CITY OF APPLETON

MEMORANDUM

Date: July 13, 2026
To: Chairperson Firkus; Members of the HR/IT Committee; Appleton Common Council Members
From: Human Resources Director, Jay Ratchman
Subject: 2026 Mid-year Budget Report

I am pleased to provide an overview of our Fiscal Year 2026 budget as we reach the mid-point of the year. We remain on track with all major objectives and expenditures aligned with the approved budget. Based on our current financial position, no budget adjustments are anticipated at this time.

The Human Resources budget is organized around three strategic focus areas: Compliance**,** Talent Acquisition and Retention, and Talent Management and Development. Key highlights and progress updates for each of these areas.

Compliance/General Administration:

- Continued use of the Baker Tilly safe system to ensure a fair and equitable compensation plan administration.
- Health insurance program loss ratio currently residing at 84%, maintaining claims expenditures within budget. On-going management of cost saving strategies to control rising costs to the City health insurance program:
  - ✓ Specialty prescription medications program through Prudent RX.
  - ✓ Proximal program, helping members become better health benefit consumers, while providing choice for high quality, lower cost providers.
  - ✓ Employer Connecting Care Clinic (near site health clinic).
  - ✓ Member of the National Cooperative program to offer pharmacy benefits through CVS/Caremark, resulting in significant rebates to the health plan.
  - ✓ Introduction of a new maintenance choice prescription drug benefit program.
- Continued transition into Tyler Munis ERP system:
  - ✓ Cross training for staff on various system capabilities.
  - ✓ Expanded use of the system for fringe benefits administration.
- On-going work with the Financial Wellness Team, including 457 plan fund performance quarterly reviews, along with continued review for Secure Act 2.0.
- Updated a variety of HR and safety policies.
- Continued work by the HealthSmart (wellness) Team, including annual health screenings, on-site healthy cooking demonstrations, various fitness challenges, and on-site fitness programs.
- Monitored ongoing usage of the Employee Assistance Program and mental health benefit offerings.
- Updated Human Resource department strategic plan.

- Preparation for labor negotiations with the Appleton Professional Police Association (APPA) and Valley Transit Teamsters Local #662 to negotiate successor collective bargaining agreements.

Talent Acquisition and Retention:

- Completed recruitment processes for internal promotions, lateral transfers, and external recruitment.
- Coordinated and assisted the Police and Fire Commission with the selection of police officers, firefighters, and other promotional processes.
- Coordinated and assisted the Police and Fire Commission with the hiring process for Police Chief.
- Continued efforts to increase our reach through social media, direct recruitment, and branding of recruitment materials.
- Coordinated recruitment processes for key leadership roles of Finance Director and Parks and Recreation Director.
- Conducted interviews in person, virtually (Microsoft Teams and Zoom), and via the telephone to accommodate candidate needs.
- Worked with the Parks and Recreation Department to increase efficiencies for seasonal recruitment.

Talent Management and Development:

- Continued to refine the onboarding process for regular and seasonal employees, including new hire paperwork.
- Provided compliance/safety training virtually for general employees and supervisors.
- Conducted in-person supervisor training for all City supervisory staff.
- Facilitation of the City Star Awards programs to recognize employee high performance.
- Facilitated City Celebrations tenure recognition program to recognize employees with milestone anniversaries (10, 20, and 30 years).
- Conducted bimonthly new supervisor orientation training and new employee orientations.
- Provided recognition for administrative professionals during Administrative Professionals' Week.
- Implemented recognition for multiple departments.
- Facilitated in-person de-escalation training for front-line customer service staff in conjunction with the Appleton Police Department.
- Administered the THRIVE Leadership Academy for current and upcoming City leaders.
- Facilitated leadership assessments and individual/team development plans.
- Administered employee culture surveys for all City departments.
- Conducted new hire survey on behalf of the PFC for the Police Chief hiring process.
- Facilitated employee work group to redefine the organization core values.

Conclusion:
We remain committed to maintaining a strong financial position while supporting effective human resource operations that benefit our workforce and community. Please feel free to contact me with any questions or requests for additional information.