOTE 22 – ADOPTION OF NEW ACCOUNTING STANDARD

On January 1, 2001, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. This statement requires that proprietary fund type capital contributions from external parties be presented as revenues beginning in 2001. The balance in Contributed Capital reflects the accumulated contributions until adoption of Statement No. 33. This balance will remain until the City adopts Governmental Accounting Standards Board Statement No. 34, effective for the City on January 1, 2003, when it will become part of the Net Assets section.

**COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP
FINANCIAL STATEMENTS
AND SCHEDULES**

GENERAL FUND

The General Fund is the general operating fund of the City. This fund accounts for the financial resources of the City which are not accounted for in any other fund. Principal sources of revenue are property taxes, state transportation aids and state shared revenues. Primary expenditures are for police protection, fire protection, public works, maintenance of parks and general administration.

CITY OF APPLETON

COMPARATIVE BALANCE SHEETS - GENERAL FUND December 31, 2001 and 2000

	2001	2000
ASSETS		
Cash and investments	\$ 18,159,146	\$ 19,540,439
Receivables		
Property taxes	22,021,270	20,194,399
Special assessments	950,653	1,568,912
Delinquent special assessments	12,302	9,539
Developer loans	644,243	654,910
Accrued interest	439,785	254,593
Other	487,811	348,532
Due from other governments	722,658	888,390
Due from other funds	1,408,736	91,999
Inventories	434,194	355,213
Prepaid items	18,098	37,832
Advances to other funds	<u>22,458,223</u>	<u>21,388,784</u>
TOTAL ASSETS	<u>\$ 67,757,119</u>	<u>\$ 65,333,542</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 879,575	\$ 1,254,473
Other accrued liabilities	2,117,685	1,988,000
Claims payable	1,616,545	1,575,075
Deferred revenues	<u>33,260,717</u>	<u>30,950,207</u>
Total Liabilities	<u>37,874,522</u>	<u>35,767,755</u>
Fund Balance		
Reserved for		
Encumbrances	1,521,057	1,477,769
Inventories and prepaid items	452,292	393,046
Developer loans	644,243	654,909
Advance to other funds	11,866,669	11,866,669
Unreserved		
Designated for subsequent year's budget	-	258,536
Designated for 60/40 carryover per policy	-	431,261
Designated for debt service	2,386,692	2,007,888
Designated for health insurance cost stabilization	-	1,401,602
Designated for working capital	8,091,393	7,769,494
Designated for compensated absences	3,114,814	1,317,007
Designated for unfunded pension liability	692,900	937,623
Designated for debt defeasance	834,358	425,000
Undesignated	<u>278,179</u>	<u>624,983</u>
Total Fund Balance	<u>29,882,597</u>	<u>29,565,787</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 67,757,119</u>	<u>\$ 65,333,542</u>

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 20,966,553	\$ 20,959,626	\$ (6,927)
Intergovernmental	17,837,489	17,989,613	152,124
Licenses and permits	704,509	791,011	86,502
Fines and forfeitures	415,000	550,333	135,333
Special assessments	1,695,985	1,711,955	15,970
Investment income	1,715,000	1,895,338	180,338
Charges for services	1,507,894	1,629,233	121,339
Other	938,961	1,091,984	153,023
Total Revenues	45,781,391	46,619,093	837,702
EXPENDITURES			
General government	6,484,070	5,598,662	885,408
Community development	1,691,602	1,599,140	92,462
Education and recreation	7,938,394	7,820,153	118,241
Public works	10,777,406	9,899,220	878,186
Public safety	20,814,692	20,180,181	634,511
Total Expenditures	47,706,164	45,097,356	2,608,808
Excess (Deficiency) of Revenues Over Expenditures	(1,924,773)	1,521,737	3,446,510
OTHER FINANCING SOURCES (USES)			
Operating transfers in	344,338	354,411	10,073
Operating transfers out	(1,587,475)	(1,559,338)	28,137
Total Other Financing Sources (Uses)	(1,243,137)	(1,204,927)	38,210
Deficiency of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(3,167,910)	316,810	3,484,720
FUND BALANCE, Beginning	29,565,787	29,565,787	-
Residual Equity Transfer In	-	-	-
FUND BALANCE, ENDING	\$ 26,397,877	\$ 29,882,597	\$ 3,484,720

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 19,383,041	\$ 19,360,992	\$ (22,049)
17,727,664	17,753,544	25,880
654,809	750,035	95,226
400,965	444,667	43,702
1,646,866	841,833	(805,033)
1,717,000	2,417,544	700,544
1,300,290	1,374,275	73,985
516,821	628,710	111,889
43,347,456	43,571,600	224,144
6,961,176	5,512,101	1,449,075
1,566,180	1,536,953	29,227
7,385,862	7,189,058	196,804
9,989,921	9,437,619	552,302
19,091,900	18,533,332	558,568
44,995,039	42,209,063	2,785,976
(1,647,583)	1,362,537	3,010,120
170,950	170,950	-
(1,756,978)	(1,823,373)	(66,395)
(1,586,028)	(1,652,423)	(66,395)
(3,233,611)	(289,886)	2,943,725
29,852,449	29,852,449	-
-	3,224	3,224
\$ 26,618,838	\$ 29,565,787	\$ 2,946,949

CITY OF APPLETON

COMPARATIVE SCHEDULES OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
TAXES			
Property taxes	\$ 19,607,425	\$ 19,596,190	\$ (11,235)
Tax from municipal utility	940,728	940,728	-
Payments in lieu of taxes	418,400	422,708	4,308
Room tax	-	-	-
Total Taxes	20,966,553	20,959,626	(6,927)
INTERGOVERNMENTAL			
State shared revenue	12,401,325	12,370,903	(30,422)
State aid - exempt computers	354,391	374,646	20,255
Highway aid - connecting streets	187,984	226,607	38,623
State tax disparity act	1,426,006	1,426,006	-
State aid - local streets	2,538,388	2,538,388	-
Miscellaneous federal aids	225,165	265,177	40,012
Miscellaneous state aids	191,013	281,912	90,899
Miscellaneous local aids	7,820	17,601	9,781
Library grants and aids	501,588	483,834	(17,754)
Health grants	3,809	4,539	730
Total Intergovernmental	17,837,489	17,989,613	152,124
LICENSES AND PERMITS			
Licenses			
Amusement devices	6,500	7,300	800
Cigarette	10,000	10,500	500
Electricians	2,700	2,915	215
Health	73,000	80,795	7,795
Liquor and malt beverages	85,000	82,026	(2,974)
Operators	40,000	48,385	8,385
Heating	750	830	80
Sundry	13,450	17,350	3,900
Dog	24,000	25,041	1,041
Cat	15,000	16,231	1,231
Weights and measures	26,209	29,552	3,343
Permits			
Building	158,000	188,447	30,447
Electrical	95,000	107,981	12,981
Heating	54,000	52,307	(1,693)
Plumbing and sewer	65,000	75,424	10,424
Trailer parking	15,000	16,706	1,706
State building	6,500	5,160	(1,340)
Signs	2,900	2,800	(100)
Sidewalk	5,000	6,846	1,846
Street occupancy	1,000	1,020	20
Street excavating and patching	2,000	3,758	1,758
Sundry	3,500	9,637	6,137
Total Licenses and Permits	704,509	791,011	86,502

CITY OF APPLETON

COMPARATIVE SCHEDULES OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 18,018,813	\$ 18,025,653	\$ 6,840
940,728	940,728	-
416,500	394,611	(21,889)
7,000	-	(7,000)
19,383,041	19,360,992	(22,049)
12,082,935	12,053,355	(29,580)
352,510	354,391	1,881
187,984	187,984	-
1,555,371	1,546,974	(8,397)
2,493,666	2,537,117	43,451
348,213	217,422	(130,791)
184,487	335,205	150,718
35,486	25,754	(9,732)
480,760	485,615	4,855
6,252	9,727	3,475
17,727,664	17,753,544	25,880
6,000	7,220	1,220
13,000	10,200	(2,800)
2,300	3,230	930
80,000	74,542	(5,458)
65,000	59,005	(5,995)
30,000	46,830	16,830
750	235	(515)
14,150	14,810	660
35,000	24,341	(10,659)
14,000	14,735	735
26,209	24,852	(1,357)
140,000	188,278	48,278
80,000	98,531	18,531
50,000	59,102	9,102
62,000	76,100	14,100
15,000	23,339	8,339
6,500	6,512	12
2,900	2,940	40
4,000	5,300	1,300
1,000	835	(165)
2,000	3,708	1,708
5,000	5,390	390
654,809	750,035	95,226

(continued)

CITY OF APPLETON

COMPARATIVE SCHEDULES OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND (cont.) Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
FINES AND FORFEITURES			
Court fines and costs	\$ 415,000	\$ 550,333	\$ 135,333
Total Fines and Forfeitures	<u>415,000</u>	<u>550,333</u>	<u>135,333</u>
SPECIAL ASSESSMENTS			
Asphalt paving	675,499	423,873	(251,626)
Concrete paving	702,252	954,611	252,359
Curb and gutter	-	-	-
Grade and gravel	122,598	63,943	(58,655)
Sewer mains and laterals	15,808	9,202	(6,606)
Storm sewer reconstruction	292	-	(292)
Sidewalks	100,437	167,894	67,457
Snow removal	60,000	55,511	(4,489)
Weed cutting	3,500	8,177	4,677
Tree planting	3,000	57	(2,943)
Street light revenue	-	292	292
Miscellaneous	12,599	28,395	15,796
Total Special Assessments	<u>1,695,985</u>	<u>1,711,955</u>	<u>15,970</u>
INVESTMENT INCOME			
Interest income	1,520,000	1,813,336	293,336
Interest on taxes	75,000	78,292	3,292
Interest - deferred special assessments	120,000	100,233	(19,767)
Net gain (loss) on investments	-	(96,523)	(96,523)
Total Investment Income	<u>1,715,000</u>	<u>1,895,338</u>	<u>180,338</u>
CHARGES FOR SERVICES			
Information services	7,850	7,254	(596)
City clerk	9,050	35,161	26,111
Assessor	1,000	1,778	778
Finance	9,500	10,104	604
Human resources	-	653	653
City attorney	2,000	4,351	2,351
Planning	-	-	-
Library	83,444	84,794	1,350
Parks and Recreation			
Park administration	4,000	2,079	(1,921)
Forestry	4,702	4,702	-
Recreation and administration	300,500	298,512	(1,988)
Aquatics	340,000	359,590	19,590

CITY OF APPLETON

COMPARATIVE SCHEDULES OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND (cont.) Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 400,965	\$ 444,667	\$ 43,702
400,965	444,667	43,702
818,159	328,266	(489,893)
600,411	248,954	(351,457)
1,445	41	(1,404)
74,489	59,797	(14,692)
22,653	18,861	(3,792)
1,074	-	(1,074)
50,032	102,119	52,087
60,000	53,563	(6,437)
3,500	9,852	6,352
3,000	-	(3,000)
103	1,928	1,825
12,000	18,452	6,452
1,646,866	841,833	(805,033)
1,522,000	2,037,284	515,284
70,000	77,981	7,981
125,000	113,409	(11,591)
-	188,870	188,870
1,717,000	2,417,544	700,544
750	1,309	559
63,500	56,586	(6,914)
1,000	1,518	518
2,000	1,687	(313)
-	904	904
2,000	3,979	1,979
200	182	(18)
78,000	78,408	408
32,500	31,040	(1,460)
-	-	-
302,000	308,858	6,858
301,000	330,670	29,670

CITY OF APPLETON

COMPARATIVE SCHEDULES OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND (cont.) Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
CHARGES FOR SERVICES (cont.)			
Public Works			
Engineering division	\$ -	\$ -	\$ -
Street division	237,316	292,993	55,677
Traffic	10,000	24,073	14,073
Inspection department	64,000	48,429	(15,571)
Health department	7,198	4,532	(2,666)
Police department	377,584	401,402	23,818
Fire department	49,750	48,826	(924)
Total Charges for Services	1,507,894	1,629,233	121,339
OTHER			
Fees and commissions	340,000	387,207	47,207
Zoning and subdivision fees	40,000	45,540	5,540
Property inquiry fees	58,000	74,444	16,444
Sale of city property	25,000	60,193	35,193
Exempt of city property	-	-	-
Miscellaneous revenue	57,616	90,615	32,999
Rental of city property	1,800	3,400	1,600
Donations and memorials	12,597	13,418	821
Damage to city property	37,000	42,106	5,106
Other reimbursements	337,014	346,323	9,309
Insurance proceeds	26,934	25,933	(1,001)
Board of appeals	3,000	2,805	(195)
Total Other	938,961	1,091,984	153,023
 Total Revenues	 45,781,391	 46,619,093	 837,702
OTHER FINANCING SOURCES			
Operating Transfers In From			
Room tax fund	16,842	26,915	10,073
Industrial park land fund	156,546	156,546	-
Water utility fund	13,800	13,800	-
Wastewater utility fund	117,450	117,450	-
Parking utility fund	9,300	9,300	-
Stormwater utility fund	12,500	12,500	-
Reid municipal golf course fund	17,900	17,900	-
Total Other Financing Sources	344,338	354,411	10,073
 TOTAL REVENUES AND OTHER FINANCING SOURCES	 \$ 46,125,729	 \$ 46,973,504	 \$ 847,775

CITY OF APPLETON

COMPARATIVE SCHEDULES OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND (cont.) Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 3,000	\$ 6,423	\$ 3,423
36,000	51,356	15,356
8,000	25,687	17,687
64,000	53,539	(10,461)
11,780	2,154	(9,626)
346,060	369,779	23,719
48,500	50,196	1,696
1,300,290	1,374,275	73,985
300,000	345,648	45,648
25,000	43,120	18,120
58,000	47,282	(10,718)
28,750	51,823	23,073
-	2,360	2,360
6,000	5,709	(291)
1,800	4,426	2,626
7,832	18,399	10,567
35,500	40,372	4,872
50,939	65,056	14,117
-	-	-
3,000	4,515	1,515
516,821	628,710	111,889
43,347,456	43,571,600	224,144
-	-	-
-	-	-
13,800	13,800	-
117,450	117,450	-
9,300	9,300	-
12,500	12,500	-
17,900	17,900	-
170,950	170,950	-
\$ 43,518,406	\$ 43,742,550	\$ 224,144

CITY OF APPLETON

COMPARATIVE SCHEDULES OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL - GENERAL FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
GENERAL GOVERNMENT			
Common council	\$ 133,387	\$ 127,628	\$ 5,759
Mayor	269,139	261,622	7,517
City clerk	545,369	525,068	20,301
City assessor	471,801	450,248	21,553
Finance	847,345	790,970	56,375
Information services	1,541,674	1,392,117	149,557
Human resources	520,519	499,309	21,210
City attorney	369,595	362,538	7,057
Unclassified			
Severance pay	264,000	136,300	127,700
Insurance	326,350	334,710	(8,360)
Reserve for contingencies	459,761	-	459,761
City hall	583,895	574,604	9,291
Other	151,235	143,548	7,687
Total General Government	6,484,070	5,598,662	885,408
COMMUNITY DEVELOPMENT	1,691,602	1,599,140	92,462
EDUCATION AND RECREATION			
Library	3,595,704	3,477,463	118,241
Parks and recreation	4,342,690	4,342,690	-
Total Education and Recreation	7,938,394	7,820,153	118,241
PUBLIC WORKS	10,777,406	9,899,220	878,186
PUBLIC SAFETY			
Health services	919,399	881,877	37,522
Police	12,414,152	12,096,159	317,993
Fire	7,481,141	7,202,145	278,996
Total Public Safety	20,814,692	20,180,181	634,511
Total Expenditures	47,706,164	45,097,356	2,608,808
OTHER FINANCING USES			
Operating Transfers Out To			
Debt service fund	425,000	425,000	-
Industrial park land fund	636,246	704,985	(68,739)
Park and recreation projects fund	-	-	-
Vosters' property fund	-	-	-
Valley transit fund	526,229	429,353	96,876
Total Other Financing Uses	1,587,475	1,559,338	28,137
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 49,293,639	\$ 46,656,694	\$ 2,636,945

CITY OF APPLETON

COMPARATIVE SCHEDULES OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL - GENERAL FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 133,751	\$ 121,638	\$ 12,113
256,054	245,860	10,194
592,702	574,291	18,411
454,824	442,014	12,810
804,332	761,323	43,009
1,349,163	1,149,980	199,183
510,361	483,098	27,263
354,283	332,722	21,561
300,000	177,330	122,670
437,703	438,000	(297)
1,034,968	-	1,034,968
562,648	607,648	(45,000)
170,387	178,197	(7,810)
<u>6,961,176</u>	<u>5,512,101</u>	<u>1,449,075</u>
<u>1,566,180</u>	<u>1,536,953</u>	<u>29,227</u>
3,226,788	3,200,487	26,301
<u>4,159,074</u>	<u>3,988,571</u>	<u>170,503</u>
<u>7,385,862</u>	<u>7,189,058</u>	<u>196,804</u>
<u>9,989,921</u>	<u>9,437,619</u>	<u>552,302</u>
816,079	806,957	9,122
11,511,863	11,158,708	353,155
<u>6,763,958</u>	<u>6,567,667</u>	<u>196,291</u>
<u>19,091,900</u>	<u>18,533,332</u>	<u>558,568</u>
<u>44,995,039</u>	<u>42,209,063</u>	<u>2,785,976</u>
-	175,000	(175,000)
935,000	935,000	-
205,000	205,000	-
136,539	136,539	-
480,439	371,834	108,605
<u>1,756,978</u>	<u>1,823,373</u>	<u>(66,395)</u>
<u>\$ 46,752,017</u>	<u>\$ 44,032,436</u>	<u>\$ 2,719,581</u>

SPECIAL REVENUE FUNDS

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

TAX INCREMENT DISTRICT NO. 1

To account for receipt of district “incremental” property taxes and other revenues and the corresponding program expenditures.

TAX INCREMENT DISTRICT NO. 2

To account for receipt of district “incremental” property taxes and other revenues and the corresponding program expenditures.

COMMUNITY DEVELOPMENT BLOCK GRANT

To account for the proceeds of the Federal Community Development Block Grant and the corresponding program expenditures for housing rehabilitation and community development projects.

RENTAL REHABILITATION GRANTS

To account for the proceeds of the Rental Energy Rehabilitation Grant, Rental Rehabilitation Grant and HOME Grant and the corresponding program expenditures for rental housing and energy rehabilitation loans.

SANITATION AND RECYCLING PROGRAM

To account for the proceeds received from the collection of recyclable solid waste and the corresponding program expenditures.

OLDE ONEIDA BRIDGE PROJECT

To account for funding provided by the State of Wisconsin and the corresponding expenditures for upgrading the Olde Oneida Street Bridge.

CITY PARADES

To account for the receipt of property taxes, donations and other revenues and the corresponding program expenditures to plan and implement the City’s Flag Day and other parades.

SPECIAL REVENUE FUNDS

HEALTH GRANTS

To account for receipt of a variety of State of Wisconsin health grants and corresponding program expenditures. Health services provided include maternal, child health, immunization education, lead paint and radon identification.

HAZARDOUS MATERIALS LEVEL A

To account for the proceeds of a state contract and the corresponding program expenditures to provide certain "Level A" services relating to the containment of hazardous substances in the event of an accidental spill, release or discharge within a region of northeast Wisconsin, as determined through negotiations with the State of Wisconsin.

FORESTRY

To account for the proceeds of property taxes and reimbursement for damage caused to the urban forest and the corresponding expenditures. This fund was established by the Common Council in August 1994 to protect the urban forest through segregated fees.

ROOM TAX

To account for the receipt of room tax proceeds and the corresponding transfers to the Performing Arts Center, Fox Cities Convention and Visitors Bureau and the General Fund.

EMERGENCY SHELTER GRANT

To account for the grant proceeds and corresponding expenditures related to a program to benefit persons in need of emergency and transitional housing.

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS

December 31, 2001

(With Comparative Totals for December 31, 2000)

	<u>Tax Incremental District No. 1</u>	<u>Tax Incremental District No. 2</u>	<u>Community Development Block Grant</u>	<u>Rental Rehabili- tation Grants</u>
ASSETS				
Cash and investments	\$ 1,840,492	\$ -	\$ -	\$ 88,337
Receivables				
Property taxes	1,605,891	74,729	-	-
Deferred loans	-	-	4,299,453	680,145
Other	-	-	35	-
Due from Other Governments				
Federal government	-	-	116,685	-
State of Wisconsin	-	-	6,584	112,765
Due from other funds	-	-	-	-
TOTAL ASSETS	<u>\$ 3,446,383</u>	<u>\$ 74,729</u>	<u>\$ 4,422,757</u>	<u>\$ 881,247</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 41,037	\$ 7,999
Other accrued liabilities	-	-	6,342	104
Due to other funds	-	310,000	72,997	-
Deferred revenues	1,605,891	74,729	4,307,755	697,910
Advances from other funds	14,848,297	1,063,331	-	-
Total Liabilities	<u>16,454,188</u>	<u>1,448,060</u>	<u>4,428,131</u>	<u>706,013</u>
Fund Balances (Deficits)				
Reserved for				
Debt service	-	-	-	-
Encumbrances	-	-	-	-
Unreserved				
Designated for subsequent year's expenditures	-	-	-	175,234
Undesignated	<u>(13,007,805)</u>	<u>(1,373,331)</u>	<u>(5,374)</u>	<u>-</u>
Total Fund Balances (Deficits)	<u>(13,007,805)</u>	<u>(1,373,331)</u>	<u>(5,374)</u>	<u>175,234</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 3,446,383</u>	<u>\$ 74,729</u>	<u>\$ 4,422,757</u>	<u>\$ 881,247</u>

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS

December 31, 2001

(With Comparative Totals for December 31, 2000)

<u>Sanitation & Recycling Program</u>	<u>Olde Oneida Bridge Project</u>	<u>City Parades</u>	<u>Health Grants</u>	<u>Hazardous Materials Level A</u>	<u>Forestry</u>	<u>Room Tax</u>
\$ 1,093,440	\$ 24,485	\$ 14,140	\$ 19,598	\$ 272,629	\$ -	\$ 3,762
2,620,894	-	2,700	-	-	40,000	-
-	-	-	-	-	-	-
139,032	-	-	-	-	1,930	39,439
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 3,855,022</u>	<u>\$ 24,485</u>	<u>\$ 16,840</u>	<u>\$ 19,598</u>	<u>\$ 272,629</u>	<u>\$ 41,930</u>	<u>\$ 43,201</u>
\$ 83,668	\$ -	\$ 4,139	\$ 415	\$ 941	\$ -	\$ 35,677
68,452	-	87	-	-	-	-
-	-	-	-	-	705	3,762
2,620,894	-	2,700	19,183	-	40,000	-
-	-	-	-	-	-	-
<u>2,773,014</u>	<u>-</u>	<u>6,926</u>	<u>19,598</u>	<u>941</u>	<u>40,705</u>	<u>39,439</u>
-	-	-	-	-	-	-
13,320	-	-	-	-	-	-
1,068,688	24,485	9,914	-	271,688	1,225	3,762
-	-	-	-	-	-	-
<u>1,082,008</u>	<u>24,485</u>	<u>9,914</u>	<u>-</u>	<u>271,688</u>	<u>1,225</u>	<u>3,762</u>
<u>\$ 3,855,022</u>	<u>\$ 24,485</u>	<u>\$ 16,840</u>	<u>\$ 19,598</u>	<u>\$ 272,629</u>	<u>\$ 41,930</u>	<u>\$ 43,201</u>

(continued)

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS (cont.)

December 31, 2001

(With Comparative Totals for December 31, 1999)

	Emergency Shelter	Totals	
		2001	2000
ASSETS			
Cash and investments	\$ -	\$ 3,356,883	\$ 3,519,153
Receivables			
Property taxes	-	4,344,214	4,378,549
Deferred loans	-	4,979,598	4,822,438
Other	-	180,436	131,994
Due from Other Governments			
Federal government	-	116,685	86,815
State of Wisconsin	22,968	142,317	17,620
Due from other funds	-	1,656	1,337
	-	1,656	1,337
TOTAL ASSETS	\$ 22,968	\$ 13,121,789	\$ 12,957,906
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 10,267	\$ 184,143	\$ 324,131
Other accrued liabilities	-	74,985	81,866
Due to other funds	12,701	400,165	71,639
Deferred revenues	344	9,369,406	9,220,433
Advances from other funds	-	15,911,628	15,170,231
Total Liabilities	23,312	25,940,327	24,868,300
Fund Balances (Deficits)			
Reserved for			
Debt service	-	-	720,125
Encumbrances	-	13,320	9,000
Unreserved			
Designated for subsequent year's expenditures	-	1,554,996	1,457,282
Undesignated	(344)	(14,386,854)	(14,096,801)
Total Fund Balances (Deficits)	(344)	(12,818,538)	(11,910,394)
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 22,968	\$ 13,121,789	\$ 12,957,906

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS) - ALL SPECIAL REVENUE FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Tax Incremental District No. 1	Tax Incremental District No. 2	Community Development Block Grant	Rental Rehabili- tation Grants	Sanitation & Recycling Program
REVENUES					
Taxes	\$ 1,598,134	\$ -	\$ -	\$ -	\$ 2,736,915
Intergovernmental	129,626	-	543,177	114,447	-
Investment income	94,094	-	-	-	228
Charges for services	-	-	-	-	669,111
Other	-	-	246,351	53,208	-
Total Revenues	<u>1,821,854</u>	<u>-</u>	<u>789,528</u>	<u>167,655</u>	<u>3,406,254</u>
EXPENDITURES					
General government	1,083	-	-	-	-
Community development	-	-	796,367	166,708	-
Education and recreation	-	-	-	-	-
Public works	-	-	-	-	3,333,922
Public safety	-	-	-	-	-
Debt Service					
Interest	<u>732,160</u>	<u>33,891</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>733,243</u>	<u>33,891</u>	<u>796,367</u>	<u>166,708</u>	<u>3,333,922</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,088,611</u>	<u>(33,891)</u>	<u>(6,839)</u>	<u>947</u>	<u>72,332</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	-	-	-
Operating transfers out	<u>(720,125)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(720,125)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	368,486	(33,891)	(6,839)	947	72,332
FUND BALANCES (DEFICITS) - Beginning	(13,376,291)	-	1,465	174,287	1,009,676
Residual Equity Transfers Out	<u>-</u>	<u>(1,339,440)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS) - ENDING	<u>\$ (13,007,805)</u>	<u>\$ (1,373,331)</u>	<u>\$ (5,374)</u>	<u>\$ 175,234</u>	<u>\$ 1,082,008</u>

(continued)

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS) - ALL SPECIAL REVENUE FUNDS (cont.)

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Olde Oneida Bridge Project	City Parades	Health Grants	Hazardous Materials Level A
REVENUES				
Taxes	\$ -	\$ 3,500	\$ -	\$ -
Intergovernmental	-	-	121,455	73,832
Investment income	1,391	798	-	14,114
Charges for services	-	-	-	-
Other	-	7,000	-	-
Total Revenues	<u>1,391</u>	<u>11,298</u>	<u>121,455</u>	<u>87,946</u>
EXPENDITURES				
General government	-	-	-	-
Community development	-	-	-	-
Education and recreation	-	23,635	-	-
Public works	-	-	-	-
Public safety	-	-	121,070	32,855
Debt Service				
Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>23,635</u>	<u>121,070</u>	<u>32,855</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,391</u>	<u>(12,337)</u>	<u>385</u>	<u>55,091</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	1,391	(12,337)	385	55,091
FUND BALANCES (DEFICITS) - Beginning	23,094	22,251	(385)	216,597
Residual Equity Transfers Out	-	-	-	-
FUND BALANCES (DEFICITS) - ENDING	<u>\$ 24,485</u>	<u>\$ 9,914</u>	<u>\$ -</u>	<u>\$ 271,688</u>

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES (DEFICITS) - ALL SPECIAL REVENUE FUNDS (cont.)
 Year Ended December 31, 2001
 (With Comparative Totals for the Year Ended December 31, 2000)

Forestry	Room Tax	Emergency Shelter	Totals	
			2001	2000
\$ 40,000	\$ 255,940	\$ -	\$ 4,634,489	\$ 4,437,623
-	-	69,298	1,051,835	1,823,520
-	-	-	110,625	187,322
802	-	-	669,913	681,245
125	-	-	306,684	218,762
<u>40,927</u>	<u>255,940</u>	<u>69,298</u>	<u>6,773,546</u>	<u>7,348,472</u>
-	238,970	-	240,053	265,700
-	-	69,642	1,032,717	1,635,651
44,907	-	-	68,542	60,433
-	-	-	3,333,922	3,208,379
-	-	-	153,925	237,938
-	-	-	766,051	761,006
<u>44,907</u>	<u>238,970</u>	<u>69,642</u>	<u>5,595,210</u>	<u>6,169,107</u>
<u>(3,980)</u>	<u>16,970</u>	<u>(344)</u>	<u>1,178,336</u>	<u>1,179,365</u>
-	-	-	-	774,755
-	(26,915)	-	(747,040)	(718,730)
-	(26,915)	-	(747,040)	56,025
(3,980)	(9,945)	(344)	431,296	1,235,390
5,205	13,707	-	(11,910,394)	(13,145,784)
-	-	-	(1,339,440)	-
<u>\$ 1,225</u>	<u>\$ 3,762</u>	<u>\$ (344)</u>	<u>\$ (12,818,538)</u>	<u>\$ (11,910,394)</u>

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 1 FUND
 Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 1,584,045	\$ 1,598,134	\$ 14,089
Intergovernmental	123,574	129,626	6,052
Investment income	50,000	94,094	44,094
Total Revenues	1,757,619	1,821,854	64,235
EXPENDITURES			
General government	1,400	1,083	317
Debt service			
Interest	716,822	732,160	(15,338)
Total Expenditures	718,222	733,243	(15,021)
Excess of Revenues Over Expenditures	1,039,397	1,088,611	49,214
OTHER FINANCING USES			
Operating transfers out	(720,125)	(720,125)	-
Excess of Revenues Over Expenditures and Other Financing Uses	319,272	368,486	49,214
FUND BALANCE (DEFICIT), Beginning	(13,376,291)	(13,376,291)	-
FUND BALANCE (DEFICIT), ENDING	\$ (13,057,019)	\$ (13,007,805)	\$ 49,214

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 1 FUND
 Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 1,643,604	\$ 1,573,654	\$ (69,950)
-	123,574	123,574
50,000	130,720	80,720
1,693,604	1,827,948	134,344
1,200	5,275	(4,075)
-	761,006	(761,006)
1,200	766,281	(765,081)
1,692,404	1,061,667	(630,737)
(718,730)	(718,730)	-
973,674	342,937	(630,737)
(13,719,228)	(13,719,228)	-
\$ (12,745,554)	\$ (13,376,291)	\$ (630,737)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 2 FUND
 Year Ended December 31, 2001

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Other	\$ -	\$ -	\$ -
EXPENDITURES			
Debt service			
Interest	-	33,891	(33,891)
Total Expenditures	-	33,891	(33,891)
Excess (Deficiency) of Revenues Over Expenditures	-	(33,891)	(33,891)
FUND BALANCE, Beginning	-	-	-
Residual Equity Transfer Out	-	(1,339,440)	(1,339,440)
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ (1,373,331)	\$ (1,373,331)

NOTE: This is a new fund in 2001. This fund was moved from a capital projects fund since the expenditure period is over.

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT
 BLOCK GRANT FUND
 Years Ended December 31, 2001 and 2000

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 835,492	\$ 543,177	\$ (292,315)
Other	152,500	246,351	93,851
Total Revenues	987,992	789,528	(198,464)
EXPENDITURES			
Community development	985,492	796,367	189,125
Excess (Deficiency) of Revenues Over Expenditures	2,500	(6,839)	(9,339)
FUND BALANCE, Beginning	1,465	1,465	-
FUND BALANCE (DEFICIT), ENDING	\$ 3,965	\$ (5,374)	\$ (9,339)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT FUND

Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 700,000	\$ 1,186,381	\$ 486,381
150,000	166,544	16,544
850,000	1,352,925	502,925
1,529,172	1,351,460	177,712
(679,172)	1,465	680,637
-	-	-
\$ (679,172)	\$ 1,465	\$ 680,637

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - RENTAL REHABILITATION GRANTS FUND

Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental	\$ -	\$ 114,447	\$ 114,447
Other	27,000	53,208	26,208
Total Revenues	27,000	167,655	140,655
EXPENDITURES			
Community development	149,000	166,708	(17,708)
Excess (Deficiency) of Revenues Over Expenditures	(122,000)	947	122,947
FUND BALANCE, Beginning	174,287	174,287	-
FUND BALANCE, ENDING	\$ 52,287	\$ 175,234	\$ 122,947

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - RENTAL REHABILITATION GRANTS FUND

Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 466,456	\$ 243,268	\$ (223,188)
<u>27,522</u>	<u>45,468</u>	<u>17,946</u>
<u>493,978</u>	<u>288,736</u>	<u>(205,242)</u>
 <u>493,978</u>	 <u>245,297</u>	 <u>248,681</u>
 -	 43,439	 43,439
 <u>130,848</u>	 <u>130,848</u>	 <u>-</u>
 <u><u>\$ 130,848</u></u>	 <u><u>\$ 174,287</u></u>	 <u><u>\$ 43,439</u></u>

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - SANITATION AND
 RECYCLING PROGRAM FUND
 Years Ended December 31, 2001 and 2000

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 2,736,915	\$ 2,736,915	\$ -
Investment income	16,000	228	(15,772)
Charges for services	653,900	669,111	15,211
Total Revenues	3,406,815	3,406,254	(561)
 EXPENDITURES			
Public works	3,416,615	3,333,922	82,693
Excess (Deficiency) of Revenues Over Expenditures	(9,800)	72,332	82,132
 OTHER FINANCING SOURCES			
Operating transfer in	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(9,800)	72,332	82,132
 FUND BALANCE, Beginning	1,009,676	1,009,676	-
 FUND BALANCE, ENDING	\$ 999,876	\$ 1,082,008	\$ 82,132

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - SANITATION AND
 RECYCLING PROGRAM FUND
 Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 2,539,837	\$ 2,539,837	\$ -
16,920	37,869	20,949
658,000	673,333	15,333
3,214,757	3,251,039	36,282
3,353,132	3,187,268	165,864
(138,375)	63,771	202,146
-	774,755	774,755
(138,375)	838,526	976,901
171,150	171,150	-
\$ 32,775	\$ 1,009,676	\$ 976,901

CITY OF APPLETON

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - OLDE ONEIDA BRIDGE PROJECT FUND
 Years Ended December 31, 2001 and 2000

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Investment income	\$ -	\$ 1,391	\$ 1,391
EXPENDITURES			
Public works	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	1,391	1,391
FUND BALANCE, Beginning	23,094	23,094	-
FUND BALANCE, ENDING	\$ 23,094	\$ 24,485	\$ 1,391

CITY OF APPLETON

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - OLDE ONEIDA BRIDGE PROJECT FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ 2,132	\$ 2,132
38,000	21,111	16,889
(38,000)	(18,979)	19,021
42,073	42,073	-
\$ 4,073	\$ 23,094	\$ 19,021

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CITY PARADES FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 3,500	\$ 3,500	\$ -
Investment income	500	798	298
Other	6,500	7,000	500
Total Revenues	10,500	11,298	798
 EXPENDITURES			
Education and recreation	17,200	23,635	(6,435)
Excess (Deficiency) of Revenues Over Expenditures	(6,700)	(12,337)	(5,637)
 FUND BALANCE, Beginning	22,251	22,251	-
 FUND BALANCE, ENDING	\$ 15,551	\$ 9,914	\$ (5,637)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CITY PARADES FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 12,000	\$ 12,000	\$ -
420	1,050	630
-	6,750	6,750
12,420	19,800	7,380
18,000	14,258	3,742
(5,580)	5,542	11,122
16,709	16,709	-
\$ 11,129	\$ 22,251	\$ 11,122

CITY OF APPLETON

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - HEALTH GRANTS FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental	\$ 154,057	\$ 121,455	\$ (32,602)
Total Revenues	154,057	121,455	(32,602)
EXPENDITURES			
Public safety	154,948	121,070	33,878
Excess (Deficiency) of Revenues Over Expenditures	(891)	385	1,276
FUND BALANCE (DEFICIT), Beginning	(385)	(385)	-
FUND BALANCE (DEFICIT), ENDING	\$ (1,276)	\$ -	\$ 1,276

CITY OF APPLETON

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - HEALTH GRANTS FUND
 Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 153,205	\$ 147,760	\$ (5,445)
153,205	147,760	(5,445)
153,205	148,145	5,060
-	(385)	(385)
-	-	-
\$ -	\$ (385)	\$ (385)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - HAZARDOUS MATERIALS LEVEL A FUND
 Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental	\$ 73,831	\$ 73,832	\$ 1
Investment income	3,000	14,114	11,114
Charges for services	-	-	-
Total Revenues	76,831	87,946	11,115
EXPENDITURES			
Public safety	124,056	32,855	91,201
Excess (Deficiency) of Revenues Over Expenditures	(47,225)	55,091	102,316
FUND BALANCE, Beginning	216,597	216,597	-
FUND BALANCE, ENDING	\$ 169,372	\$ 271,688	\$ 102,316

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - HAZARDOUS MATERIALS LEVEL A FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 70,400	\$ 83,643	\$ 13,243
7,400	15,551	8,151
5,593	-	(5,593)
83,393	99,194	15,801
149,918	89,793	60,125
(66,525)	9,401	75,926
207,196	207,196	-
\$ 140,671	\$ 216,597	\$ 75,926

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - FORESTRY FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 40,000	\$ 40,000	\$ -
Investment income	200	-	(200)
Charges for services	4,300	802	(3,498)
Other	500	125	(375)
Total Revenues	45,000	40,927	(4,073)
EXPENDITURES			
Education and recreation	45,000	44,907	93
Deficiency of Revenues Over Expenditures	-	(3,980)	(3,980)
FUND BALANCE, Beginning	5,205	5,205	-
FUND BALANCE, ENDING	\$ 5,205	\$ 1,225	\$ (3,980)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - FORESTRY FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 38,000	\$ 38,000	\$ -
200	-	(200)
6,300	7,912	1,612
500	-	(500)
45,000	45,912	912
45,000	46,175	(1,175)
-	(263)	(263)
5,468	5,468	-
\$ 5,468	\$ 5,205	\$ (263)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - ROOM TAX Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 336,842	\$ 255,940	\$ (80,902)
Total Revenues	336,842	255,940	(80,902)
EXPENDITURES			
General government	320,000	238,970	81,030
Total Expenditures	320,000	238,970	81,030
Excess of Revenues Over Expenditures	16,842	16,970	128
OTHER FINANCING USES			
Operating transfers out	(16,842)	(26,915)	(10,073)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Uses	-	(9,945)	(9,945)
FUND BALANCE, Beginning	13,707	13,707	-
FUND BALANCE, ENDING	\$ 13,707	\$ 3,762	\$ (9,945)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - ROOM TAX Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 268,000	\$ 274,132	\$ 6,132
268,000	274,132	6,132
261,000	260,425	575
261,000	260,425	575
7,000	13,707	6,707
-	-	-
7,000	13,707	6,707
-	-	-
\$ 7,000	\$ 13,707	\$ 6,707

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - EMERGENCY SHELTER GRANT Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental	\$ 72,650	\$ 69,298	\$ (3,352)
Total Revenues	72,650	69,298	(3,352)
EXPENDITURES			
Community development	72,650	69,642	3,008
Deficiency of Revenues Over Expenditures	-	(344)	(344)
FUND BALANCE, Beginning	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ (344)	\$ (344)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - EMERGENCY SHELTER GRANT
 Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 60,060	\$ 38,894	\$ (21,166)
60,060	38,894	(21,166)
60,060	38,894	21,166
-	-	-
-	-	-
\$ -	\$ -	\$ -

DEBT SERVICE FUND

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

CITY OF APPLETON

COMPARATIVE BALANCE SHEETS - DEBT SERVICE FUND December 31, 2001 and 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and investments	\$ 50,475	\$ 33,091
Receivables		
Property taxes	3,000,396	2,937,127
Lease receivable	<u>1,105,000</u>	<u>1,444,596</u>
 TOTAL ASSETS	 <u>\$ 4,155,871</u>	 <u>\$ 4,414,814</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Deferred revenues	<u>\$ 4,105,396</u>	<u>\$ 4,381,723</u>
Total Liabilities	<u>4,105,396</u>	<u>4,381,723</u>
 Fund Balance		
Reserved for debt service	<u>50,475</u>	<u>33,091</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 4,155,871</u>	 <u>\$ 4,414,814</u>

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 2,937,127	\$ 2,937,127	\$ -
Investment income	35,000	75,173	40,173
Other	126,397	126,397	-
Total Revenues	3,098,524	3,138,697	40,173
EXPENDITURES			
Principal	6,322,600	6,322,600	-
Interest and fees	2,183,952	2,219,916	(35,964)
Total Expenditures	8,506,552	8,542,516	(35,964)
Deficiency of Revenues Over Expenditures	(5,408,028)	(5,403,819)	4,209
OTHER FINANCING SOURCES			
Proceeds of general obligation debt	48,000	85,870	37,870
Operating transfers in	5,345,028	5,335,333	(9,695)
Total Other Financing Sources	5,393,028	5,421,203	28,175
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(15,000)	17,384	32,384
FUND BALANCE, Beginning	33,091	33,091	-
FUND BALANCE, ENDING	\$ 18,091	\$ 50,475	\$ 32,384

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 2,439,364	\$ 2,365,826	\$ (73,538)
36,520	16,098	(20,422)
127,977	134,050	6,073
2,603,861	2,515,974	(87,887)
5,956,943	6,131,943	(175,000)
1,927,788	1,960,581	(32,793)
7,884,731	8,092,524	(207,793)
(5,280,870)	(5,576,550)	(295,680)
-	85,704	85,704
5,270,870	5,492,455	221,585
5,270,870	5,578,159	307,289
(10,000)	1,609	11,609
31,482	31,482	-
\$ 21,482	\$ 33,091	\$ 11,609

CAPITAL PROJECTS FUNDS

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

SUBDIVISION DEVELOPMENT PROJECTS

To account for the receipt of special assessments levied and the disbursement of funds necessary to construct public improvements in new subdivisions.

INDUSTRIAL PARK LAND

To account for the sales and acquisition of land for the City's industrial parks.

PARK AND RECREATION PROJECTS

To account for the financing and expenditures associated with the acquisition and construction of certain Park and Recreation capital projects.

TAX INCREMENT DISTRICT NO. 2

To account for the financing and project costs for public improvement and private development within the area of T.I.D. No. 2 as provided for in the Tax District's project plan.

TAX INCREMENT DISTRICT NO. 3

To account for the financing and project costs for public improvement and private development within the area of T.I.D. No. 3 as provided for in the Tax District's project plan.

TAX INCREMENT DISTRICT NO. 4

To account for the financing and project costs for public improvement and private development within the area of T.I.D. No. 4 as provided for in the Tax District's project plan.

TAX INCREMENT DISTRICT NO. 5

To account for the financing and project costs for public improvement and private development within the area of T.I.D. No. 5 as provided for in the Tax District's project plan.

CAPITAL PROJECTS FUNDS

TAX INCREMENT DISTRICT NO. 6

To account for the financing and project costs for public improvement and private development within the area of T.I.D. No. 6 as provided for in the Tax District's project plan.

PUBLIC SAFETY FACILITIES

To account for the financing and project costs of public safety improvements.

PUBLIC WORKS EQUIPMENT

To account for the financing and acquisition of certain Public Works equipment.

VOSTERS' PROPERTY

To account for the financing and expenditures associated with the acquisition of the Vosters' Property.

MACKVILLE LANDFILL

To account for the financing and program costs associated with environmental protection efforts at the landfill, including engineering, design and remediation.

TECHNOLOGY

To account for the financing and expenditures associated with a major upgrade of the City's electronic infrastructure, including the computer network and various software applications.

CEA REPLACEMENT

To account for the financing and expenditures associated with the replacement of vehicles and equipment in the City's Central Equipment Agency.

PERFORMING ARTS CENTER

To account for the financing and expenditures associated with site acquisition and clearance, business relocation, and utility work related to the construction of a performing arts center.

RIVERFRONT INITIATIVES

To account for the financing and expenditures associated with redevelopment projects along the City's riverfront.

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL CAPITAL PROJECTS FUNDS

December 31, 2001

(With Comparative Totals for December 31, 2000)

	Subdivision Development Projects	Industrial Park Land	Park & Recreation Projects	Tax Increment Dist. No. 3
ASSETS				
Cash and investments	\$ -	\$ 797,156	\$ 521,580	\$ 9,156
Receivables				
Property taxes	352,922	-	171,146	332,011
Special assessments	1,913,509	-	-	-
Other	2,832	850	-	-
Due from other funds	-	-	-	-
	-	-	-	-
TOTAL ASSETS	\$ 2,269,263	\$ 798,006	\$ 692,726	\$ 341,167
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ 54,992	\$ 178,569	\$ 15,033	\$ 263
Other accrued liabilities	3,507	-	-	-
Due to other funds	1,008,571	-	-	-
Deferred revenues	1,913,509	-	171,146	332,011
Advances from other funds	-	-	-	13,988,034
Total Liabilities	2,980,579	178,569	186,179	14,320,308
Fund Balances (Deficits)				
Reserved for				
Encumbrances	76,657	70,750	219,100	-
Debt service	-	101,606	-	-
Unreserved				
Designated for subsequent year's expenditures	-	447,081	287,447	-
Undesignated	(787,973)	-	-	(13,979,141)
Total Fund Balances (Deficits)	(711,316)	619,437	506,547	(13,979,141)
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	\$ 2,269,263	\$ 798,006	\$ 692,726	\$ 341,167

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL CAPITAL PROJECTS FUNDS

December 31, 2001

(With Comparative Totals for December 31, 2000)

<u>Tax Increment Dist. No. 4</u>	<u>Tax Increment Dist. No. 5</u>	<u>Tax Increment Dist. No. 6</u>	<u>Public Safety Facilities</u>	<u>Public Works Equipment</u>	<u>Vosters' Property</u>
\$ 4,004,507	\$ 20,851	\$ 1,007,843	\$ 382,444	\$ 134,826	\$ 46,873
1,548,638	9,473	382,512	-	-	-
-	-	-	-	-	-
-	-	-	-	15,507	-
-	-	-	-	-	-
<u>\$ 5,553,145</u>	<u>\$ 30,324</u>	<u>\$ 1,390,355</u>	<u>\$ 382,444</u>	<u>\$ 150,333</u>	<u>\$ 46,873</u>
\$ 32,374	\$ -	\$ 91,296	\$ 166,983	\$ -	\$ -
838	-	910	-	-	-
-	-	-	-	-	-
1,548,638	9,473	382,512	-	-	-
-	-	67,785	-	-	-
<u>1,581,850</u>	<u>9,473</u>	<u>542,503</u>	<u>166,983</u>	<u>-</u>	<u>-</u>
24,210	-	96,602	103,623	59,725	-
-	-	-	-	-	-
3,947,085	20,851	751,250	111,838	90,608	46,873
-	-	-	-	-	-
<u>3,971,295</u>	<u>20,851</u>	<u>847,852</u>	<u>215,461</u>	<u>150,333</u>	<u>46,873</u>
<u>\$ 5,553,145</u>	<u>\$ 30,324</u>	<u>\$ 1,390,355</u>	<u>\$ 382,444</u>	<u>\$ 150,333</u>	<u>\$ 46,873</u>

(continued)

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL CAPITAL PROJECTS FUNDS (cont.)

December 31, 2001

(With Comparative Totals for December 31, 2000)

	<u>Mackville Landfill</u>	<u>Technology</u>	<u>CEA Replacement</u>
ASSETS			
Cash and investments	\$ 2,139,895	\$ 422,576	\$ 3,647,473
Receivables			
Property taxes	-	-	120,000
Special assessments	-	-	-
Other	-	-	-
Due from other funds	-	-	-
TOTAL ASSETS	<u>\$ 2,139,895</u>	<u>\$ 422,576</u>	<u>\$ 3,767,473</u>
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 3,735	\$ 18,618	\$ -
Other accrued liabilities	-	-	-
Due to other funds	-	-	-
Deferred revenues	-	-	120,000
Advances from other funds	-	-	-
Total Liabilities	<u>3,735</u>	<u>18,618</u>	<u>120,000</u>
Fund Balances (Deficits)			
Reserved for			
Encumbrances	-	-	139,217
Debt service	-	-	-
Unreserved			
Designated for subsequent year's expenditures	2,136,160	403,958	3,508,256
Undesignated	-	-	-
Total Fund Balances (Deficits)	<u>2,136,160</u>	<u>403,958</u>	<u>3,647,473</u>
TOTAL LIABILITIES AND FUND BALANCES (DEFICITS)	<u>\$ 2,139,895</u>	<u>\$ 422,576</u>	<u>\$ 3,767,473</u>

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL CAPITAL PROJECTS FUNDS (cont.)

December 31, 2001

(With Comparative Totals for December 31, 2000)

Riverfront Initiatives	Total All Funds	
	2001	2000
\$ 41,040	\$ 13,176,220	\$ 14,181,864
-	2,916,702	2,695,710
-	1,913,509	1,139,013
-	19,189	185,725
-	-	343,438
\$ 41,040	\$ 18,025,620	\$ 18,545,750
\$ -	\$ 561,863	\$ 3,161,871
-	5,255	2,444
-	1,008,571	343,438
-	4,477,289	3,504,115
-	14,055,819	12,158,803
-	20,108,797	19,170,671
-	789,884	2,547,635
-	101,606	146,768
41,040	11,792,447	10,554,390
-	(14,767,114)	(13,873,714)
41,040	(2,083,177)	(624,921)
\$ 41,040	\$ 18,025,620	\$ 18,545,750

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - ALL CAPITAL PROJECTS FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Subdivision Development Projects	Industrial Park Land	Park & Recreation Projects	Tax Increment Dist. No. 2
REVENUES				
Taxes	\$ -	\$ -	\$ 536,855	\$ 80,907
Intergovernmental	1,271	-	-	328
Special assessments	1,530,635	-	-	-
Investment income	61,646	3,537	27,170	1,886
Other	-	16,680	-	-
Total Revenues	<u>1,593,552</u>	<u>20,217</u>	<u>564,025</u>	<u>83,121</u>
EXPENDITURES				
Debt Service				
Interest and fees	-	-	-	16,638
Capital outlay	<u>3,010,817</u>	<u>770,094</u>	<u>745,869</u>	<u>13,688</u>
Total Expenditures	<u>3,010,817</u>	<u>770,094</u>	<u>745,869</u>	<u>30,326</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,417,265)</u>	<u>(749,877)</u>	<u>(181,844)</u>	<u>52,795</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of general obligation debt	-	923,470	-	-
Operating transfers in	156,246	-	-	-
Operating transfers out	-	(195,866)	-	(97,548)
Operating transfers out to component unit	-	-	-	(504,276)
Sale of city property	-	426,474	-	-
Total Other Financing Sources (Uses)	<u>156,246</u>	<u>1,154,078</u>	<u>-</u>	<u>(601,824)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>(1,261,019)</u>	<u>404,201</u>	<u>(181,844)</u>	<u>(549,029)</u>
FUND BALANCES (DEFICITS) - Beginning	549,703	215,236	688,391	(790,411)
Residual Equity Transfers In	-	-	-	1,339,440
Residual Equity Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS), ENDING	<u>\$ (711,316)</u>	<u>\$ 619,437</u>	<u>\$ 506,547</u>	<u>\$ -</u>

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - ALL CAPITAL PROJECTS FUNDS (cont.) Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

Tax Increment Dist. No. 3	Tax Increment Dist. No. 4	Tax Increment Dist. No. 5	Tax Increment Dist. No. 6	Public Safety Facilities	Public Works Equipment	Vosters' Property	Mackville Landfill
\$ 355,551	\$ 1,091,910	\$ 4,746	\$ -	\$ 162,758	\$ -	\$ 61,559	\$ -
12,707	49,638	345	-	-	-	-	-
-	-	-	-	-	-	-	-
-	225,228	14,725	-	30,092	1,549	1,533	113,201
-	12,938	-	16,784	-	-	-	-
<u>368,258</u>	<u>1,379,714</u>	<u>19,816</u>	<u>16,784</u>	<u>192,850</u>	<u>1,549</u>	<u>63,092</u>	<u>113,201</u>
611,558	-	-	3,228	-	-	-	-
2,190	858,465	576,083	607,796	1,841,291	606,336	-	28,027
<u>613,748</u>	<u>858,465</u>	<u>576,083</u>	<u>611,024</u>	<u>1,841,291</u>	<u>606,336</u>	<u>-</u>	<u>28,027</u>
<u>(245,490)</u>	<u>521,249</u>	<u>(556,267)</u>	<u>(594,240)</u>	<u>(1,648,441)</u>	<u>(604,787)</u>	<u>63,092</u>	<u>85,174</u>
3,210,000	-	200,000	3,187,202	568,748	543,330	-	-
-	-	255,000	-	313,739	-	-	400,000
(2,991,627)	(989,668)	(210,827)	(287,680)	-	-	(73,538)	-
(3,210,000)	-	-	-	-	-	-	-
-	314,353	-	-	-	-	-	-
<u>(2,991,627)</u>	<u>(675,315)</u>	<u>244,173</u>	<u>2,899,522</u>	<u>882,487</u>	<u>543,330</u>	<u>(73,538)</u>	<u>400,000</u>
(3,237,117)	(154,066)	(312,094)	2,305,282	(765,954)	(61,457)	(10,446)	485,174
(10,742,024)	4,125,361	332,945	(1,457,430)	981,415	211,790	57,319	1,650,986
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (13,979,141)</u>	<u>\$ 3,971,295</u>	<u>\$ 20,851</u>	<u>\$ 847,852</u>	<u>\$ 215,461</u>	<u>\$ 150,333</u>	<u>\$ 46,873</u>	<u>\$ 2,136,160</u>

(continued)

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - ALL CAPITAL PROJECTS FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 1999)

	<u>Technology</u>	<u>CEA Replacement</u>	<u>Performing Arts Center</u>	<u>Riverfront Initiatives</u>
REVENUES				
Taxes	\$ -	\$ 171,500	\$ -	\$ -
Intergovernmental	-		-	-
Special assessments	-		-	-
Investment income	12,661	184,273	2,402	-
Other	<u>225,000</u>	<u>1,343,351</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>237,661</u>	<u>1,699,124</u>	<u>2,402</u>	<u>-</u>
EXPENDITURES				
Debt Service				
Interest and fees	-	-	-	-
Capital outlay	<u>645,149</u>	<u>1,443,708</u>	<u>-</u>	<u>58,960</u>
Total Expenditures	<u>645,149</u>	<u>1,443,708</u>	<u>-</u>	<u>58,960</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(407,488)</u>	<u>255,416</u>	<u>2,402</u>	<u>(58,960)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of general obligation debt	585,019	-	420,000	100,000
Operating transfers in	80,000	-	-	-
Operating transfers out	-	-	-	-
Operating transfers out to component unit	-	-	(435,716)	-
Sale of city property	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>665,019</u>	<u>-</u>	<u>(15,716)</u>	<u>100,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	257,531	255,416	(13,314)	41,040
FUND BALANCES (DEFICITS) - Beginning	146,427	3,392,057	13,314	-
Residual Equity Transfers In	-	-	-	-
Residual Equity Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS), ENDING	<u>\$ 403,958</u>	<u>\$ 3,647,473</u>	<u>\$ -</u>	<u>\$ 41,040</u>

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS) - ALL CAPITAL PROJECTS FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 1999)

Total All Funds	
2001	2000
\$ 2,465,786	\$2,893,975
64,289	739,388
1,530,635	1,322,151
679,903	840,731
1,614,753	1,781,944
6,355,366	7,578,189

631,424	526,091
11,208,473	15,952,220
11,839,897	16,478,311

(5,484,531)	(8,900,122)
-------------	-------------

9,737,769	10,379,296
1,204,985	3,299,423
(4,846,754)	(6,921,364)
(4,149,992)	(3,472,528)
740,827	382,082
2,686,835	3,666,909

(2,797,696)	(5,233,213)
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(624,921)	935,456
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1,339,440	3,676,060
-	(3,224)

\$ (2,083,177)	\$ (624,921)
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CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - SUBDIVISION DEVELOPMENT PROJECTS FUND
 Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental	\$ 1,271	\$ 1,271	\$ -
Special assessments	2,750,887	1,530,635	(1,220,252)
Investment income	120,000	61,646	(58,354)
Total Revenues	2,872,158	1,593,552	(1,278,606)
EXPENDITURES			
Capital outlay	3,018,896	3,010,817	8,079
Deficiency of Revenues Over Expenditures	(146,738)	(1,417,265)	(1,270,527)
OTHER FINANCING SOURCES			
Operating transfers in	156,246	156,246	-
Excess of Revenues and Other Financing Sources Over Expenditures	9,508	(1,261,019)	(1,270,527)
FUND BALANCE, Beginning	549,703	549,703	-
FUND BALANCE (DEFICIT), ENDING	\$ 559,211	\$ (711,316)	\$ (1,270,527)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - SUBDIVISION DEVELOPMENT PROJECTS FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -
2,803,881	1,322,151	(1,481,730)
125,000	114,299	(10,701)
2,928,881	1,436,450	(1,492,431)
3,323,043	2,242,931	1,080,112
(394,162)	(806,481)	(412,319)
-	-	-
(394,162)	(806,481)	(412,319)
1,356,184	1,356,184	-
\$ 962,022	\$ 549,703	\$ (412,319)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - INDUSTRIAL PARK LAND FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ -	\$ -	\$ -
Investment income	3,000	3,537	537
Other	3,235	16,680	13,445
Total Revenues	6,235	20,217	13,982
 EXPENDITURES			
Capital outlay	1,086,938	770,094	316,844
Excess (Deficiency) of Revenues Over Expenditures	(1,080,703)	(749,877)	330,826
 OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	1,018,470	923,470	(95,000)
Operating transfers in	-	-	-
Operating transfers out	(195,866)	(195,866)	-
Sale of city property	136,000	426,474	290,474
Total Other Financing Sources (Uses)	958,604	1,154,078	195,474
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(122,099)	404,201	526,300
 FUND BALANCE, Beginning	215,236	215,236	-
 FUND BALANCE, ENDING	\$ 93,137	\$ 619,437	\$ 526,300

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - INDUSTRIAL PARK LAND FUND
Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 428,563	\$ 428,563	\$ -
500	27,157	26,657
6,000	7,215	1,215
435,063	462,935	27,872
935,000	881,878	53,122
(499,937)	(418,943)	80,994
-	-	-
935,000	935,000	-
(594,006)	(1,932,568)	(1,338,562)
62,758	188,926	126,168
403,752	(808,642)	(1,212,394)
(96,185)	(1,227,585)	(1,131,400)
1,442,821	1,442,821	-
\$ 1,346,636	\$ 215,236	\$ (1,131,400)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - PARK AND RECREATION PROJECTS FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 536,855	\$ 536,855	\$ -
Intergovernmental	-	-	-
Investment income	2,000	27,170	25,170
Other	-	-	-
Total Revenues	538,855	564,025	25,170
EXPENDITURES			
Capital outlay	1,243,392	745,869	497,523
Excess (Deficiency) of Revenues Over Expenditures	(704,537)	(181,844)	522,693
OTHER FINANCING SOURCES			
Proceeds of general obligation debt	-	-	-
Operating transfers in	-	-	-
Total Other Financing Sources	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(704,537)	(181,844)	522,693
FUND BALANCE, Beginning	688,391	688,391	-
FUND BALANCE (DEFICIT), ENDING	\$ (16,146)	\$ 506,547	\$ 522,693

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - PARK AND RECREATION PROJECTS FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 545,000	\$ 545,000	\$ -
475,000	50,000	(425,000)
150	22,883	22,733
100,000	-	(100,000)
1,120,150	617,883	(502,267)
2,605,600	768,237	1,837,363
(1,485,450)	(150,354)	1,335,096
1,300,000	445,000	(855,000)
-	205,000	205,000
1,300,000	650,000	(650,000)
(185,450)	499,646	685,096
188,745	188,745	-
\$ 3,295	\$ 688,391	\$ 685,096

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 2 FUND
 Years Ended December 31, 2001 and 2000

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 80,195	\$ 80,907	\$ 712
Intergovernmental	435	328	(107)
Investment income	100	1,886	1,786
Total Revenues	80,730	83,121	2,391
 EXPENDITURES			
Debt Service			
Interest	50,655	16,638	34,017
Capital outlay	2,000	13,688	(11,688)
Total Expenditures	52,655	30,326	22,329
 Excess (Deficiency) of Revenues Over Expenditures	28,075	52,795	24,720
 OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	310,000	-	(310,000)
Operating transfers out	(97,548)	(97,548)	-
Operating transfers out to component unit	(504,276)	(504,276)	-
Total Other Financing Sources (Uses)	(291,824)	(601,824)	(310,000)
 Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(263,749)	(549,029)	(285,280)
 FUND BALANCE (DEFICIT), Beginning	(790,411)	(790,411)	-
Residual Equity Transfer In	-	1,339,440	1,339,440
 FUND BALANCE (DEFICIT), ENDING	\$ (1,054,160)	\$ -	\$ 1,054,160

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 2 FUND
 Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 86,193	\$ 82,525	\$ (3,668)
-	435	435
500	4,882	4,382
86,693	87,842	1,149
-	48,018	(48,018)
381,504	26,801	354,703
381,504	74,819	306,685
(294,811)	13,023	307,834
350,000	200,000	(150,000)
(86,804)	(86,804)	-
-	-	-
263,196	113,196	(150,000)
(31,615)	126,219	157,834
(916,630)	(916,630)	-
-	-	-
\$ (948,245)	\$ (790,411)	\$ 157,834

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 3 FUND
Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 364,848	\$ 355,551	\$ (9,297)
Intergovernmental	7,299	12,707	5,408
Investment income	1,000	-	(1,000)
Total Revenues	<u>373,147</u>	<u>368,258</u>	<u>(4,889)</u>
EXPENDITURES			
Debt Service			
Interest	613,396	611,558	1,838
Capital outlay	2,190	2,190	-
Total Expenditures	<u>615,586</u>	<u>613,748</u>	<u>1,838</u>
Deficiency of Revenues Over Expenditures	<u>(242,439)</u>	<u>(245,490)</u>	<u>(3,051)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	3,210,000	3,210,000	-
Operating transfers out	(2,994,369)	(2,991,627)	2,742
Operating transfers out to component unit	(3,219,210)	(3,210,000)	9,210
Total Other Financing Sources (Uses)	<u>(3,003,579)</u>	<u>(2,991,627)</u>	<u>11,952</u>
Deficiency of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>(3,246,018)</u>	<u>(3,237,117)</u>	<u>8,901</u>
FUND BALANCE (DEFICIT), Beginning	<u>(10,742,024)</u>	<u>(10,742,024)</u>	<u>-</u>
FUND BALANCE (DEFICIT), ENDING	<u>\$ (13,988,042)</u>	<u>\$ (13,979,141)</u>	<u>\$ 8,901</u>

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 3 FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 395,930	\$ 382,989	\$ (12,941)
-	7,299	7,299
3,000	15,522	12,522
398,930	405,810	6,880
-	476,498	(476,498)
700,840	134,736	566,104
700,840	611,234	89,606
(301,910)	(205,424)	96,486
290,000	290,000	-
(2,732,570)	(2,705,617)	26,953
-	-	-
(2,442,570)	(2,415,617)	26,953
(2,744,480)	(2,621,041)	123,439
(8,120,983)	(8,120,983)	-
\$ (10,865,463)	\$ (10,742,024)	\$ 123,439

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 4 FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 1,012,058	\$ 1,091,910	\$ 79,852
Intergovernmental	44,271	49,638	5,367
Investment income	150,000	225,228	75,228
Other	-	12,938	12,938
Total Revenues	1,206,329	1,379,714	173,385
EXPENDITURES			
Capital outlay	1,625,539	858,465	767,074
Excess (Deficiency) of Revenues Over Expenditures	(419,210)	521,249	940,459
OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	-	-	-
Operating transfers out	(989,667)	(989,668)	(1)
Sale of city property	318,500	314,353	(4,147)
Total Other Financing Sources (Uses)	(671,167)	(675,315)	(4,148)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(1,090,377)	(154,066)	936,311
FUND BALANCE, Beginning	4,125,361	4,125,361	-
FUND BALANCE, ENDING	\$ 3,034,984	\$ 3,971,295	\$ 936,311

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 4 FUND Years Ended December 31, 2001 and 2000

2000		Variance - Favorable (Unfavorable)
Budget	Actual	
\$ 612,630	\$ 637,882	\$ 25,252
-	44,271	44,271
100,000	275,777	175,777
424,704	12,074	(412,630)
1,137,334	970,004	(167,330)
521,367	284,083	237,284
615,967	685,921	69,954
459,367	-	(459,367)
(1,012,144)	(1,012,144)	-
-	193,156	193,156
(552,777)	(818,988)	(266,211)
63,190	(133,067)	(196,257)
4,258,428	4,258,428	-
\$ 4,321,618	\$ 4,125,361	\$ (196,257)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 5 FUND
 Years Ended December 31, 2001 and 2000

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 4,704	\$ 4,746	\$ 42
Intergovernmental	-	345	345
Investment income	5,000	14,725	9,725
Total Revenues	9,704	19,816	10,112
 EXPENDITURES			
Capital outlay	576,000	576,083	(83)
Excess (Deficiency) of Revenues Over Expenditures	(566,296)	(556,267)	10,029
 OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	200,000	200,000	-
Operating transfers in	255,000	255,000	-
Operating transfers out	(217,780)	(210,827)	6,953
Total Other Financing Sources (Uses)	237,220	244,173	6,953
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(329,076)	(312,094)	16,982
 FUND BALANCE, Beginning	332,945	332,945	-
 FUND BALANCE (DEFICIT), ENDING	\$ 3,869	\$ 20,851	\$ 16,982

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 5 FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	-	-
-	22,976	22,976
-	22,976	22,976
321,000	1,040	319,960
(321,000)	21,936	342,936
-	-	-
-	-	-
(21,534)	(21,534)	-
(21,534)	(21,534)	-
(342,534)	402	342,936
332,543	332,543	-
\$ (9,991)	\$ 332,945	\$ 342,936

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 6 FUND Years Ended December 31, 2001 and 2000

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 385,000	\$ -	\$ (385,000)
Investment income	5,000	-	(5,000)
Other	-	16,784	16,784
Total Revenues	390,000	16,784	(373,216)
 EXPENDITURES			
Debt Service			
Interest	3,268	3,228	40
Capital outlay	3,900,751	607,796	3,292,955
Total Expenditures	3,904,019	611,024	3,292,995
 Deficiency of Revenues Over Expenditures	(3,514,019)	(594,240)	2,919,779
 OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	3,298,563	3,187,202	(111,361)
Operating transfers in	-	-	-
Operating transfers out	(287,590)	(287,680)	(90)
Total Other Financing Sources (Uses)	3,010,973	2,899,522	(111,451)
 Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(503,046)	2,305,282	2,808,328
 FUND BALANCE, Beginning	(1,457,430)	(1,457,430)	-
 FUND BALANCE (DEFICIT), ENDING	\$ (1,960,476)	\$ 847,852	\$ 2,808,328

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TAX INCREMENT DISTRICT NO. 6 FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -
2,000	15,379	13,379
-	2,538	2,538
2,000	17,917	15,917
-	1,575	(1,575)
5,094,530	6,167,449	(1,072,919)
5,094,530	6,169,024	(1,074,494)
(5,092,530)	(6,151,107)	(1,058,577)
3,793,530	3,460,197	(333,333)
-	1,300,000	1,300,000
(105,082)	(66,520)	38,562
3,688,448	4,693,677	1,005,229
(1,404,082)	(1,457,430)	(53,348)
-	-	-
\$ (1,404,082)	\$ (1,457,430)	\$ (53,348)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - PUBLIC SAFETY FACILITIES FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 162,758	\$ 162,758	\$ -
Investment income	5,000	30,092	25,092
Total Revenues	167,758	192,850	25,092
 EXPENDITURES			
Capital outlay	2,383,563	1,841,291	542,272
Deficiency of Revenues Over Expenditures	(2,215,805)	(1,648,441)	567,364
 OTHER FINANCING SOURCES			
Proceeds of general obligation debt	637,487	568,748	(68,739)
Operating transfers in	245,000	313,739	68,739
Total Other Financing Sources	882,487	882,487	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(1,333,318)	(765,954)	567,364
FUND BALANCE, Beginning	981,415	981,415	-
FUND BALANCE (DEFICIT), ENDING	\$ (351,903)	\$ 215,461	\$ 567,364

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - PUBLIC SAFETY FACILITIES FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 565,678	\$ 565,678	\$ -
1,380	1,270	(110)
567,058	566,948	(110)
2,714,702	2,475,401	239,301
(2,147,644)	(1,908,453)	239,191
1,537,400	1,537,400	-
-	722,884	722,884
1,537,400	2,260,284	722,884
(610,244)	351,831	962,075
629,584	629,584	-
\$ 19,340	\$ 981,415	\$ 962,075

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - PUBLIC WORKS EQUIPMENT FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment income	1,000	1,549	549
Total Revenues	1,000	1,549	549
 EXPENDITURES			
Capital outlay	741,090	606,336	134,754
 Excess (Deficiency) of Revenues Over Expenditures	(740,090)	(604,787)	135,303
 OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	543,330	543,330	-
 Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(196,760)	(61,457)	135,303
 FUND BALANCE, Beginning	211,790	211,790	-
 FUND BALANCE, ENDING	\$ 15,030	\$ 150,333	\$ 135,303

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - PUBLIC WORKS EQUIPMENT FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 900,288	\$ 637,383	\$ (262,905)
100	6,624	6,524
900,388	644,007	(256,381)
1,930,032	1,076,052	853,980
(1,029,644)	(432,045)	597,599
1,021,744	633,257	(388,487)
(7,900)	201,212	209,112
10,578	10,578	-
\$ 2,678	\$ 211,790	\$ 209,112

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - VOSTERS' PROPERTY FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Taxes	\$ 61,559	\$ 61,559	\$ -
Investment income	200	1,533	1,333
Total Revenues	61,759	63,092	1,333
 EXPENDITURES			
Capital outlay	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	61,759	63,092	1,333
 OTHER FINANCING SOURCES (USES)			
Operating transfers in	-	-	-
Operating transfers out	(73,538)	(73,538)	-
Total Other Financing Sources (Uses)	(73,538)	(73,538)	-
Excess (Deficiency) of Revenue and Other Financing Sources Over Expenditures and Other Financing Uses	(11,779)	(10,446)	1,333
 FUND BALANCE, Beginning	57,319	57,319	-
 FUND BALANCE, ENDING	\$ 45,540	\$ 46,873	\$ 1,333

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - VOSTERS' PROPERTY FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 73,538	\$ 73,538	\$ -
270	1,596	1,326
73,808	75,134	1,326
147,939	92,325	55,614
(74,131)	(17,191)	56,940
136,539	136,539	-
(73,538)	(73,538)	-
63,001	63,001	-
(11,130)	45,810	56,940
11,509	11,509	-
\$ 379	\$ 57,319	\$ 56,940

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MACKVILLE LANDFILL FUND Years Ended December 31, 2001 and 2000

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Investment income	\$ 60,000	\$ 113,201	\$ 53,201
EXPENDITURES			
Capital outlay	2,027,694	28,027	1,999,667
Excess (Deficiency) of Revenues Over Expenditures	(1,967,694)	85,174	2,052,868
OTHER FINANCING SOURCES			
Operating transfer in	400,000	400,000	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(1,567,694)	485,174	2,052,868
FUND BALANCE, Beginning	1,650,986	1,650,986	-
FUND BALANCE, ENDING	\$ 83,292	\$ 2,136,160	\$ 2,052,868

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - MACKVILLE LANDFILL FUND
 Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 60,000	\$ 111,198	\$ 51,198
40,000	37,237	2,763
20,000	73,961	53,961
-	-	-
20,000	73,961	53,961
1,577,025	1,577,025	-
<u>\$ 1,597,025</u>	<u>\$ 1,650,986</u>	<u>\$ 53,961</u>

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TECHNOLOGY FUND Years Ended December 31, 2001 and 2000

	2001		Variance - Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Investment income	\$ 2,000	\$ 12,661	\$ 10,661
Other	225,000	225,000	-
Total Revenues	<u>227,000</u>	<u>237,661</u>	<u>10,661</u>
EXPENDITURES			
Capital outlay	<u>1,035,761</u>	<u>645,149</u>	<u>390,612</u>
Deficiency of Revenues Over Expenditures	<u>(808,761)</u>	<u>(407,488)</u>	<u>401,273</u>
OTHER FINANCING SOURCES			
Proceeds of general obligation debt	585,019	585,019	-
Operating transfers in	<u>80,000</u>	<u>80,000</u>	<u>-</u>
Total Other Financing Sources	<u>665,019</u>	<u>665,019</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(143,742)	257,531	401,273
FUND BALANCE, Beginning	<u>146,427</u>	<u>146,427</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 2,685</u>	<u>\$ 403,958</u>	<u>\$ 401,273</u>

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - TECHNOLOGY FUND
 Years Ended December 31, 2001 and 2000

<u>2000</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
\$ -	\$ 7,684	\$ 7,684
-	-	-
-	7,684	7,684
485,136	360,674	124,462
(485,136)	(352,990)	132,146
380,921	380,921	-
-	-	-
380,921	380,921	-
(104,215)	27,931	132,146
118,496	118,496	-
\$ 14,281	\$ 146,427	\$ 132,146

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CEA REPLACEMENT FUND Years Ended December 31, 2001 and 2000

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 171,500	\$ 171,500	\$ -
Investment income	150,000	184,273	34,273
Other	1,371,795	1,343,351	(28,444)
Total Revenues	1,693,295	1,699,124	5,829
 EXPENDITURES			
Capital outlay	1,754,110	1,443,708	310,402
Excess (Deficiency) of Revenues Over Expenditures	(60,815)	255,416	316,231
 OTHER FINANCING SOURCES (USES)			
Operating transfer out	-	-	-
Sale of city property	103,000	-	(103,000)
Total Other Financing Sources (Uses)	103,000	-	(103,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	42,185	255,416	213,231
 FUND BALANCE, Beginning	3,392,057	3,392,057	-
Residual Equity Transfer In	-	-	-
 FUND BALANCE, ENDING	\$ 3,434,242	\$ 3,647,473	\$ 213,231

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CEA REPLACEMENT FUND Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ 177,800	\$ 177,800	\$ -
106,250	200,710	94,460
1,699,349	1,760,117	60,768
1,983,399	2,138,627	155,228
1,623,795	1,399,991	223,804
359,604	738,636	379,032
-	(1,022,639)	(1,022,639)
204,000	-	(204,000)
204,000	(1,022,639)	(1,226,639)
563,604	(284,003)	(847,607)
-	-	-
3,400,000	3,676,060	276,060
\$ 3,963,604	\$ 3,392,057	\$ (571,547)

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - PERFORMING ARTS CENTER FUND Years Ended December 31, 2001 and 2000

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Investment income	\$ 10,000	\$ 2,402	\$ (7,598)
EXPENDITURES			
Capital outlay	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	10,000	2,402	(7,598)
OTHER FINANCING SOURCES (USES)			
Proceeds of general obligation debt	420,000	420,000	-
Operating transfer out to component unit	(460,000)	(435,716)	24,284
Total Other Financing Sources (Uses)	(40,000)	(15,716)	24,284
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(30,000)	(13,314)	16,686
FUND BALANCE, Beginning	13,314	13,314	-
FUND BALANCE, ENDING	\$ (16,686)	\$ -	\$ 16,686

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - PERFORMING ARTS CENTER FUND
 Years Ended December 31, 2001 and 2000

2000		
Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ 12,214	\$ 12,214
-	-	-
-	12,214	12,214
3,432,521	3,432,521	-
(3,472,528)	(3,472,528)	-
(40,007)	(40,007)	-
(40,007)	(27,793)	12,214
41,107	41,107	-
<u>\$ 1,100</u>	<u>\$ 13,314</u>	<u>\$ 12,214</u>

CITY OF APPLETON

COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - RIVERFRONT INITIATIVES Year Ended December 31, 2001

	2001		
	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Other	\$ -	\$ -	\$ -
EXPENDITURES			
Capital outlay	100,000	58,960	41,040
Excess (Deficiency) of Revenues Over Expenditures	(100,000)	(58,960)	41,040
OTHER FINANCING SOURCES			
Proceeds of general obligation debt	100,000	100,000	-
Excess of Revenues and Other Financing Sources Over Expenditures	-	41,040	41,040
FUND BALANCE, Beginning	-	-	-
FUND BALANCE, ENDING	\$ -	\$ 41,040	\$ 41,040

NOTE: This is a new fund in 2001

ENTERPRISE FUNDS

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

WATER UTILITY

To account for the provision of water to the residents of the City. All revenue and expenses necessary to provide such services are accounted for in this fund.

WASTEWATER UTILITY

To account for the treatment and disposal of wastewater. All revenue and expenses necessary to provide such services are accounted for in this fund.

VALLEY TRANSIT

To account for the operation and maintenance of the public transit authority which provides service to the metropolitan Fox Valley Area. All revenue and expenses necessary to provide such service are accounted for in this fund.

PARKING UTILITY

To account for the operation of City parking meters, parking ramps and lots. All revenue and expenses necessary to provide such services are accounted for in this fund.

STORMWATER UTILITY

To account for costs associated with stormwater management. All revenue and expenses necessary to provide such services are accounted for in this fund.

REID MUNICIPAL GOLF COURSE

To account for the operation, maintenance and improvement of the municipal golf course. All revenue and expenses necessary to provide such golf and concession services are accounted for in this fund.

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL ENTERPRISE FUNDS

December 31, 2001

(With Comparative Totals for December 31, 2000)

ASSETS	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Valley Transit</u>
CURRENT ASSETS			
Cash and investments	\$ -	\$ 5,818,280	\$ 968,265
Receivables			
Customer accounts	2,439,400	1,831,208	-
Special assessments	31,139	103,031	-
Accrued interest	-	-	-
Other	34,364	-	93,307
Due From Other Governmental Units			
Federal government	-	-	447,348
State of Wisconsin	-	1,669	108,681
Due from other funds	112,239	123,242	-
Inventories	291,959	197,858	108,144
Prepaid items	-	-	2,736
Total Current Assets	<u>2,909,101</u>	<u>8,075,288</u>	<u>1,728,481</u>
RESTRICTED ASSETS			
Cash and investments	8,405,885	9,817,711	852,918
Accrued interest	216,823	87,771	-
Total Restricted Assets	<u>8,622,708</u>	<u>9,905,482</u>	<u>852,918</u>
FIXED ASSETS			
Land, buildings and improvements	78,006,307	98,129,462	3,948,006
Equipment, furniture and vehicles	27,477,618	30,900,835	5,643,146
Less: Accumulated depreciation	(10,390,874)	(44,825,741)	(6,300,032)
Construction work in progress	90,085	2,917,268	-
Property held for future use	-	-	-
Net Fixed Assets	<u>95,183,136</u>	<u>87,121,824</u>	<u>3,291,120</u>
OTHER ASSETS			
Advances to other funds	-	3,378,436	-
Unamortized debt expense	44,516	68,734	-
Total Other Assets	<u>44,516</u>	<u>3,447,170</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 106,759,461</u>	<u>\$ 108,549,764</u>	<u>\$ 5,872,519</u>

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL ENTERPRISE FUNDS
December 31, 2001
(With Comparative Totals for December 31, 2000)

Parking Utility	Stormwater Utility	Reid Municipal Golf Course	Total All Funds	
			2001	2000
\$ 504,223	\$ 6,271,576	\$ 136,875	\$ 13,699,219	\$ 14,564,632
-	534,574	294	4,805,476	4,467,446
-	146,311	-	280,481	457,729
-	10,142	-	10,142	10,618
8,631	4,385	-	140,687	83,580
-	-	-	447,348	72,892
-	-	-	110,350	514,843
-	63,606	-	299,087	373,018
-	-	-	597,961	659,866
-	-	-	2,736	1,629
<u>512,854</u>	<u>7,030,594</u>	<u>137,169</u>	<u>20,393,487</u>	<u>21,206,253</u>
-	1,295,506	-	20,372,020	29,025,012
-	-	-	304,594	139,417
<u>-</u>	<u>1,295,506</u>	<u>-</u>	<u>20,676,614</u>	<u>29,164,429</u>
23,922,873	44,890,858	2,043,542	250,941,048	210,667,499
549,682	657	153,508	64,725,446	44,702,127
(7,819,785)	(11,033,530)	(871,006)	(81,240,968)	(79,245,922)
-	2,046,727	-	5,054,080	48,457,656
-	-	-	-	997,370
<u>16,652,770</u>	<u>35,904,712</u>	<u>1,326,044</u>	<u>239,479,606</u>	<u>225,578,730</u>
7,509,224	-	-	10,887,660	5,940,250
-	210,619	1,500	325,369	599,639
<u>7,509,224</u>	<u>210,619</u>	<u>1,500</u>	<u>11,213,029</u>	<u>6,539,889</u>
<u>\$ 24,674,848</u>	<u>\$ 44,441,431</u>	<u>\$ 1,464,713</u>	<u>\$ 291,762,736</u>	<u>\$ 282,489,301</u>

(continued)

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL ENTERPRISE FUNDS (cont.)
 December 31, 2001
 (With Comparative Totals for December 31, 2000)

LIABILITIES AND EQUITY	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Valley Transit</u>
CURRENT LIABILITIES			
Accounts payable	\$ 1,952,910	\$ 1,320,037	\$ 181,549
Compensated absences	325,013	182,766	272,727
Accrued interest	23,573	1,812	-
Other accrued liabilities	95,390	68,686	193,151
Due to other governments	980,192	-	975,131
Due to other funds	-	-	-
Deferred revenue	-	-	14,503
Current portion of long-term debt	670,000	145,000	-
Total Current Liabilities	<u>4,047,078</u>	<u>1,718,301</u>	<u>1,637,061</u>
LIABILITIES PAYABLE FROM RESTRICTED ASSETS			
Revenue bonds payable	2,765,000	1,180,764	-
Accrued interest	-	150,492	-
Total Liabilities Payable from Restricted Assets	<u>2,765,000</u>	<u>1,331,256</u>	<u>-</u>
LONG-TERM LIABILITIES			
General obligation debt payable	1,310,000	-	-
Revenue bonds and notes payable	62,717,857	15,715,845	-
Advances from other funds	3,378,436	-	-
Total Long-Term Liabilities	<u>67,406,293</u>	<u>15,715,845</u>	<u>-</u>
Total Liabilities	<u>74,218,371</u>	<u>18,765,402</u>	<u>1,637,061</u>
EQUITY			
Contributed capital	15,299,980	33,682,698	4,871,135
Retained Earnings (Deficits)			
Reserved for debt service	3,391,971	2,465,780	-
Reserved for DNR replacement fund	-	6,108,446	-
Unreserved	13,849,139	47,527,438	(635,677)
Total Retained Earnings (Deficits)	<u>17,241,110</u>	<u>56,101,664</u>	<u>(635,677)</u>
Total Equity	<u>32,541,090</u>	<u>89,784,362</u>	<u>4,235,458</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 106,759,461</u>	<u>\$ 108,549,764</u>	<u>\$ 5,872,519</u>

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL ENTERPRISE FUNDS (cont.)
 December 31, 2001
 (With Comparative Totals for December 31, 2000)

Parking Utility	Stormwater Utility	Reid Municipal Golf Course	Total All Funds	
			2001	2000
\$ 1,243	\$ 493,489	\$ 89,328	\$ 4,038,556	\$ 3,206,059
67,364	40,478	28,168	916,516	754,419
-	190,942	7,500	223,827	175,194
24,493	19,869	3,900	405,489	383,262
-	-	-	1,955,323	2,014,338
-	-	-	-	20,360
1,339,592	-	5,183	1,359,278	1,051,175
-	390,000	600,000	1,805,000	1,279,630
<u>1,432,692</u>	<u>1,134,778</u>	<u>734,079</u>	<u>10,703,989</u>	<u>8,884,437</u>
-	150,000	-	4,095,764	2,687,761
-	-	-	150,492	159,817
-	150,000	-	4,246,256	2,847,578
-	2,795,000	-	4,105,000	5,890,000
-	10,515,000	-	88,948,702	88,280,827
-	-	-	3,378,436	-
-	13,310,000	-	96,432,138	94,170,827
<u>1,432,692</u>	<u>14,594,778</u>	<u>734,079</u>	<u>111,382,383</u>	<u>105,902,842</u>
<u>25,104,010</u>	<u>23,737,489</u>	<u>353,884</u>	<u>103,049,196</u>	<u>103,887,158</u>
-	1,145,506	-	7,003,257	5,645,933
-	-	-	6,108,446	6,598,187
(1,861,854)	4,963,658	376,750	64,219,454	60,455,181
(1,861,854)	6,109,164	376,750	77,331,157	72,699,301
<u>23,242,156</u>	<u>29,846,653</u>	<u>730,634</u>	<u>180,380,353</u>	<u>176,586,459</u>
<u>\$ 24,674,848</u>	<u>\$ 44,441,431</u>	<u>\$ 1,464,713</u>	<u>\$ 291,762,736</u>	<u>\$ 282,489,301</u>

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICITS) - ALL ENTERPRISE FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Water Utility	Wastewater Utility	Valley Transit
OPERATING REVENUES			
Charges for services	\$ 10,991,396	\$ 8,947,181	\$ 699,053
Other	<u>-</u>	<u>-</u>	<u>61,675</u>
Total Operating Revenues	<u>10,991,396</u>	<u>8,947,181</u>	<u>760,728</u>
OPERATING EXPENSES			
Operating expenses	5,559,457	5,631,280	5,268,701
Depreciation	<u>2,716,992</u>	<u>3,625,206</u>	<u>481,671</u>
Total Operating Expenses	<u>8,276,449</u>	<u>9,256,486</u>	<u>5,750,372</u>
Operating Income (Loss)	<u>2,714,947</u>	<u>(309,305)</u>	<u>(4,989,644)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	784,584	1,513,212	-
Interest expense	(3,342,575)	(738,530)	-
Amortization of debt expense	(124,635)	(14,850)	-
Gain (loss) on sale of fixed assets	16,700	-	-
Amortization of prior losses on refunding of bonds	(44,394)	(48,757)	-
Subsidies (to) from other governmental units	-	-	4,078,621
Other	<u>12,752</u>	<u>-</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>(2,697,568)</u>	<u>711,075</u>	<u>4,078,621</u>
Income (Loss) Before Operating Transfers	17,379	401,770	(911,023)
Operating Transfers In	-	-	429,353
Operating Transfers Out	<u>(13,800)</u>	<u>(117,450)</u>	<u>-</u>
Income (Loss) Before Amortization and Contributions	<u>3,579</u>	<u>284,320</u>	<u>(481,670)</u>

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICITS) - ALL ENTERPRISE FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

Parking Utility	Stormwater Utility	Reid Municipal Golf Course	Total All Funds	
			2001	2000
\$ 1,411,866	\$ 2,787,268	\$ 523,235	\$ 25,359,999	\$ 23,887,776
<u>385,461</u>	<u>16,339</u>	<u>149,212</u>	<u>612,687</u>	<u>626,857</u>
<u>1,797,327</u>	<u>2,803,607</u>	<u>672,447</u>	<u>25,972,686</u>	<u>24,514,633</u>
938,178	1,512,520	570,645	19,480,781	17,739,860
<u>904,044</u>	<u>704,908</u>	<u>60,669</u>	<u>8,493,490</u>	<u>7,324,122</u>
<u>1,842,222</u>	<u>2,217,428</u>	<u>631,314</u>	<u>27,974,271</u>	<u>25,063,982</u>
<u>(44,895)</u>	<u>586,179</u>	<u>41,133</u>	<u>(2,001,585)</u>	<u>(549,349)</u>
79,064	351,180	8,635	2,736,675	3,110,889
-	(495,070)	(30,887)	(4,607,062)	(3,661,571)
-	(17,125)	-	(156,610)	(145,310)
-	-	-	16,700	(101,580)
-	-	-	(93,151)	(97,128)
-	21,112	-	4,099,733	3,894,762
<u>6,357</u>	<u>-</u>	<u>3,531</u>	<u>22,640</u>	<u>3,833</u>
<u>85,421</u>	<u>(139,903)</u>	<u>(18,721)</u>	<u>2,018,925</u>	<u>3,003,895</u>
40,526	446,276	22,412	17,340	2,454,546
-	-	-	429,353	371,834
<u>(9,300)</u>	<u>(12,500)</u>	<u>(17,900)</u>	<u>(170,950)</u>	<u>(170,950)</u>
<u>31,226</u>	<u>433,776</u>	<u>4,512</u>	<u>275,743</u>	<u>2,655,430</u>

(continued)

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICITS) - ALL ENTERPRISE FUNDS (cont.)

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Water Utility	Wastewater Utility	Valley Transit
Income (Loss) Before Amortization and Contributions	\$ 3,579	\$ 284,320	\$ (481,670)
Depreciation charged to contributed capital	-	1,630,565	385,337
Capital contributions	406,845	446,988	114,995
Accumulated depreciation on contributed assets retired	-	-	3,373
Total Additions (Reductions) in Retained Earnings (Deficits)	410,424	2,361,873	22,035
RETAINED EARNINGS (DEFICITS), Beginning	16,971,834	53,739,791	(657,712)
Residual Equity Transfer Out	(141,148)	-	-
RETAINED EARNINGS (DEFICITS), ENDING	\$ 17,241,110	\$ 56,101,664	\$ (635,677)

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
RETAINED EARNINGS (DEFICITS) - ALL ENTERPRISE FUNDS (cont.)

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

<u>Parking Utility</u>	<u>Stormwater Utility</u>	<u>Reid Municipal Golf Course</u>	<u>Total All Funds 2001</u>	<u>Total All Funds 2000</u>
\$ 31,226	\$ 433,776	\$ 4,512	\$ 275,743	\$ 2,655,430
-	508,512	4,027	2,528,441	2,496,982
-	996,619	-	1,965,447	-
-	-	-	3,373	5,715
31,226	1,938,907	8,539	4,773,004	5,158,127
(1,893,080)	4,170,257	368,211	72,699,301	67,541,174
-	-	-	(141,148)	-
<u>\$ (1,861,854)</u>	<u>\$ 6,109,164</u>	<u>\$ 376,750</u>	<u>\$ 77,331,157</u>	<u>\$ 72,699,301</u>

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS - ALL ENTERPRISE FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Water Utility	Wastewater Utility	Valley Transit
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 2,714,947	\$ (309,305)	\$ (4,989,644)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Non-operating income	12,752	-	-
Depreciation expense	2,716,992	3,625,206	481,671
Depreciation charged to wastewater utility	94,647	-	-
Changes in Assets and Liabilities			
Customer accounts receivable	(434,335)	103,976	(1,906)
Accounts receivable - other	(34,192)	-	-
Due from other governmental units	-	-	-
Due from other funds	(32,529)	(7,760)	-
Inventories	59,996	(4,119)	6,028
Prepaid items	-	728	(1,835)
Accounts payable	144,712	34,522	(53,662)
Compensated absences	68,725	(10,614)	-
Other accrued liabilities	(11,226)	19,022	14,149
Due to other funds	19,104	-	-
Deferred revenues	-	-	-
Net Cash Provided by (Used for) Operating Activities	5,319,593	3,451,656	(4,545,199)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating transfers in	-	-	429,353
Operating transfers out	(13,800)	(117,450)	-
Operating subsidies received from other governmental units	-	-	3,947,432
Residual equity transfer out	(141,148)	-	-
Advances from other funds	3,378,436	-	-
Advances to other funds	-	(3,378,436)	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	3,223,488	(3,495,886)	4,376,785

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS - ALL ENTERPRISE FUNDS
 Year Ended December 31, 2001
 (With Comparative Totals for the Year Ended December 31, 2000)

Parking Utility	Stormwater Utility	Reid Municipal Golf Course	Total All Funds	
			2001	2000
\$ (44,895)	\$ 586,179	\$ 41,133	\$ (2,001,585)	\$ (549,349)
6,357	-	3,531	22,640	-
904,044	704,908	60,669	8,493,490	7,324,122
-	-	-	94,647	71,283
-	(7,422)	-	(339,687)	(66,345)
(6,364)	4,667	(249)	(36,138)	(7,251)
-	-	-	-	32,045
-	149	-	(40,140)	533
-	-	-	61,905	(32,242)
-	-	-	(1,107)	8,850
(20,906)	13,817	(25,436)	93,047	(393,829)
31,291	29,447	6,474	125,323	(9,354)
(232)	13,617	219	35,549	145,765
-	-	-	19,104	-
-	-	3,519	3,519	1,622
<u>869,295</u>	<u>1,345,362</u>	<u>89,860</u>	<u>6,530,567</u>	<u>6,525,850</u>
-	-	-	429,353	371,834
(9,300)	(12,500)	(17,900)	(170,950)	(170,950)
-	21,112	-	3,968,544	3,686,630
-	-	-	(141,148)	-
-	-	-	3,378,436	-
<u>(1,240,938)</u>	<u>-</u>	<u>-</u>	<u>(4,619,374)</u>	<u>(600,000)</u>
<u>(1,250,238)</u>	<u>8,612</u>	<u>(17,900)</u>	<u>2,844,861</u>	<u>3,287,514</u>

(continued)

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS - ALL ENTERPRISE FUNDS (cont.)
 Year Ended December 31, 2001
 (With Comparative Totals for the Year Ended December 31, 2000)

	Water Utility	Wastewater Utility	Valley Transit
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of fixed assets	\$ (13,120,573)	\$ (2,305,998)	\$ (143,826)
Proceeds from sale of fixed assets	110,000	-	-
Proceeds from revenue bonds	41,631,556	-	-
Costs of issuing revenue bonds	-	-	-
Principal paid on long-term debt	(43,527,922)	(1,277,761)	-
Interest paid on long-term debt	(3,474,437)	(749,571)	-
Capital contributed by city	-	-	140,829
Capital contributed by others	29,408	2,424	158,430
Special assessments received	72,322	197,027	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	(18,279,646)	(4,133,879)	155,433
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investments	(6,246,474)	(4,581,359)	(136,977)
Proceeds from sales and maturities of investments	1,242,130	3,063,066	-
Investment income	798,848	1,021,748	-
Net Cash Provided by (Used for) Investing Activities	(4,205,496)	(496,545)	(136,977)
Net Increase (Decrease) in Cash and Cash Equivalents	(13,942,061)	(4,674,654)	(149,958)
CASH AND CASH EQUIVALENTS, Beginning	14,510,272	10,645,128	1,186,308
CASH AND CASH EQUIVALENTS, ENDING	\$ 568,211	\$ 5,970,474	\$ 1,036,350
RECONCILIATION TO COMBINED BALANCE SHEET			
Cash and investments	\$ -	\$ 5,818,280	\$ 968,265
Restricted cash and investments	8,405,885	9,817,711	852,918
Less: Long-term investments	(7,837,674)	(9,665,517)	(784,833)
ENDING CASH AND CASH EQUIVALENTS	\$ 568,211	\$ 5,970,474	\$ 1,036,350
COMBINING STATEMENT OF CASH FLOWS	\$ 568,211	\$ 5,970,474	\$ 1,036,350

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS - ALL ENTERPRISE FUNDS (cont.)
 Year Ended December 31, 2001
 (With Comparative Totals for the Year Ended December 31, 2000)

Parking Utility	Stormwater Utility	Reid Municipal Golf Course	Total All Funds	
			2001	2000
\$ (96,025)	\$ (3,064,815)	\$ -	\$ (18,731,237)	\$ (34,328,122)
-	-	-	110,000	185,009
-	4,810,000	-	46,441,556	20,745,000
-	(85,794)	-	(85,794)	(211,117)
-	(525,000)	(61,708)	(45,392,391)	(3,479,195)
-	(472,267)	(31,775)	(4,728,050)	(3,671,728)
-	-	-	140,829	133,526
-	5,004	-	195,266	230,609
-	314,665	-	584,014	275,898
<u>(96,025)</u>	<u>981,793</u>	<u>(93,483)</u>	<u>(21,465,807)</u>	<u>(20,120,120)</u>
-	-	-	(10,964,810)	(4,981,439)
-	-	-	4,305,196	15,657,878
<u>79,064</u>	<u>351,656</u>	<u>8,635</u>	<u>2,259,951</u>	<u>2,887,104</u>
<u>79,064</u>	<u>351,656</u>	<u>8,635</u>	<u>(4,399,663)</u>	<u>13,563,543</u>
(397,904)	2,687,423	(12,888)	(16,490,042)	3,256,787
<u>902,127</u>	<u>4,879,659</u>	<u>149,763</u>	<u>32,273,257</u>	<u>29,016,470</u>
<u>\$ 504,223</u>	<u>\$ 7,567,082</u>	<u>\$ 136,875</u>	<u>\$ 15,783,215</u>	<u>\$ 32,273,257</u>
\$ 504,223	\$ 6,271,576	\$ 136,875	\$ 13,699,219	\$ 14,564,632
-	1,295,506	-	20,372,020	29,025,012
-	-	-	(18,288,024)	(11,316,387)
<u>\$ 504,223</u>	<u>\$ 7,567,082</u>	<u>\$ 136,875</u>	<u>\$ 15,783,215</u>	<u>\$ 32,273,257</u>

(continued)

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS – ALL ENTERPRISE FUNDS (cont.)
Year Ended December 31, 2001
(With Comparative Totals for the Year Ended December 31, 2000)

NONCASH ACTIVITIES

During 2001, the Water Utility accepted ownership of \$817,577 of plant additions contributed by developers and customers; the Wastewater Utility accepted ownership of \$560,078 of plant additions contributed by developers and customers; the Stormwater Utility accepted \$1,960,541 of fixed assets contributed by the City and developers; and Reid Golf Course accepted \$28,444 of fixed assets contributed by the City.

Consistent with prior years, the City adjusted their investments to market during 2001. This adjustment resulted in an unrealized loss of \$171,385 in the Water Utility and a \$483,408 gain in the Wastewater Utility.

During 2001, the Water Utility issued bonds to advance refund \$19,005,000 of revenue bonds and BANS.

CITY OF APPLETON

RETURN ON RATE BASE - WATER UTILITY Year Ended December 31, 2001

Utility Plant in Service		
Beginning of year	\$ 51,732,388	
End of year	<u>105,483,925</u>	
Average		<u>78,608,157</u>
Accumulated Depreciation		
Beginning of year	(14,006,404)	
End of year	<u>(10,390,874)</u>	
Average		<u>(12,198,639)</u>
Inventories		
Beginning of year	351,955	
End of year	<u>291,959</u>	
Average		<u>321,957</u>
Contributions in Aid of Construction (1)		
Beginning of year	(12,899,313)	
End of year	<u>(13,306,157)</u>	
Average		<u>(13,102,735)</u>
AVERAGE NET RATE BASE		<u>\$ 53,628,740</u>
OPERATING INCOME		<u>\$ 2,714,947</u>
RETURN ON RATE BASE		<u>5.06%</u>

(1) Excludes contributions from the city of \$1,960,528 at the beginning of the year and \$2,400,668 at the end of the year.

This schedule is computed based on Public Service Commission of Wisconsin regulatory accounting which differs from Accounting Principles Generally Accepted in the United States due to GASB #33 as described in footnote #22.

INTERNAL SERVICE FUNDS

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

CENTRAL EQUIPMENT AGENCY

To account for the user fees and costs associated with the acquisition, operation and maintenance of various City-owned vehicles and equipment.

CENTRAL BUILDING MAINTENANCE

To account for the user fees and costs associated with the repair, maintenance and cleaning of various City buildings.

INSURANCE

To account for the user fees and costs associated with providing insurance and risk protection services to the organization and agencies of the City. All user charges and expenses necessary to provide such services are accounted for in this fund.

CITY OF APPLETON

COMBINING BALANCE SHEET - INTERNAL SERVICE FUNDS

December 31, 2001

(With Comparative Totals for December 31, 2000)

	Central Equipment Agency	Central Building Maintenance	Insurance	Total All Funds	
				2001	2000
ASSETS					
CURRENT ASSETS					
Cash and investments	\$ 649,553	\$ 370,830	\$ 3,618,254	\$ 4,638,637	\$ 4,700,342
Other receivables	9,862	-	-	9,862	7,618
Due from other governmental units	-	5,181	-	5,181	10,285
Inventories	19,108	-	-	19,108	13,364
Prepaid items	-	-	47,081	47,081	62,775
Total Current Assets	<u>678,523</u>	<u>376,011</u>	<u>3,665,335</u>	<u>4,719,869</u>	<u>4,794,384</u>
RESTRICTED ASSETS					
Investment in CVMIC	-	-	2,020,950	2,020,950	2,020,950
Receivable from mutual insurance company	-	-	174,945	174,945	186,169
Total Restricted Assets	<u>-</u>	<u>-</u>	<u>2,195,895</u>	<u>2,195,895</u>	<u>2,207,119</u>
FIXED ASSETS					
Equipment	1,748,635	-	-	1,748,635	1,762,561
Vehicles	16,229,591	-	-	16,229,591	15,680,459
Less: Accumulated depreciation	(8,954,300)	-	-	(8,954,300)	(8,621,612)
Construction work in progress	-	-	-	-	98,707
Net Fixed Assets	<u>9,023,926</u>	<u>-</u>	<u>-</u>	<u>9,023,926</u>	<u>8,920,115</u>
TOTAL ASSETS	<u>\$ 9,702,449</u>	<u>\$ 376,011</u>	<u>\$ 5,861,230</u>	<u>\$ 15,939,690</u>	<u>\$ 15,921,618</u>

CITY OF APPLETON

COMBINING BALANCE SHEET - INTERNAL SERVICE FUNDS

December 31, 2001

(With Comparative Totals for December 31, 2000)

	Central Equipment Agency	Central Building Maintenance	Insurance	Total All Funds	
				2001	2000
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Accounts payable	\$ 34,239	\$ 23,151	\$ 1,978	\$ 59,368	\$ 90,741
Compensated absences	63,376	119,597	7,918	190,891	177,490
Other accrued liabilities	34,871	46,086	27,334	108,291	115,251
Claims payable	-	-	911,000	911,000	800,000
Current portion of long-term debt	-	-	153,398	153,398	141,157
Total Current Liabilities	132,486	188,834	1,101,628	1,422,948	1,324,639
LONG-TERM LIABILITIES					
General obligation debt payable	-	-	1,001,867	1,001,867	1,155,265
Total Liabilities	132,486	188,834	2,103,495	2,424,815	2,479,904
EQUITY					
Contributed capital	6,679,373	-	341,051	7,020,424	5,977,179
Retained earnings	2,890,590	187,177	3,416,684	6,494,451	7,464,535
Total Equity	9,569,963	187,177	3,757,735	13,514,875	13,441,714
TOTAL LIABILITIES AND EQUITY	\$ 9,702,449	\$ 376,011	\$ 5,861,230	\$ 15,939,690	\$ 15,921,618

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - INTERNAL SERVICE FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Central Equipment Agency	Central Building Maintenance	Insurance
OPERATING REVENUES			
Charges for services	\$ 1,610,856	\$ 1,766,146	\$ 586,547
Other	12,185	-	250,435
Total Operating Revenues	<u>1,623,041</u>	<u>1,766,146</u>	<u>836,982</u>
OPERATING EXPENSES			
Operation and maintenance	1,755,753	1,939,178	929,226
Depreciation	<u>1,509,335</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>3,265,088</u>	<u>1,939,178</u>	<u>929,226</u>
Operating Income (Loss)	<u>(1,642,047)</u>	<u>(173,032)</u>	<u>(92,244)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	32,561	15,584	208,097
Interest expense	-	-	(102,977)
Gain on the sale of fixed assets	201,707	-	-
Loss on investment in CVMIC	-	-	(11,224)
Sale of city property	2,937	-	-
Other	<u>-</u>	<u>8,837</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>237,205</u>	<u>24,421</u>	<u>93,896</u>
Income (Loss) Before Operating Transfers	(1,404,842)	(148,611)	1,652
Operating Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS	(1,404,842)	(148,611)	1,652
Depreciation Charged to Contributed Capital	<u>581,717</u>	<u>-</u>	<u>-</u>
Net Additions (Deductions) to Retained Earnings	(823,125)	(148,611)	1,652
RETAINED EARNINGS, Beginning	3,713,715	335,788	3,415,032
Residual Equity Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>
RETAINED EARNINGS, ENDING	<u>\$ 2,890,590</u>	<u>\$ 187,177</u>	<u>\$ 3,416,684</u>

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - INTERNAL SERVICE FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

Total All Funds	
2001	2000
\$ 3,963,549	\$ 3,958,976
262,620	257,223
4,226,169	4,216,199
4,624,157	4,355,638
1,509,335	1,464,842
6,133,492	5,820,480
(1,907,323)	(1,604,281)
256,242	340,251
(102,977)	(114,446)
201,707	174,666
(11,224)	(8,210)
2,937	17,310
8,837	-
355,522	409,571
(1,551,801)	(1,194,710)
-	(475,000)
(1,551,801)	(1,669,710)
581,717	570,618
(970,084)	(1,099,092)
7,464,535	12,239,687
-	(3,676,060)
\$ 6,494,451	\$ 7,464,535

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	<u>Central Equipment Agency</u>	<u>Central Building Maintenance</u>	<u>Insurance</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,642,047)	\$ (173,032)	\$ (92,244)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Non-operating income	-	8,837	-
Depreciation expense	1,509,335	-	-
Changes in Assets and Liabilities			
Accounts receivable - other	(2,244)	-	-
Due from other governments	-	5,104	-
Prepaid items	-	-	15,694
Inventories	(5,744)	-	-
Accounts payable	(8,084)	(12,826)	(10,463)
Compensated absences	8,353	4,152	896
Other accrued liabilities	(9,985)	6,064	(110)
Claims payable	-	-	111,000
Net Cash Provided by Operating Activities	<u>(150,416)</u>	<u>(161,701)</u>	<u>24,773</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Principal paid on note payable	-	-	(141,157)
Interest paid on note payable	-	-	(105,906)
Operating transfer out	-	-	-
Net Cash Provided by (Used For) Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>(247,063)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Residual equity transfer out	-	-	-
Proceeds from sale of city property	216,460	-	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>216,460</u>	<u>-</u>	<u>-</u>
CASH PROVIDED BY INVESTING ACTIVITIES			
Investment income	32,561	15,584	208,097
Net Increase in Cash and Cash Equivalents	98,605	(146,117)	(14,193)
CASH AND CASH EQUIVALENTS, Beginning	<u>550,948</u>	<u>516,947</u>	<u>3,632,447</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 649,553</u>	<u>\$ 370,830</u>	<u>\$ 3,618,254</u>

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

Total All Funds	
<u>2001</u>	<u>2000</u>
\$ (1,907,323)	\$ (1,604,281)
8,837	-
1,509,335	1,464,842
(2,244)	(1,900)
5,104	(5,428)
15,694	(62,775)
(5,744)	(13,364)
(31,373)	18,384
13,401	(25,672)
(4,031)	(19,969)
<u>111,000</u>	<u>203,946</u>
<u>(287,344)</u>	<u>(46,217)</u>
(141,157)	(130,063)
(105,906)	(114,446)
<u>-</u>	<u>(475,000)</u>
<u>(247,063)</u>	<u>(719,509)</u>
-	(3,676,060)
<u>216,460</u>	<u>347,460</u>
<u>216,460</u>	<u>(3,328,600)</u>
<u>256,242</u>	<u>340,251</u>
(61,705)	(3,754,075)
<u>4,700,342</u>	<u>8,454,417</u>
<u>\$ 4,638,637</u>	<u>\$ 4,700,342</u>

(continued)

CITY OF APPLETON

COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS (cont.)
Year Ended December 31, 2001
(With Comparative Totals for the Year Ended December 31, 2000)

NONCASH ACTIVITIES

During 2001, the Central Equipment Agency fund accepted ownership of \$1,723,668 of fixed assets contributed by various funds of the City.

During 2001, there was a decrease of \$11,224 in what CVMIC owes the City which resulted in a loss on the investment in the Insurance fund.

FIDUCIARY FUNDS

Trust and agency funds are used to account for assets held on behalf of outside parties, including other governments or on behalf of other funds within the City. When these assets are held under the terms of a formal trust agreement, either a nonexpendable trust fund or an expendable trust fund is used. The terms “nonexpendable” and “expendable” refer to whether or not the government is under an obligation to maintain the trust principal. Nonexpendable trust funds are accounted for in essentially the same manner as proprietary funds, since capital maintenance is critical. Expendable trust funds are accounted for in essentially the same manner as governmental funds.

Agency funds generally are used to account for assets that the City holds on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NONEXPENDABLE TRUST FUND

FRANK P. YOUNG MEMORIAL

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

EXPENDABLE TRUST FUNDS

TUCHSCHERER DISABILITY

To account for monies received by the City in an employee disability settlement and the corresponding expenditures for such purposes.

PEABODY ESTATE

To account for monies received from a private donation to finance the repair, construction and preservation of Peabody Park and the corresponding expenditures for such purpose.

BALLIET LOCOMOTIVE

To account for monies provided by private donations to finance the maintenance of a steam engine located at Telulah Park and the corresponding expenditures for such purpose.

LUTZ PARK RECREATIONAL

To account for monies received from a private donation to finance the construction and preservation of recreational facilities of Lutz Park and the corresponding expenditures for such purpose.

FIDUCIARY FUNDS

EXPENDABLE TRUST FUNDS

PARK PURPOSE OPEN SPACE

To account for monies received from subdivision developers to finance future acquisition of park facilities and the corresponding expenditures for park purposes.

UNION SPRING PARK

To account for monies received from private donations to finance the maintenance of the well at Union Spring Park.

AGENCY FUND

TAX COLLECTING

To account for the City's collection of property taxes and the corresponding liability to other funds and governmental units.

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL FIDUCIARY FUNDS

December 31, 2001

(With Comparative Totals for December 31, 2000)

	Non- expendable Trust Fund	Expendable Trust Funds		
	Frank P. Young Memorial	Tuch- scherer Disability	Peabody Estate	Balliet Locomotive
ASSETS				
Cash and investments	\$ 15,268	\$ 94,782	\$ 78,128	\$ 8,034
Receivables				
Property taxes	-	-	-	-
Developer loans	-	-	-	-
Accrued interest	155	-	-	-
	<u>155</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 15,423</u>	<u>\$ 94,782</u>	<u>\$ 78,128</u>	<u>\$ 8,034</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Due to other taxing authorities	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to component unit	-	-	-	-
Deferred revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Reserved for trust purposes	<u>15,423</u>	<u>94,782</u>	<u>78,128</u>	<u>8,034</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 15,423</u>	<u>\$ 94,782</u>	<u>\$ 78,128</u>	<u>\$ 8,034</u>

CITY OF APPLETON

COMBINING BALANCE SHEET - ALL FIDUCIARY FUNDS

December 31, 2001

(With Comparative Totals for December 31, 2000)

<u>Expendable Trust Funds</u>			<u>Agency Fund</u>	<u>Total All Funds</u>	
<u>Lutz Park</u>	<u>Park Purpose Open Space</u>	<u>Union Spring Park</u>	<u>Tax Collecting</u>	<u>2001</u>	<u>2000</u>
\$ 640,969	\$ 226,891	\$ 3,333	\$ 36,706,424	\$ 37,773,829	\$ 30,217,588
-	-	-	13,410,617	13,410,617	17,058,326
-	23,168	-	-	23,168	25,569
-	-	-	-	155	157
<u>\$ 640,969</u>	<u>\$ 250,059</u>	<u>\$ 3,333</u>	<u>\$ 50,117,041</u>	<u>\$ 51,207,769</u>	<u>\$ 47,301,640</u>
\$ -	\$ -	\$ -	\$ 49,707,041	\$ 49,707,041	\$ 46,123,159
-	-	-	300,743	300,743	289,191
-	-	-	109,257	109,257	-
-	25,168	-	-	25,168	26,368
-	25,168	-	50,117,041	50,142,209	46,438,718
640,969	224,891	3,333	-	1,065,560	862,922
<u>\$ 640,969</u>	<u>\$ 250,059</u>	<u>\$ 3,333</u>	<u>\$ 50,117,041</u>	<u>\$ 51,207,769</u>	<u>\$ 47,301,640</u>

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL EXPENDABLE TRUST FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

	Tuch- scherer Disability	Peabody Estate	Balliet Locomotive
REVENUES			
Investment income	\$ 5,626	\$ 4,498	\$ 432
Charges for services	-	-	-
Total Revenues	5,626	4,498	432
EXPENDITURES			
General government	6,392	-	122
Total Expenditures	6,392	-	122
Excess (Deficiency) of Revenues Over Expenditures	(766)	4,498	310
FUND BALANCES, Beginning	95,548	73,630	7,724
FUND BALANCES, ENDING	\$ 94,782	\$ 78,128	\$ 8,034

CITY OF APPLETON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL EXPENDABLE TRUST FUNDS

Year Ended December 31, 2001

(With Comparative Totals for the Year Ended December 31, 2000)

Lutz Park	Park Purpose Open Space	Union Spring Park	Totals	
			2001	2000
\$ 36,960	\$ 11,053	\$ 165	\$ 58,734	\$ 61,737
-	73,933	-	73,933	18,271
36,960	84,986	165	132,667	80,008
-	-	136	6,650	6,391
-	-	136	6,650	6,391
36,960	84,986	29	126,017	73,617
604,009	139,905	3,304	924,120	850,503
\$ 640,969	\$ 224,891	\$ 3,333	\$ 1,050,137	\$ 924,120

CITY OF APPLETON

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND For the Year Ended December 31, 2001

	<u>Balance</u> <u>1-1-01</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>12-31-01</u>
TAX COLLECTING				
Assets				
Cash and investments	\$ 31,599,080	\$ 36,706,424	\$ 31,599,080	\$ 36,706,424
Property taxes receivable	<u>17,702,533</u>	<u>13,410,617</u>	<u>17,702,533</u>	<u>13,410,617</u>
TOTAL ASSETS	<u>\$ 49,301,613</u>	<u>\$ 50,117,041</u>	<u>\$ 49,301,613</u>	<u>\$ 50,117,041</u>
Liabilities				
Due to other taxing authorities	\$ 48,927,258	\$ 49,707,041	\$ 48,927,258	\$ 49,707,041
Due to other funds	374,355	300,743	374,355	300,743
Due to component unit	<u>-</u>	<u>109,257</u>	<u>-</u>	<u>109,257</u>
TOTAL LIABILITIES	<u>\$ 49,301,613</u>	<u>\$ 50,117,041</u>	<u>\$ 49,301,613</u>	<u>\$ 50,117,041</u>

ACCOUNT GROUPS

Account groups are used to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Account groups are concerned with the measurement of financial position and not with the measurement of results of operations. Account groups are not funds, but are self-balancing.

GENERAL FIXED ASSETS

To account for fixed assets not used in proprietary fund operations or accounted for in trust funds.

GENERAL LONG-TERM DEBT

To account for all general obligation indebtedness and other long-term obligations of the City except as recorded in proprietary funds. Payments on general obligation indebtedness are made from the debt service funds.

CITY OF APPLETON

SCHEDULE OF GENERAL FIXED ASSETS BY SOURCES December 31, 2001

GENERAL FIXED ASSETS	
Land	\$ 19,904,999
Buildings	29,367,426
Improvements	5,203,313
Equipment, furniture and fixtures	<u>4,179,168</u>
 TOTAL	 <u>\$ 58,654,906</u>
 INVESTMENT IN GENERAL FIXED ASSETS FROM	
General fund revenues	\$ 19,726,733
General obligation debt	37,487,544
Federal and state grants	491,749
Donations and gifts	<u>948,880</u>
 TOTAL	 <u>\$ 58,654,906</u>

CITY OF APPLETON

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY As of December 31, 2001

	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improve- ments</u>	<u>Equipment, Furniture and Fixtures</u>
GENERAL GOVERNMENT					
City clerk	\$ 171,350	\$ -	\$ -	\$ -	\$ 171,350
Assessor	10,000	-	-	-	10,000
Council	54,400	-	-	-	54,400
Information services	572,580	-	-	-	572,580
City center	3,923,619	-	3,616,617	307,002	-
Transit center	113,603	-	113,603	-	-
Engineering	1,325,644	1,227,105	-	-	98,539
Total General Government	<u>6,171,196</u>	<u>1,227,105</u>	<u>3,730,220</u>	<u>307,002</u>	<u>906,869</u>
POLICE	3,401,369	306,000	2,562,300	199,802	333,267
FIRE	5,291,196	285,177	4,078,230	125,897	801,892
ECONOMIC DEVELOPMENT	12,327,628	12,304,689	-	22,939	-
HEALTH	12,000	-	-	-	12,000
PUBLIC WORKS	7,092,135	225,200	6,778,432	78,296	10,207
PARKS AND RECREATION	19,120,412	5,376,828	9,026,989	2,850,581	1,866,014
LIBRARY	<u>5,238,970</u>	<u>180,000</u>	<u>3,191,255</u>	<u>1,618,796</u>	<u>248,919</u>
TOTAL GENERAL FIXED ASSETS	<u>\$ 58,654,906</u>	<u>\$ 19,904,999</u>	<u>\$ 29,367,426</u>	<u>\$ 5,203,313</u>	<u>\$ 4,179,168</u>

CITY OF APPLETON

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY As of December 31, 2001

	Balance January 1, 2001	Additions	Deletions	Adjustments	Balance December 31, 2001
GENERAL GOVERNMENT					
City clerk	\$ 171,350	\$ -	\$ -	\$ -	\$ 171,350
Assessor	10,000	-	-	-	10,000
Council	54,400	-	-	-	54,400
Information services	445,621	126,959	-	-	572,580
City center	3,923,619	-	-	-	3,923,619
Transit center	113,603	-	-	-	113,603
Engineering	416,097	56,437	12,940	866,050	1,325,644
Total General Government	5,134,690	183,396	12,940	866,050	6,171,196
POLICE	3,372,480	28,889	-	-	3,401,369
FIRE	3,643,431	1,647,765	-	-	5,291,196
ECONOMIC DEVELOPMENT	10,754,327	2,918,762	416,411	(929,050)	12,327,628
HEALTH	12,000	-	-	-	12,000
PUBLIC WORKS	6,832,187	259,948	-	-	7,092,135
PARKS AND RECREATION	18,348,244	709,168	-	63,000	19,120,412
LIBRARY	5,228,370	10,600	-	-	5,238,970
TOTAL GENERAL FIXED ASSETS	<u>\$ 53,325,729</u>	<u>\$ 5,758,528</u>	<u>\$ 429,351</u>	<u>\$ -</u>	<u>\$ 58,654,906</u>

CITY OF APPLETON

SCHEDULE OF GENERAL OBLIGATION LONG-TERM DEBT December 31, 2001

	<u>Issue Date</u>
GENERAL OBLIGATIONS BONDS	
General Obligation Refunding Bonds, Series 1991	October 1, 1991
General Obligation Bonds, Series 1993A	August 1, 1993
General Obligation Refunding Bonds, Series 1998A	July 1, 1998
Total General Obligation Bonds	
GENERAL OBLIGATION AND PROMISSORY NOTES	
General Obligation Notes, Series 1992B	November 1, 1992
General Obligation Notes, Series 1994A	October 1, 1994
General Obligation Notes, Series 1995A	September 20, 1995
General Obligation Notes, Series 1996A	August 1, 1996
General Obligation Notes, Series 1997A	September 1, 1997
1997 State Trust Fund Loan	December 17, 1997
General Obligation Notes, Series 1998B	July 1, 1998
General Obligation Notes, Series 1999A	July 15, 1999
General Obligation Notes, Series 1999B	July 15, 1999
General Obligation Notes, Series 2000A	August 3, 2000
General Obligation Notes, Series 2001A	August 3, 2000
General Obligation Notes, Series 2001B	August 3, 2000
2001 State Trust Fund Loan	August 3, 2000
Total General Obligation and Promissory Notes	
TOTAL GENERAL OBLIGATION LONG-TERM DEBT	

CITY OF APPLETON

SCHEDULE OF GENERAL OBLIGATION LONG-TERM DEBT December 31, 2001

Rate %	Maturity Date	Original Principal	Payments Through December 31, 2001	Balance December 31, 2001
8.30 to 8.70	April 1, 2007	2,020,950	865,685	1,155,265
5.30 to 5.60	April 1, 2013	7,200,000	4,315,000	2,885,000
4.25 to 4.75	April 1, 2013	9,570,000	-	8,000,000
		<u>18,790,950</u>	<u>5,180,685</u>	<u>12,040,265</u>
5.60	April 1, 2002	7,000,000	6,875,000	125,000
5.00	April 1, 2002	10,525,000	9,430,000	1,095,000
4.35	April 1, 2002	3,400,000	2,810,000	590,000
4.95 to 5.05	April 1, 2006	5,110,000	1,625,000	3,485,000
4.625	April 1, 2007	9,340,000	1,955,000	7,385,000
5.75	March 15, 2007	750,000	202,292	547,708
4.10 to 4.50	April 1, 2008	9,460,000	1,790,000	7,670,000
4.30 to 4.90	April 1, 2009	2,225,000	1,255,000	970,000
6.50 to 6.60	April 1, 2009	2,555,000	-	2,555,000
4.875 to 5.00	April 1, 2010	10,465,000	405,000	10,060,000
4.00 to 4.40	April 1, 2011	4,070,000	-	4,070,000
6.00	April 1, 2011	3,270,000	-	3,270,000
5.00	March 15, 2011	2,483,639	-	2,483,639
		<u>70,653,639</u>	<u>26,347,292</u>	<u>44,306,347</u>
		<u>\$ 89,444,589</u>	<u>\$ 31,527,977</u>	<u>\$ 56,346,612</u>

(continued)

CITY OF APPLETON

SCHEDULE OF GENERAL OBLIGATION LONG-TERM DEBT (cont.)

December 31, 2001

**RESOURCES TO BE PROVIDED FOR RETIREMENT
OF GENERAL OBLIGATION LONG-TERM DEBT**

Debt service fund	\$	49,281,347
Water utility enterprise fund		1,980,000
Wastewater utility enterprise fund		145,000
Stormwater utility enterprise fund		3,185,000
Reid municipal golf course enterprise fund		600,000
Insurance internal service fund		<u>1,155,265</u>
TOTAL RESOURCES TO BE PROVIDED	\$	<u>56,346,612</u>

STATISTICAL SECTION

**TABLE 1
CITY OF APPLETON
GENERAL GOVERNMENT EXPENDITURES BY FUNCTION (A)**

Last Ten Fiscal Years

Calendar Year	General Government	Public Safety	Public Works	Education & Recreation	Community Development	Debt Service (B)	Total
1992	\$ 3,890,149	\$ 12,731,685	\$ 11,608,224	\$ 4,891,970	\$ 436,693	\$ 5,760,052 (C)	\$ 39,318,773
1993	3,907,406	14,376,871	10,255,628	5,262,009	458,144	7,701,345 (C)	41,961,403
1994	4,208,894	14,260,133	10,017,194	5,479,863	1,155,516	7,391,949	42,513,549
1995	4,936,074	14,880,185	9,129,325	6,022,153	1,292,180	8,377,968	44,637,885
1996	4,952,579	15,315,239	10,371,193	5,940,141	1,242,758	7,979,585	45,801,495
1997	10,386,308	16,103,995	9,433,063	6,138,971	1,234,584	8,468,455	51,765,376
1998	7,691,529	16,676,120	9,475,868	6,371,833	1,415,391	9,748,649	51,379,390
1999	5,468,290	17,510,000	9,666,953	6,617,874	1,445,260	10,275,415	50,983,792
2000	5,512,101	18,533,332	9,437,619	7,189,058	1,536,953	8,092,524	50,301,587
2001	5,598,662	20,180,181	9,899,220	7,820,153	1,599,140	8,542,516	53,639,872

(A) This table includes the General Fund and Debt Service Fund. It excludes all other Special Revenue, Capital Projects, Proprietary and Fiduciary Funds.

(B) Includes only city and tax increment district portions of debt service.

(C) Excludes principal defeased with the 1992 advance refunding issue (\$3,513,577) and principal defeased with the 1993 refunding issue (\$4,967,508).

**TABLE 2
CITY OF APPLETON
GENERAL GOVERNMENTAL REVENUES BY SOURCE (A)**

Last Ten Fiscal Years

<u>Calendar Year</u>	<u>Taxes (B)</u>	<u>Intergov. Revenue (C)</u>	<u>Licenses & Permits</u>	<u>Fines & Forfeitures</u>	<u>Special Assessments</u>	<u>Charges For Services</u>	<u>Investment Income</u>	<u>Other Revenue</u>	<u>Total Revenue</u>
1992	\$ 20,940,732	\$ 13,048,467	\$ 533,362	\$ 423,654	\$ 1,895,824	\$ 1,449,869	\$ 1,585,143	\$ 491,919	\$ 40,368,970
1993	20,972,301	13,823,049	488,862	376,348	2,149,875	1,314,741	1,314,790	1,396,031	41,835,997
1994	21,381,823	14,415,747	776,712	488,133	1,817,843	1,066,313	1,825,090	951,450	42,723,111
1995	22,737,385	15,312,463	561,655	472,838	1,666,531	1,380,257	2,289,359	1,081,969	45,502,457
1996	21,975,566	15,744,109	640,493	448,930	1,912,440	1,193,732	2,182,772	1,599,231	45,697,273
1997	22,649,843	15,891,281	682,340	473,981	1,577,204	1,218,514	2,183,701	744,006	45,420,870
1998	22,550,293	16,332,801	732,758	449,152	1,821,983	1,404,901	2,298,918	819,012	46,409,818
1999	22,879,309	16,439,614	702,779	417,360	1,518,742	1,307,944	1,398,515	929,026	45,593,289
2000	21,726,818	17,753,544	750,035	444,667	841,833	1,374,275	2,433,642	762,760	46,087,574
2001	23,896,753	17,989,613	791,011	550,333	1,711,955	1,629,233	1,970,511	1,218,381	49,757,790

(A) This table includes the General Fund and Debt Service Fund. It excludes all other Special Revenue, Capital Projects, Proprietary and Fiduciary Funds.

(B) Includes property taxes, payments in lieu of taxes, occupation and room taxes.

(C) Includes state shared revenues, state highway aids and miscellaneous Federal, State and County Aids.

**TABLE 3
CITY OF APPLETON
PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Fiscal Years

Collection Year	Total Tax Levy	Collections Prior to Transfer of Roll on August 1	Percent of Levy Collected	Total Tax Collections as of December 31	Total Collections as Percent of Current Levy	Outstanding Delinquent Taxes (A)	Outstanding Delinquent Taxes as Percent of Current Levy
1992	\$ 20,881,629	\$ 20,528,729	98.31 %	\$ 20,881,629	100.00 %	\$ -	-
1993	22,214,537	21,927,969	98.71	22,214,537	100.00	-	-
1994	23,278,201	22,994,207	98.78	23,278,201	100.00	-	-
1995	24,756,200	24,159,576	97.59	24,756,200	100.00	-	-
1996	24,442,463	24,114,934	98.66	24,442,463	100.00	-	-
1997	25,030,908	24,730,537	98.80	25,030,908	100.00	-	-
1998	24,986,883	24,714,526	98.91	24,986,883	100.00	-	-
1999	25,158,220	24,806,005	98.60	25,158,220	100.00	-	-
2000	24,765,055	24,440,110	98.69	24,765,055	100.00	-	-
2001	26,257,639	25,892,728	98.61	26,257,639	100.00	-	-

(A) The amount of uncollected taxes represents only the current year delinquent personal property taxes. The city must obtain a judgment against the taxpayer with respect to such delinquent personal property taxes. Beginning with the 1990 collection year, all delinquent personal property taxes are charged back to overlapping jurisdictions.

**TABLE 4
CITY OF APPLETON
ASSESSED AND EQUALIZED VALUE OF TAXABLE PROPERTY**

Last Ten Fiscal Years

Levy Year	Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Assessed to Total Equalized Value
		Assessed Value (A)	Equalized Value (B)	Assessed Value (A)	Equalized Value (B)	Assessed Value (A)	Equalized Value (B)	
1992	1993	\$ 1,672,774,500	\$ 1,940,401,400	\$ 105,579,380	\$ 122,162,800	\$ 1,778,353,880	\$ 2,062,564,200	0.8671
1993	1994	1,774,887,500	2,054,877,500	110,303,420	118,706,100	1,885,190,920	2,173,583,600	0.8673
1994	1995	1,874,988,500	2,177,376,000	112,006,500	130,554,400	1,986,995,000	2,307,930,400	0.8609
1995	1996	2,307,039,500	2,328,843,200	140,304,599	131,477,200	2,447,344,099	2,460,320,400	0.9947
1996	1997	2,402,345,500	2,434,232,700	140,395,290	139,529,500	2,542,740,790	2,573,762,200	0.9879
1997	1998	2,456,917,300	2,560,163,000	148,215,360	150,436,200	2,605,132,660	2,710,599,200	0.9611
1998	1999	2,653,996,900	2,661,721,100	152,032,100	149,210,600	2,806,029,000	2,810,931,700	0.9983
1999	2000	2,717,953,000	2,799,514,000	122,100,880	123,251,600	2,840,053,880	2,922,765,600	0.9717
2000	2001	2,837,770,700	2,951,411,600	123,588,300	133,735,400	2,961,359,000	3,085,147,000	0.9599
2001	2002	2,936,712,900	3,132,997,400	126,098,150	124,176,400	3,062,811,050	3,257,173,800	0.9403

(A) Assessed values are established by the City Assessor on all property except manufacturing property as of January 1 of each year.

The Wisconsin Department of Revenue determines manufacturing property assessed values as of January 1 of each year.

(B) Equalized values are determined by the Wisconsin Department of Revenue.

**TABLE 5
CITY OF APPLETON
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**

Last Ten Fiscal Years

OUTAGAMIE COUNTY/APPLETON AREA SCHOOL DISTRICT/APPLETON UTILITIES

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Appleton School District	FVTC	Outagamie County	Appleton Utilities (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	\$ 12.83	\$ 20.33	\$ 2.02	\$ 6.51	\$ -	\$ 0.23	\$ 41.92	\$ 2.21	\$ 39.71
1993	1994	12.60	20.24	1.96	6.29	-	0.23	41.32	2.11	39.21
1994	1995	12.77	18.26	1.92	6.03	-	0.23	39.21	2.02	37.19
1995	1996	10.28	14.49	1.65	4.98	-	0.20	31.60	1.60	30.00
1996	1997	10.15	10.03	1.71	4.87	-	0.20	26.96	2.21	24.75
1997	1998	9.92	9.57	1.76	4.91	-	0.21	26.37	1.99	24.38
1998	1999	9.29	10.36	1.82	4.69	-	0.20	26.36	1.70	24.66
1999	2000	9.06	10.07	1.87	4.76	-	0.21	25.97	1.60	24.37
2000	2001	9.25	10.12	1.94	5.03	-	0.21	26.55	1.54	25.01
2001	2002	9.44	9.52	2.01	5.36	-	0.21	26.54	1.52	25.02

OUTAGAMIE COUNTY/APPLETON AREA SCHOOL DISTRICT/SANITARY DISTRICT #1

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Appleton School District	FVTC	Outagamie County	Sanitary District #1 (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	12.83	20.33	2.02	6.51	-	0.23	41.92	2.21	39.71
1993	1994	12.60	20.24	1.96	6.29	-	0.23	41.32	2.11	39.21
1994	1995	12.77	18.26	1.92	6.03	-	0.23	39.21	2.02	37.19
1995	1996	10.28	14.49	1.65	4.98	0.24	0.20	31.84	1.60	30.24
1996	1997	10.15	10.03	1.71	4.87	0.26	0.20	27.22	2.21	25.01
1997	1998	9.92	9.57	1.76	4.91	0.24	0.21	26.61	1.99	24.62
1998	1999	9.29	10.36	1.82	4.69	0.21	0.20	26.57	1.70	24.87
1999	2000	9.06	10.07	1.87	4.76	-	0.21	25.97	1.60	24.37
2000	2001	9.25	10.12	1.94	5.03	-	0.21	26.55	1.54	25.01
2001	2002	9.44	9.52	2.01	5.36	-	0.21	26.54	1.52	25.02

(Continued)

**TABLE 5
CITY OF APPLETON
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Continued)**

Last Ten Fiscal Years

OUTAGAMIE COUNTY/MENASHA JOINT SCHOOL DISTRICT/SANITARY DISTRICT #4

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Menasha School District	FVTC	Outagamie County	Sanitary District #4 (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1993	1994	-	-	-	-	-	-	-	-	-
1994	1995	-	-	-	-	-	-	-	-	-
1995	1996	-	-	-	-	-	-	-	-	-
1996	1997	-	-	-	-	-	-	-	-	-
1997	1998	9.93	10.04	1.76	4.91	1.30	0.21	28.15	1.99	26.16
1998	1999	9.29	5.98	1.82	4.69	1.62	0.20	23.60	1.70	21.90
1999	2000	9.06	9.48	1.87	4.76	-	0.21	25.38	1.60	23.78
2000	2001	9.25	9.79	1.94	5.03	-	0.21	26.22	1.54	24.68
2001	2002	9.44	10.27	2.01	5.36	-	0.21	27.29	1.52	25.77

Note: 1997 Levy Year is the first year, Outagamie County had property apportioned as within Menasha School District and Sanitary District #4.

CALUMET COUNTY/APPLETON AREA SCHOOL DISTRICT/APPLETON UTILITIES

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Appleton School District	FVTC	Calumet County	Appleton Utilities (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	\$ 12.30	\$ 19.49	\$ 1.93	\$ 5.95	\$ -	\$ 0.22	\$ 39.89	\$ 2.05	\$ 37.84
1993	1994	12.47	20.04	1.94	5.59	-	0.23	40.27	1.90	38.37
1994	1995	12.62	18.05	1.90	6.71	-	0.23	39.51	1.84	37.67
1995	1996	9.79	13.79	1.57	4.96	-	0.19	30.30	1.47	28.83
1996	1997	9.96	9.84	1.67	4.79	-	0.20	26.46	2.07	24.39
1997	1998	9.72	9.37	1.73	4.72	-	0.20	25.74	1.95	23.79
1998	1999	9.21	10.30	1.80	4.38	-	0.20	25.89	1.73	24.16
1999	2000	8.90	9.89	1.83	4.31	-	0.20	25.13	1.65	23.48
2000	2001	9.03	9.87	1.89	4.47	-	0.20	25.46	1.60	23.86
2001	2002	9.28	9.36	1.98	5.02	-	0.21	25.85	1.49	24.36

**TABLE 5
CITY OF APPLETON
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Continued)**

Last Ten Fiscal Years

CALUMET COUNTY/APPLETON AREA SCHOOL DISTRICT/WAVERLY SANITARY DISTRICT

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Appleton School District	FVTC	Calumet County	Waverly Sanitary District (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	\$ 12.30	\$ 19.49	\$ 1.93	\$ 5.95	\$ -	\$ 0.22	\$ 39.89	\$ 2.05	\$ 37.84
1993	1994	12.47	20.04	1.94	5.59	-	0.23	40.27	1.90	38.37
1994	1995	12.62	18.05	1.90	6.71	-	0.23	39.51	1.84	37.67
1995	1996	9.79	13.79	1.57	4.96	1.93	0.19	30.30	1.47	30.76
1996	1997	9.96	9.84	1.67	4.79	4.23	0.20	30.69	2.07	28.62
1997	1998	9.72	9.37	1.73	4.72	4.30	0.20	30.04	1.95	28.09
1998	1999	9.21	10.30	1.80	4.38	4.09	0.20	29.98	1.73	28.25
1999	2000	8.90	9.89	1.83	4.31	-	0.20	25.13	1.65	23.48
2000	2001	9.03	9.87	1.89	4.47	-	0.20	25.46	1.60	23.86
2001	2002	9.28	9.36	1.98	5.02	-	0.21	25.85	1.49	24.36

CALUMET COUNTY/KIMBERLY AREA SCHOOL DISTRICT/APPLETON UTILITIES

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Kimberly School District	FVTC	Calumet County	Appleton Utilities (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	\$ 12.30	\$ 20.85	\$ 1.93	\$ 5.95	\$ -	\$ 0.22	\$ 41.25	\$ 2.05	\$ 39.20
1993	1994	12.47	20.29	1.94	5.59	-	0.23	40.52	1.90	38.62
1994	1995	12.62	18.28	1.90	6.71	-	0.23	39.74	1.84	37.90
1995	1996	9.79	12.78	1.57	4.96	-	0.19	29.29	1.47	27.82
1996	1997	9.96	11.17	1.67	4.79	-	0.20	27.79	2.07	25.72
1997	1998	9.72	10.62	1.73	4.72	-	0.20	26.99	1.95	25.04
1998	1999	9.21	7.83	1.80	4.38	-	0.20	23.42	1.73	21.69
1999	2000	8.90	11.88	1.83	4.31	-	0.20	27.12	1.65	25.47
2000	2001	9.03	11.12	1.89	4.47	-	0.20	26.71	1.60	25.11
2001	2002	9.28	10.75	1.98	5.02	-	0.21	27.24	1.49	25.75

(Continued)

**TABLE 5
CITY OF APPLETON
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Continued)**

Last Ten Fiscal Years

WINNEBAGO COUNTY/APPLETON AREA SCHOOL DISTRICT/APPLETON UTILITIES

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Appleton School District	FVTC	Winnebago County	Appleton Utilities (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1993	1994	-	-	-	-	-	-	-	-	-
1994	1995	-	-	-	-	-	-	-	-	-
1995	1996	-	-	-	-	-	-	-	-	-
1996	1997	-	-	-	-	-	-	-	-	-
1997	1998	-	-	-	-	-	-	-	-	-
1998	1999	9.47	10.21	1.85	5.05	-	0.20	26.78	1.87	24.91
1999	2000	9.19	10.22	1.89	5.18	-	0.21	26.69	1.83	24.86
2000	2001	9.29	10.16	1.95	5.28	-	0.21	26.89	1.59	25.30
2001	2002	9.29	9.37	1.98	5.64	-	0.21	26.49	1.62	24.87

Note: 1998 Levy Year is the first year Winnebago County had property apportioned within the Appleton School and Appleton Utility Districts.

WINNEBAGO COUNTY/APPLETON AREA SCHOOL DISTRICT/SANITARY DISTRICT #4

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Appleton School District	FVTC	Winnebago County	Sanitary District #4 (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	\$ 11.98	\$ 18.99	\$ 1.88	\$ 5.60	\$ 0.89	\$ 0.22	\$ 39.64	\$ 1.94	\$ 37.70
1993	1994	12.21	19.62	1.90	5.60	1.46	0.22	41.01	1.90	39.11
1994	1995	12.61	18.03	1.90	5.70	1.49	0.23	39.96	1.94	38.02
1995	1996	11.06	15.22	1.77	5.15	1.31	0.22	34.73	1.85	32.88
1996	1997	9.78	9.68	1.64	4.63	1.15	0.20	27.08	2.29	24.79
1997	1998	9.66	9.31	1.71	4.83	1.27	0.20	26.98	2.09	24.89
1998	1999	9.47	10.21	1.85	5.05	1.65	0.20	28.43	1.87	26.56
1999	2000	9.19	10.22	1.89	5.18	-	0.21	26.69	1.83	24.86
2000	2001	9.29	10.16	1.95	5.28	-	0.21	26.89	1.59	25.30
2001	2002	9.29	9.37	1.98	5.64	-	0.21	26.49	1.62	24.87

(Continued)

**TABLE 5
CITY OF APPLETON
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Continued)**

Last Ten Fiscal Years

WINNEBAGO COUNTY/MENASHA JOINT SCHOOL DISTRICT/APPLETON UTILITIES

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Menasha School District	FVTC	Winnebago County	Appleton Utilities (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1993	1994	-	-	-	-	-	-	-	-	-
1994	1995	-	-	-	-	-	-	-	-	-
1995	1996	-	-	-	-	-	-	-	-	-
1996	1997	-	-	-	-	-	-	-	-	-
1997	1998	-	-	-	-	-	-	-	-	-
1998	1999	9.47	9.67	1.85	5.05	-	0.20	26.24	1.87	24.37
1999	2000	9.19	9.62	1.89	5.18	-	0.21	26.09	1.83	24.26
2000	2001	9.29	9.84	1.95	5.28	-	0.21	26.57	1.59	24.98
2001	2002	9.29	10.11	1.98	5.64	-	0.21	27.23	1.62	25.61

Note: 1998 Levy Year is the first year Winnebago County had property apportioned within the Menasha School and Appleton Utility Districts.

WINNEBAGO COUNTY/MENASHA JOINT SCHOOL DISTRICT/SANITARY DISTRICT #4

Per \$1,000 of Assessed Value

Levy Year	Collection Year	City of Appleton	Menasha School District	FVTC	Winnebago County	Sanitary District #4 (1)	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
1992	1993	\$ 11.98	\$ 18.65	\$ 1.88	\$ 5.60	\$ 0.97	\$ 0.22	\$ 39.30	\$ 1.94	\$ 37.36
1993	1994	12.21	18.54	1.90	5.60	1.46	0.22	39.93	1.90	38.03
1994	1995	12.61	17.36	1.90	5.70	1.49	0.23	39.29	1.94	37.35
1995	1996	11.06	15.22	1.77	5.15	1.31	0.22	34.73	1.85	32.88
1996	1997	9.78	10.45	1.64	4.63	1.15	0.20	27.85	2.29	25.56
1997	1998	9.66	9.77	1.71	4.83	1.27	0.20	27.44	2.09	25.35
1998	1999	9.47	9.67	1.85	5.05	1.65	0.20	27.89	1.87	26.02
1999	2000	9.19	9.62	1.89	5.18	-	0.21	26.09	1.83	24.26
2000	2001	9.29	9.84	1.95	5.28	-	0.21	26.57	1.59	24.98
2001	2002	9.29	10.11	1.98	5.64	-	0.21	27.23	1.62	25.61

(1) Beginning in 1995, the tax levies for the township sanitary districts were included on the tax roll. There is no tax levy for properties within the Appleton Utility District. All costs are recovered through user fees.

**TABLE 6
CITY OF APPLETON
SPECIAL ASSESSMENT COLLECTIONS**

Last Ten Fiscal Years

OUTAGAMIE COUNTY

Collection Year	Assessments To Tax Roll	Assessments Collected to August 1	Percent Collected to August 1	Total Collected to December 31	Percent Collected to December 31	Cumulative Delinquent Assessments (A)
1992	\$ 676,469	\$ 646,827	95.62 %	\$ 676,469	100.00 %	\$ -
1993	697,376	675,166	96.82	697,376	100.00	-
1994	806,162	774,796	96.11	806,162	100.00	-
1995	851,439	816,414	98.89	851,439	100.00	-
1996	713,519	675,912	94.73	713,519	100.00	-
1997	792,829	749,197	94.50	792,829	100.00	-
1998	976,958	930,583	95.25	976,958	100.00	-
1999	1,021,677	967,920	94.74	1,021,677	100.00	-
2000	1,021,455	956,776	93.67	1,021,455	100.00	-
2001	912,495	856,184	93.83	912,495	100.00	-

CALUMET COUNTY

Collection Year	Assessments To Tax Roll	Assessments Collected to August 1	Percent Collected to August 1	Total Collected to December 31	Percent Collected to December 31	Cumulative Delinquent Assessments (A)
1992	\$ 359,652	\$ 278,419	77.42 %	\$ 334,108	92.90 %	\$ 104,321
1993	337,333	279,856	82.96	316,860	93.93	91,763
1994	248,217	229,924	92.63	243,923	98.27	24,113
1995	179,692	176,700	98.33	177,462	98.76	18,168
1996	155,853	153,191	98.29	154,401	99.07	17,490
1997	179,942	177,366	98.57	178,932	99.44	15,965
1998	277,293	272,619	98.31	275,687	99.42	12,722
1999	227,143	221,649	97.58	224,565	98.87	9,367
2000	217,897	212,102	97.34	214,312	98.35	9,539
2001	325,878	320,981	98.50	322,379	98.93	12,302

(Continued)

**TABLE 6
CITY OF APPLETON
SPECIAL ASSESSMENT COLLECTIONS (Continued)**

Last Ten Fiscal Years

WINNEBAGO COUNTY

Collection Year	Assessments To Tax Roll	Assessments Collected to August 1	Percent Collected to August 1	Total Collected to December 31	Percent Collected to December 31	Cumulative Delinquent Assessments (A)
1992	\$ 9,368	\$ 9,368	100.00 %	\$ 9,368	100.00 %	\$ -
1993	7,576	7,576	100.00	7,576	100.00	-
1994	685	685	100.00	685	100.00	-
1995	14,562	14,562	100.00	14,562	100.00	-
1996	39,465	37,643	95.38	39,465	100.00	-
1997	53,532	53,395	99.74	53,532	100.00	-
1998	75,218	67,700	90.01	75,218	100.00	-
1999	78,975	59,832	75.76	78,975	100.00	-
2000	55,136	36,784	66.72	55,136	100.00	-
2001	45,694	36,230	79.29	45,694	100.00	-

COMBINED

Collection Year	Assessments To Tax Roll	Assessments Collected to August 1	Percent Collected to August 1	Total Collected to December 31	Percent Collected to December 31	Cumulative Delinquent Assessments (A)
1992	\$ 1,045,489	\$ 934,614	89.39 %	\$ 1,019,945	97.56 %	\$ 104,321
1993	1,042,285	962,598	92.35	1,021,812	98.04	91,763
1994	1,055,064	1,005,405	95.29	1,050,770	99.59	24,113
1995	1,045,693	1,007,676	96.36	1,043,463	99.79	18,168
1996	908,837	866,746	95.37	907,385	99.84	17,490
1997	1,026,303	979,958	95.48	1,025,293	99.90	15,965
1998	1,329,469	1,270,902	95.59	1,327,863	99.88	12,722
1999	1,327,795	1,249,401	94.10	1,325,217	99.81	9,367
2000	1,294,488	1,205,662	93.14	1,290,903	99.72	9,539
2001	1,284,067	1,213,395	94.50	1,280,568	99.73	12,302

(A) Outagamie and Winnebago Counties pay the city for all uncollected special assessments. Calumet County does not reimburse for special assessments.

**TABLE 7
CITY OF APPLETON
RATIO OF OUTSTANDING GENERAL OBLIGATION DEBT TO
EQUALIZED VALUATION AND DEBT PER CAPITA**

Last Ten Fiscal Years

Fiscal Year	General Obligation Outstanding Debt (A)	General Equalized Valuation (B)	Percent of Debt to Equalized Valuation	Estimated Population (C)	Debt Per Capita
1992	\$ 31,241,826	\$ 2,062,564,200	1.51 %	66,658	\$ 468.69
1993	34,793,043	2,173,583,600	1.60	67,605	514.65
1994	50,416,595	2,307,930,400	2.18	68,187	739.39
1995	47,198,373	2,460,320,400	1.92	68,729	686.73
1996	43,725,593	2,573,762,200	1.70	69,279	631.15
1997	48,898,240	2,710,599,200	1.80	69,787	700.68
1998	51,253,389	2,810,931,700	1.82	69,607	736.33
1999	47,712,991	2,922,765,600	1.63	69,911	682.48
2000	51,338,488	3,085,147,000	1.66	70,167	731.66
2001	49,763,885	3,132,997,400	1.56	70,623	704.64

(A) Balances are shown net of amounts available for debt service.

(B) Equalized values set as of January 1 of the calendar year determined by the Wisconsin Department of Revenue.

(C) The population figures are Wisconsin Department of Administration estimates based on the 2000 United States Census Bureau figures.

**TABLE 8
CITY OF APPLETON
COMPUTATION OF LEGAL DEBT MARGIN**

December 31, 2001

Equalized Value of Real & Personal Property	<u>\$3,257,173,800</u>	
Outagamie County \$2,762,984,600		
Calumet County 440,596,700		
Winnebago County 53,592,500		
 Debt Limit, Five (5) percent of Equalized Valuation (Wisconsin Statutory Limitation)	 <u>\$162,858,690</u>	 100.00%
 Amount of Debt Applicable to Debt Limitation: Total General Obligation Bonds and Notes Outstanding at December 31, 2001	 \$56,346,612	
 Less: Assets in Government Fund Types Available for Debt Service	 <u>(6,582,727)</u>	
 Amount of Debt Applicable to Debt Limit	 <u>\$49,763,885</u>	 30.56%
 Remaining Legal Debt Margin	 <u>\$113,094,805</u>	 69.44%

**TABLE 9
CITY OF APPLETON
COMPUTATION OF DIRECT AND OVERLAPPING
GENERAL OBLIGATION DEBT**

December 31, 2001

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Appleton	Amount Applicable to City of Appleton
City of Appleton (A)	\$ 49,043,760	100.00 %	\$ 49,763,885
Appleton Area School District	45,673,951	65.00	29,688,068
Menasha Joint School District	20,525,000	4.03	827,158
Kimberly Area School District	30,505,000	1.07	326,404
Fox Valley Technical College	54,673,034	12.39	6,773,989
Outagamie County	25,754,992	31.98	8,236,446
Calumet County	2,719,108	22.09	600,651
Winnebago County	48,229,999	1.65	795,795
Total Direct And Overlapping Debt			<u><u>\$97,012,396</u></u>

(A) Debt is shown net of amounts available for debt service.

**TABLE 10
CITY OF APPLETON
PERCENT OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL OBLIGATION DEBT TO TOTAL GENERAL GOVERNMENT EXPENDITURES**

Last Ten Fiscal Years

Fiscal Year	Debt Service (A)			Total Expenditures (B)	Debt Service as Percent of Total General Expenditures
	Principal	Interest	Total		
1992	\$ 3,947,300	\$ 1,812,752	\$ 5,760,052	(C) \$ 39,318,773	14.65 %
1993	5,841,887	1,859,458	7,701,345	(C) 41,961,403	18.35
1994	5,525,193	1,866,756	7,391,949	42,513,549	17.40
1995	5,640,307	2,737,661	8,377,968	44,637,885	18.77
1996	5,369,323	2,610,262	7,979,585	45,801,495	17.42
1997	6,189,180	2,279,275	8,468,455	51,765,376	16.36
1998	7,431,570	2,317,079	9,748,649	51,379,390	18.97
1999	8,077,530	2,197,885	10,275,415	50,983,792	20.15
2000	6,131,943	1,960,581	8,092,524	50,301,587	16.09
2001	6,322,600	2,219,916	8,542,516	53,639,872	15.93

(A) Includes only city portion of debt service.

(B) Includes General Fund and Debt Service Fund.

(C) Includes payments to advance refunding escrow agent of \$176,519 in 1992 and \$194,639 in 1993.

**TABLE 11
CITY OF APPLETON
MORTGAGE REVENUE BOND COVERAGE - WATER UTILITY**

Last Ten Fiscal Years

Fiscal Year	Gross Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
1992	\$ 5,388,445	\$ 2,681,162	\$ 2,707,283	\$ 305,000	\$ 605,769	\$ 910,769	2.97
1993	5,420,276	2,872,395	2,547,881	320,000	587,915	907,915	2.81
1994	6,082,498	2,857,196	3,225,302	435,000	541,609	976,609	3.30
1995	6,182,237	3,100,641	3,081,596	445,000	517,295	962,295	3.20
1996	6,600,536	3,202,524	3,398,012	560,000	426,895	986,895	3.44
1997	6,582,205	3,228,125	3,354,080	560,000	426,895	986,895	3.40
1998	7,143,463	3,058,756	4,084,707	925,000	468,051	1,393,051	2.93
1999	9,158,787	3,293,504	5,865,283	925,000	468,051	1,393,051	4.21
2000	10,243,067	3,836,108	6,406,959	1,025,000	641,251	1,666,251	3.85
2001	11,775,980	4,609,232	7,166,748	3,495,000	2,323,600	5,818,600	1.23

(Continued)

(1) Includes total operating revenues and investment income.

(2) Includes total operating expenses, less depreciation and payment in lieu of taxes.

(3) Includes Waterworks Mortgage Revenue Bonds, Series 1998, 2000 and 2001.

**TABLE 11
CITY OF APPLETON
MORTGAGE REVENUE BOND COVERAGE - WASTEWATER UTILITY (Continued)**

Last Ten Fiscal Years

Fiscal Year	Gross Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
1992	\$ 8,644,400	\$ 3,754,081	\$ 4,890,319	\$ 665,000	\$ 1,187,415	\$ 1,852,415	2.64
1993	8,824,152	3,578,595	5,245,557	715,000	1,373,629	2,088,629	2.51
1994	9,718,173	3,314,611	6,403,562	1,199,775	1,797,898	2,997,673	2.14
1995	11,211,211	3,887,049	7,324,162	1,369,664	1,564,829	2,934,493	2.50
1996	11,526,623	4,287,457	7,239,166	2,269,525	619,300	2,888,825	2.51
1997	11,454,787	4,467,174	6,987,613	2,269,525	619,300	2,888,825	2.42
1998	11,765,294	4,552,904	7,212,390	2,269,525	619,300	2,888,825	2.50
1999	10,977,161	4,826,541	6,150,620	1,335,000	68,753	1,403,753	4.38
2000	11,144,474	5,231,277	5,913,196	1,335,000	68,753	1,403,753	4.21
2001	10,460,393	5,631,280	4,829,113	1,335,000	68,753	1,403,753	3.44

(Continued)

(1) Includes total operating revenues and investment income.

(2) Includes total operating expenses less depreciation.

(3) Includes Sewerage System Revenue Bonds, Series 1991, 1993 and 1995 Refunding.

TABLE 11
CITY OF APPLETON
MORTGAGE REVENUE BOND COVERAGE - STORMWATER UTILITY (Continued)

Last Ten Fiscal Years

Fiscal Year	Gross Revenues (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
1992	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
1993	-	-	-	-	-	-	-
1994	-	-	-	-	-	-	-
1995	-	-	-	-	-	-	-
1996	-	-	-	-	-	-	-
1997	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-
1999	2,870,772	1,564,616	1,306,156	330,000	167,208	497,208	2.63
2000	2,959,321	1,331,300	1,628,021	200,000	115,950	315,950	5.15
2001	1,876,391	938,178	938,213	540,000	436,190	976,190	0.96

(1) Includes total operating revenues and investment income.

(2) Includes total operating expenses less depreciation.

(3) Includes Storm Water System Revenue Bonds, Series 1999, 2000 and 2001.

**TABLE 12
CITY OF APPLETON
CUSTOMER CONNECTIONS TO UTILITY SYSTEMS**

Last Three Fiscal Years

Type of Customer	<u>Number of Customers-2001</u>		<u>Number of Customers-2000</u>		<u>Number of Customers-1999</u>	
	Water	Wastewater	Water	Wastewater	Water	Wastewater
Metered:						
Residential	23,023	23,031	22,796	22,740	22,561	22,535
Commercial	1,623	1,600	1,601	1,576	1,585	1,576
Industrial	100	88	99	87	96	89
Public Authorities	79	70	70	63	67	67
Resale	4	-	2	-	2	-
Unmetered:						
Commercial	20	-	20	-	20	-
TOTAL CUSTOMERS	24,849	24,789	24,588	24,466	24,331	24,267

**TABLE 13
CITY OF APPLETON
DEMOGRAPHIC STATISTICS**

Last Ten Fiscal Years

Fiscal Year	Appleton Population (A)	Per Capita Income (B)	School System Enrollment (C)	Unemployment Rate (D)	
1992	66,658	\$ 19,450	13,566	5.6	(E)
1993	67,605	20,079	13,828	4.1	(E)
1994	68,187	21,230	14,022	4.3	(E)
1995	68,729	22,513	14,087	3.8	(E)
1996	69,279	23,449	14,316	3.1	(E)
1997	69,787	24,343	14,450	2.6	
1998	69,607	26,099	14,538	2.4	
1999	69,911	28,084	14,636	2.4	
2000	70,167	-	14,793	2.5	
2001	70,623	-	14,800	4.8	

(A) The population figures for 1992 through 2001 are Wisconsin Dept. of Administration estimates.

(B) Wisconsin Department of Revenue.

(C) Wisconsin Department of Public Instruction

(D) Wisconsin Department of Industry, Labor and Human Relations-Civilian Labor Force estimates.

(E) Job Service-Oshkosh

Information not shown was not available

**TABLE 14
CITY OF APPLETON
NEW CONSTRUCTION AND PROPERTY VALUE**

Last Ten Fiscal Years

Fiscal Year	New Construction			Equalized Value - Real Property			
	Residential	Commercial	Manufacturing	Commercial	Manufacturing	Agricultural	
1992	\$ 32,305,336	\$ 22,856,193	\$ 4,722,800	1,410,064,100	\$ 431,295,200	\$ 98,829,600	\$ 212,500
1993	24,731,200	24,645,342	3,686,700	1,526,799,000	425,234,000	102,634,400	210,100
1994	25,493,500	94,972,619	3,023,700	1,634,549,000	439,368,700	103,248,200	210,100
1995	26,815,400	23,221,490	8,499,300	1,735,090,400	445,899,063	114,069,800	236,500
1996	32,815,900	26,389,195	2,974,000	1,819,024,400	500,168,800	114,392,700	646,800
1997	28,556,100	16,032,700	5,441,200	1,917,755,500	520,157,200	121,610,300	640,000
1998	34,897,400	15,449,000	3,032,600	1,986,624,800	549,154,700	124,916,000	1,025,600
1999	37,824,600	9,311,100	5,222,000	2,080,830,800	584,395,000	133,713,800	574,000
2000	50,101,200	19,468,800	11,071,900	2,189,557,800	613,661,300	148,000,600	191,500
2001	56,332,600	28,237,400	5,724,700	2,335,710,900	641,590,800	155,606,700	88,700

Source: Wisconsin Department of Revenue

**TABLE 15
CITY OF APPLETON
PRINCIPAL TAXPAYERS**

Tax Year 2001

Name	Nature of Business	Current Assessed Value (A)	Percent of Total Assessed Value (B)	Current Equalized Value
Appleton Papers, Inc.	NCR Paper Products	\$ 23,537,200	0.77 %	\$ 25,205,622
AAL/Northmeadows Inv.	Insurance (C)	20,752,200	0.68	22,223,209
Winter Properties	Real Estate Development	20,401,800	0.67	21,847,971
Oly/Montclair Wis. Hotels	Hotel	17,776,900	0.58	19,037,006
Guardian Life Insurance	Insurance	17,639,600	0.58	18,889,974
VH Enterprises/Warehouse Specialists	Warehouse/Storage	15,563,800	0.51	16,667,032
Thomas Wright, et al	Rental Properties	14,774,900	0.48	15,822,211
Voith, Inc.	Industrial Machines	12,713,200	0.42	13,614,369
Gannett Midwest	Newspaper Publisher	11,340,000	0.37	12,143,830
Secura Insurance	Insurance	10,719,500	0.35	11,479,346
Miller Electric Mfg.	Electric Arc Welders	10,234,100	0.33	10,959,539
Livesey	Real Estate Development	9,180,300	0.30	9,831,041
Appleton Mills, Inc.	Papermaker Felts	8,590,100	0.28	9,199,005
Dayton Hudson	Retail Stores	8,436,900	0.28	9,034,945
Home Depot	Retail Store	7,471,845	0.24	7,833,345
Fund V, VI, VII (The Marathon Building)	Engineering Services	7,342,700	0.24	7,863,183
Community First Credit Union	Credit Union Services	7,087,300	0.23	7,589,680
Riverside Paper	Paper Products	7,062,400	0.23	7,563,015
Mills Property	Retail Stores	7,049,100	0.23	7,548,772
Appleton Machine	Papermill Machinery	7,034,700	0.23	7,533,351
TOTAL		\$ 244,708,545	7.99 %	\$ 261,886,445

(A) Per City Assessor's records.

(B) Based on the city's total January 1, 2001 assessed valuation of \$3,062,811,050 including personal property.

(C) Home office site (maximum 10 acres) is tax exempt as a fraternal organization. A voluntary contribution is made to all taxing jurisdictions.

**TABLE 16
CITY OF APPLETON
PRINCIPAL EMPLOYERS**

December 31, 2001

Company Name	Product or Service	Number of Employees
AAL	Insurance	2,100
Appleton Papers, Inc.	NCR Paper Products	1,410
Appleton Medical Center	Medical & Health Care Facility	1,300
Miller Electric Manufacturing	Electric Arc Welders	1,300
St. Elizabeth Hospital	Medical & Health Care Facility	1,217
Outagamie County	Government	1,190 *
Appleton Area School District	Education	1,090 *
Valley Packaging Industries, Inc.	Hi-speed Packager	1,000
Guardian Life	Insurance	850
City of Appleton	Government	677 *

*Full-Time employees only

Source: Employer contacts and Wisconsin Manufacturers & Services Directory.

**TABLE 17
CITY OF APPLETON
SCHEDULE OF INSURANCE IN FORCE (1)**

December 31, 2001

Carrier	Type of Coverage	Coverage Limits	Premium
Chubb Group	Building, Contents, Valuable Papers, and EDP Equipment and Media	\$218,089,457	\$103,948
	Transit	100,000	
	Business Income	15,000,000	
	Contractor's Equipment	7,567,940	
	Mobile Equipment	1,586,695	
	Statues - Fine Arts	1,232,313	
	Money & Securities	120,000	
	Public Employees Blanket Bond	250,000	
	Builder's Risk	150,000	
Ohio Farmers Insurance Policy #5773319	Public Officials Bond for Finance Officer	500,000	536
Hartford Steam Boiler Policy #9CP133199935	Boiler and Machinery	150,000,000	17,513
Cities and Villages Mutual Insurance	CVMIC Pool Coverage:	5,000,000	83,457
	General Liability		
	Automobile		
	Police Professional Public Officials Liability	5,000,000/ occurrence	

(Continued)

**TABLE 17
CITY OF APPLETON
SCHEDULE OF INSURANCE IN FORCE (1) (Continued)**

December 31, 2001

Carrier	Type of Coverage	Coverage Limits	Premium
Chubb Group	Auto Comprehensive & Collision Garage Keepers (Each Occurrence)	\$17,340,908 200,000	\$31,165
General Reinsurance Corp. Policy #XD-088F	Workers Compensation Excess Insurance	1,000,000/ occurrence	22,266
Reliance National Insurance Co. Policy #NXC0143402-00		3,000,000 Aggregate	
Transit Mutual Insurance Corp. of Wisconsin Policy #TM1CW1007	Vehicle Liability	6,250,000/ occurrence	55,393
			<u>\$314,278</u>

**TABLE 18
CITY OF APPLETON
MISCELLANEOUS STATISTICS**

Last Two Fiscal Years

Incorporated May 2, 1857
Mayor/Council (18)

	<u>12/31/01</u>	<u>12/31/00</u>		<u>12/31/01</u>	<u>12/31/00</u>
Population	70,623	70,167	Public Library - Volumes	315,741	303,663
Area - Square Miles	21.82	21.50	City Employees	677	669
Altitude	780	780	Municipal Industrial Parks		
Miles of Streets			Northeast Industrial Park		
Open to Traffic	310.00	305.00	Total Acreage	666	666
Municipal Water Utility			Acreage Sold	494	485
Number of Customers	24,849	24,588	Acreage Optioned	61	60
Ave. Daily Consumption (000 gal)	8,708	8,273	Acreage Improved	67	52
Miles of Water Mains	332.32	317.18	Acreage Unimproved	44	69
Miles of Sewers			Year Started	1967	1967
Storm	247.38	239.71	Southeast Industrial Park		
Sanitary	276.07	276.22	Total Acreage	50	50
Building Permits			Developed Acreage	50	50
Permits Issued	1,314	1,401	Available Acreage	0	0
Est. Construction	\$126,551,108	\$98,395,627	Year Started	1977	1977
Parks and Recreation			Southwest Industrial Park		
Acres of Park Land	399.19	399.19	Total Acreage	115	115
Number of Parks	26	26	Developed Acreage	115	115
Number of Swimming Pools	5	5	Available Acreage	0	0
Number of Golf Courses	1	1	Year Started	1969	1969
Education			441 Industrial Park		
Appleton Area School District			Total Acreage	360	360
School Buildings	24	24	Developed Acreage	0	0
Employees	1,090	1,090	Available Acreage	360	360
Students Registered	14,800	14,793	Year Started	1995	1995
			Fire Protection		
			Number of Stations	6	5
			Number of Firefighters	90	84
			Police Protection		
			Number of Stations	1	1
			Number of Police Officers	110	110

SINGLE AUDIT SECTION

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

The Honorable Mayor and
Members of the Common Council
City of Appleton
Appleton, Wisconsin

We have audited the financial statements of the City of Appleton, Wisconsin as of and for the year ended December 31, 2001, and have issued our report thereon dated March 29, 2002. We did not audit the financial statements of the Housing Authority of the City of Appleton, which are presented in the component unit column. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion on those financial statements, insofar as it relates to the amounts included for the Housing Authority of the City of Appleton, was based solely on the report of the other auditors. 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.

Compliance

As part of obtaining reasonable assurance about whether the City of Appleton's general purpose 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 and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Appleton's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City of Appleton in a separate letter dated March 29, 2002.

The Honorable Mayor and
Members of the Common Council
City of Appleton

This report is intended solely for the information and use of the City of Appleton's management, federal and state awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Madison, Wisconsin
March 29, 2002

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133 AND THE STATE SINGLE AUDIT GUIDELINES

The Honorable Mayor and
Members of the Common Council
City of Appleton
Appleton, Wisconsin

Compliance

We have audited the compliance of the City of Appleton, Wisconsin with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* that are applicable to each of its major federal and major state programs for the year ended December 31, 2001. The City of Appleton's major federal and major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and major state programs is the responsibility of the City of Appleton's management. Our responsibility is to express an opinion on the City of Appleton's compliance based on our audit.

The City of Appleton's general purpose financial statements included the operation of the Housing Authority of the City of Appleton, which received \$2,100,269 in federal and state awards which is not included in the schedule of expenditures of federal and state awards for the year ended December 31, 2001. Our audit, described below, did not include the operations of the Housing Authority of the City of Appleton because the component unit had a separate audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the *State Single Audit Guidelines*. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or major state program occurred. An audit includes examining, on a test basis, evidence about the City of Appleton's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Appleton's compliance with those requirements.

The Honorable Mayor and
Members of the Common Council
City of Appleton

In our opinion, the City of Appleton complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and major state programs for the year ended December 31, 2001.

Internal Control Over Compliance

The management of the City of Appleton is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the City of Appleton's internal control over compliance with requirements that could have a direct and material effect on a major federal or major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal or state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the City of Appleton's management, federal and state awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Madison, Wisconsin
March 29, 2002

CITY OF APPLETON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2001

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	(Accrued) Deferred Revenue January 1, 2001	Grantor Reimburse- ments	Expendi- tures	Accrued (Deferred) Revenue December 31, 2001
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Direct Programs					
Community Development Block Grant					
Entitlement Program	14.218	\$ (86,815)	\$ 519,385	\$ 549,255	\$ 116,685
Passed Through State of Wisconsin Department of Administration					
Emergency Shelter Grant	14.231	(7,674)	54,348	69,298	22,624
HOME Investment Partnership Program (Rental Rehab)	14.239	19,447	-	132,119	112,672
HOME Investment Partnership Program (Homeowner Rehab)	14.239	-	-	6,584	6,584
		<u>(75,042)</u>	<u>573,733</u>	<u>757,256</u>	<u>258,565</u>
Total U.S. Department of Housing and Urban Development					
U.S. DEPARTMENT OF JUSTICE					
Direct Programs					
Public Safety and Community Policing Grants -					
COPS AHEAD	16.710	(11,250)	28,750	17,500	-
COPS In Schools	16.710	(55,084)	204,600	212,469	62,953
Passed Through Wisconsin Department of Administration -					
Office of Justice Assistance					
Local Technical Assistance	16.540	-	5,000	5,000	-
Passed Through Wisconsin Department of Transportation					
Enforcing Underage Drinking Laws Program	16.727	(59,073)	59,073	-	-
Passed Through State of Wisconsin Department of Justice					
Victims of Crime Act	16.575	(3,367)	40,921	40,224	2,670
		<u>(128,774)</u>	<u>338,344</u>	<u>275,193</u>	<u>65,623</u>
Total U.S. Department of Justice					
U.S. DEPARTMENT OF TRANSPORTATION					
Federal Transit Cluster					
Direct Program					
Federal Transit Capital Improvement Grants					
JARC	20.507	(38,460)	70,659	32,199	-
JARC	20.507	-	6,493	13,199	6,706
WI-90-X343	20.507	-	1,477,069	1,844,147	367,078
Passed Through State of Wisconsin Department of Transportation					
WI-03-0056	20.500	(19,556)	46,360	35,185	8,381
WI-03-0059	20.500	(11,373)	20,123	8,750	-
WI-03-0063	20.500	(3,501)	34,315	44,733	13,919
WI-03-0066	20.500	-	755	6,482	5,727
WI-03-0074	20.500	-	43,917	89,455	45,538
WI-03-0076	20.500	-	12,960	12,960	-
		<u>(72,890)</u>	<u>1,712,651</u>	<u>2,087,110</u>	<u>447,349</u>
Total Federal Transit Cluster					
State and Community Highway Safety	20.600	-	3,811	3,811	-
		<u>(72,890)</u>	<u>1,716,462</u>	<u>2,090,921</u>	<u>447,349</u>
Total U.S. Department of Transportation					

(continued)

CITY OF APPLETON

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	(Accrued) Deferred Revenue January 1, 2001	Grantor Reimburse- ments	Expendi- tures	Accrued (Deferred) Revenue December 31, 2001
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Passed Through State of Wisconsin Department of Workforce Development					
Temporary Assistance for Needy Families					
Access to Jobs Transportation Grant - 1/1/00 - 12/31/00	93.558	\$ (23,076)	\$ 43,153	\$ 20,077	\$ -
Access to Jobs Transportation Grant - 1/1/01 - 12/31/01	93.558	-	3,506	7,808	4,302
Total Access to Jobs Transportation Grant		<u>(23,076)</u>	<u>46,659</u>	<u>27,885</u>	<u>4,302</u>
Passed Through State of Wisconsin Department of Health and Family Services					
Childhood Immunization Grant - 1/1/00 - 12/31/00					
Childhood Immunization Grant - 1/1/01 - 12/31/01	93.268	804	(804)	-	-
Total Childhood Immunization Grant		<u>804</u>	<u>11,658</u>	<u>12,959</u>	<u>497</u>
Preventative Health and Health Services Block Grant - 1/1/00 - 12/31/00					
Preventative Health and Health Services Block Grant - 1/1/01 - 12/31/01	93.991	(1,032)	1,032	-	-
Total Preventative Health and Health Services Block Grant		<u>(1,032)</u>	<u>11,198</u>	<u>1,333</u>	<u>(8,833)</u>
Maternal and Child Health Services Block Grant - 1/1/00 - 12/31/00					
Maternal and Child Health Services Block Grant - 1/1/01 - 12/31/01	93.994	(61)	61	-	-
Total Maternal and Child Health Services Block Grant		<u>(61)</u>	<u>61,414</u>	<u>61,353</u>	<u>-</u>
General Medical Assistance Outreach - 1/1/00 - 12/31/00					
General Medical Assistance Outreach - 1/1/01 - 12/31/01	93.778	(598)	598	-	-
Total General Medical Assistance Outreach		<u>(598)</u>	<u>8,710</u>	<u>7,572</u>	<u>(540)</u>
CDC Investigations - Technical Assistance - 1/1/01 - 12/31/01					
Project Grants Cooperative Agreement for Tuberculosis Control Programs - 1/1/01 - 12/31/01	93.283	-	2,763	1,296	(1,467)
Total U.S. Department of Health and Human Services		<u>(23,963)</u>	<u>173,701</u>	<u>140,609</u>	<u>(9,129)</u>
U.S. DEPARTMENT OF NATURAL RESOURCES					
Passed through Wisconsin Department of Natural Resources					
State and Local Emergency Management Assistance					
Total U.S. Department of Natural Resources	66.655	-	6,413	6,413	-
U.S. DEPARTMENT OF MILITARY AFFAIRS					
Passed through State of Wisconsin Department of Military Affairs					
State and Local Emergency Management Assistance					
Total U.S. Department of Military Affairs	83.503	-	189,333	189,333	-
TOTAL FEDERAL AWARDS		<u>\$ (300,669)</u>	<u>\$ 2,997,986</u>	<u>\$ 3,459,725</u>	<u>\$ 762,408</u>

See accompanying notes to schedules of expenditures of federal and state awards.

CITY OF APPLETON

SCHEDULE OF EXPENDITURES OF STATE AWARDS For the Year Ended December 31, 2001

State Grantor/Program Title	State I.D. Number	(Accrued) Deferred Revenue January 1, 2001	Grantor Reimburse- ments	Expendi- tures	Accrued (Deferred) Revenue December 31, 2001
WISCONSIN DEPARTMENT OF MILITARY AFFAIRS					
Emergency Government Disaster Assistance	465.305	\$ -	\$ 30,442	\$ 30,442	\$ -
WISCONSIN DEPARTMENT OF TRANSPORTATION					
Transit Operating Aids					
2000	395.104	(482,406)	482,406	-	-
2001	395.104	-	1,114,454	1,217,983	103,529
Total Wisconsin Department of Transportation		(482,406)	1,596,860	1,217,983	103,529
WISCONSIN DEPARTMENT OF HEALTH AND FAMILY SERVICES					
TB Control Demo Grant - 1/1/00 - 12/31/00	435.xxx	(11,904)	11,904	-	-
T Melvin Public Education - 1/1/01 - 12/31/01	435.158853	-	970	40	(930)
Lead Poisoning - 1/1/00- 12/31/00	435.157720	148	(148)	-	-
Lead Poisoning - 1/1/01 - 12/31/01	435.157720	-	9,020	8,305	(715)
Total Wisconsin Department of Health and Family Services		(11,756)	21,746	8,345	(1,645)
TOTAL STATE AWARDS		\$ (494,162)	\$ 1,649,048	\$ 1,256,770	\$ 101,884

See accompanying notes to schedules of expenditures of federal and state awards.

CITY OF APPLETON

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS December 31, 2001

NOTE 1 – REPORTING ENTITY

This report on Federal and State Awards includes all of the funds of the City of Appleton, Wisconsin. The reporting entity for the City is based upon criteria established by the Governmental Accounting Standards Board (GASB).

The City of Appleton is the primary government according to GASB criteria, while the Housing Authority of the City of Appleton (Housing Authority) is a component unit.

Federal and state awards received directly by the Housing Authority are not included in this report since the Housing Authority has been audited by other auditors for their grants and those amounts are reported in a separate report.

The schedule includes only those programs required to be included in accordance with the *State Single Audit Guidelines*.

NOTE 2 – BASIS OF PRESENTATION

The accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations* and the *State Single Audit Guidelines*.

CITY OF APPLETON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2001

SECTION I – SUMMARY OF AUDITORS’ RESULTS (cont.)

FEDERAL OR STATE FINANCIAL ASSISTANCE (cont.)

Identification of major state programs:

<u>State Number</u>	<u>Name of State Program</u>
395.104	Transit Operating Aids

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AND STATE FINDINGS AND QUESTIONED COSTS

None reported.

SECTION IV – OTHER ISSUES

- Does the auditor’s report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee’s ability to continue as a going concern? yes no N/A
- Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, reportable condition, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Department of Health and Family Services	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no	<input type="checkbox"/> N/A
Department of Workforce Development	<input type="checkbox"/> yes	<input type="checkbox"/> no	<input checked="" type="checkbox"/> N/A
Department of Corrections	<input type="checkbox"/> yes	<input type="checkbox"/> no	<input checked="" type="checkbox"/> N/A
- Was a Management Letter or other document conveying audit comments issued as a result of this audit? yes no
- Name and signature of partner
Donald L. Rahn
- Date of report
3/29/02