



Comprehensive Annual Financial Report



CITY OF JANESVILLE
Wisconsin's Park Place

**For Fiscal Year Ended
December 31, 2020**





CITY OF JANESVILLE

Wisconsin's Park Place:

*Discover the community of choice
to realize life's opportunities*

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2020

Prepared By:

Finance Office

David T. Godek, Finance Director
Mandy Price, CPA, Accounting Manager
Steve Wanninger, CPA, Senior Accountant
Kelsie Bannach, Accountant

CITY OF JANESVILLE, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2020

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June 28, 2021

**CITIZENS OF JANESVILLE
MEMBERS OF THE CITY COUNCIL**

It is our pleasure to submit to you the *Comprehensive Annual Financial Report* of the City of Janesville for the year ended December 31, 2020.

This report was prepared by the City's Finance Office and contains representations concerning the finances of the City. Responsibility for the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of 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 that fairly represents the City's financial position and results of operations. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included in this report.

The information presented in the *Comprehensive Annual Financial Report* is divided into three sections: Introductory, Financial, and Statistical. The financial section of this report includes Management's Discussion and Analysis (MD&A). The MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the City's financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

This report includes all of the funds and component units of the City of Janesville. The City provides a full range of services, including police and fire protection, construction and maintenance of streets, recreation and parks, community and economic development, library, and sanitation services. The water utility, wastewater utility, transit system, and stormwater utility are reported as enterprise funds. Internal service funds provide information on the operations of the risk management and vehicle operation and maintenance functions. The City has included the Janesville Community Development Authority (CDA), a legally separate organization, as a discretely presented component unit within its reporting entity.

Independent Audit

Wisconsin State Statutes require that an annual audit be conducted by an independent certified public accountant. Baker Tilly US, LLP, Certified Public Accountants have concluded, based upon its audit procedures, that the City's financial statements for the year ended December 31, 2020 are presented fairly in accordance with generally accepted accounting principles. The auditor's opinion is located at the front of the financial section of this report.

Internal Controls

In developing the City's overall accounting system, consideration was given to the adequacy of internal accounting controls. The City Administration 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 is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. This 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. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Control

The City Council has developed and maintains a Council Policy Statement concerning budgetary controls. The annual appropriation resolution adopted by the Common Council is intended to appropriate annual expenditures on a program basis. The City Manager is granted authority to allow the expenditure level for a program element to exceed the budget amount, provided that the overall program appropriation is not exceeded. The City Manager cannot use this authority to reestablish any position, program, or capital item that was specifically deleted from the program appropriation by Council motion. Amendments to the adopted General Fund budget require approval of the City Council by adoption of resolution.

Background Information

The City of Janesville, Wisconsin's tenth largest municipality is located in south central Wisconsin astride the Rock River. Wisconsin's State Capital, the City of Madison, is 40 miles northwest via Interstate 39/90. Other major population/industrial centers in the area include Beloit, Wisconsin and Rockford, Illinois, which are 10 miles and 30 miles, respectively, to the south via Interstate 39/90. Milwaukee is 71 miles to the northeast, and Chicago is 109 miles to the southeast.

In 1836, the Village of Rockport was platted on the west side of the Rock River. In 1839, Rockport was named the Rock County seat. In 1840, Mr. Henry Janes established the original plat of Janesville on the east side of the Rock River in the area of the current central business district. In 1853, seven and one-half square miles of land on both sides of the Rock River were incorporated into the City of Janesville. Population growth during the City's first 100 years was moderate but steady (1900 Census totaled 13,187, and 1950 Census 24,899), and was accommodated almost entirely within the City's original land area. However, the population doubled between 1940 and 1960. Between 1960 and 1970 the annual growth rate was over three percent per year. The growth rate between 1970 and 1980 was one percent per year. During the 1980's the population remained stable, increasing only two percent from 51,071 in 1980 to 52,210 in 1990. Between 1990 and 2000 the City experienced a population growth of 7,990, or 15.3%. The City of Janesville 2010 Census population is 63,575; this is a growth of 5.6% from the 2000 census.

Government Profile

The governing and legislative body of the City is the seven-member City Council, all of whom are elected at large on a non-partisan basis. The members serve without compensation. The City has operated under the Council-Manager form of government since 1923, longer than any other city in the state of Wisconsin. The appointed City Manager is responsible for the day-to-day operations of the City, the appointment of all staff members, and the supervision of the City's 565 full-time and part-time employees.

Major Initiatives

The local economy continued to grow, stimulated in part by the work of the City. Economic Development facilitated Tax Increment Financing Development Agreements to spur \$63.5 million in private investment, guaranteeing \$1.1 million in increment.

The City completed a street maintenance and utility program with approximately 12 miles improved. Significant transportation infrastructure improvements include the extension of Myrtle Way to support a multi-unit housing development and rehabilitating Kennedy Road to an urban road.

The Janesville Police Department maintained historically low crime rates in 2020, as well as replaced body worn cameras, and replaced eight squad vehicles for the department.

The Janesville Fire Department handled approximately 10,203 calls for service in 2020, which averages 28 incidents per day. The Department continues to be one of the busiest fire departments in the state.

In response to the COVID-19 pandemic the City purchased a 50-bed portable shelter in order to be prepared for a surge in COVID-19 cases that overwhelmed local hospitals. Fortunately, the shelter was not needed in response to hospitalizations, but it has been deployed during a search and rescue event on the Rock River.

The City received nearly \$1.1 million in Routes to Recovery funding from the State of Wisconsin to respond to the COVID-19 pandemic. The Janesville Transit System was awarded nearly \$3.3 million in CARES Act funding to respond to the COVID-19 pandemic. Under the America Rescue Plan Act the City was awarded nearly \$11.7 from the Federal Government in 2021 to address the economic impact the pandemic had on the City. The City will receive one half of the award (approximately \$5.85 million) in 2021 and the second half in 2022.

The City completed the Eastside Town Square along the Rock River in downtown. The new town square includes a Riverwalk from Court to Milwaukee Streets, conversion of Water St. to a festival street, and a plaza deck area. The Eastside Town Square will be a catalyst to draw people to the City's downtown.

The water utility began to replace lead service lines throughout the City. This program will replace lead services by the end of 2024 which will improve the overall quality and safety of the City's drinking water.

Economic Condition and Outlook

Janesville is the county seat of Rock County, Wisconsin, the largest community, and the center of retail activity in the Janesville-Beloit MSA. Statistics from the last two comparable Business Census documents the solid growth of Janesville's commercial base. Since 1990, over 2.0 million square feet of retail space has been constructed in Janesville. Janesville's portion of the \$2.74 billion in retail sales reported for Rock County has grown extensively from 43% in 2007 to 63% in 2015 as reported by ESRI and Infogroup. Rock County, in 2020, continues to set new records in both quarterly and annual sales and use tax collections, which demonstrates the continued growth in retail sales activities:

2020 - \$15,920,000 2019 - \$14,890,000 2018 - \$14,260,000

The City continued a positive trend of development of additional commercial projects including the first significant multifamily project in thirteen years. Diamond Ridge Apartments, a 115 unit project along

Woodman Road and Mayfair Drive was completed ahead of schedule with all units constructed. The first phase of The Glade project saw 89 units completed and the second phase of one building with 48 units started construction and is projected to be completed in July, 2021. A third project, River Flats started construction in March, 2020. That project is located downtown and was recently completed. The project provides 92 workforce housing units within the market. Both Diamond Ridge and The Glade are 100 percent occupied, demonstrating the high demand for multifamily housing within the community. A fourth project, Monterey Apartments which is a 52 unit rehabilitation of the Historic Art Deco former Monterey Hotel within Downtown was approved by the Common Council in December. Interior demolition has commenced and construction will proceed in June, 2021 with completion in approximately 12 months. Although units have been brought to the market and others are under construction, the City continues discussions with other interested developers for additional new market rate multi-family housing as demand for additional units remains high.

The City's industrial development continues to be strong, continuing the momentum which began to surge in 2015. Occupancy of the completed 303,000 square foot speculative warehouse development occurred in 2020 despite the impacts of the COVID-19 pandemic. Shine Medical Technologies recently completed enclosure of their Molybdenum-99 production facility which is on track for initiating production in 2022. In addition Shine Medical announced their intent to proceed with production of Lutetium-177 which is a radioisotope used for targeted cancer therapy. To facilitate that production Shine Medical entered into a lease arrangement with Janesville Investors, LLC to construct a 58,000 square foot office/production facility that will be completed in July, 2021. Lutetium-177 is currently being produced by Shine in a nearby facility on a smaller scale. In early 2021 the City entered into agreements for three speculative industrial projects to construct over 438,000 square feet and discussions continue on other potential projects.

Overall, tax incremental financing agreements in 2020 resulted in a guaranteed additional investment of over \$39.3 million dollars, real property value of \$15.2 million dollars, 92 new workforce and 52 market rate multi-family residential units and 58,000 square feet of new industrial/office space.

The Janesville-Beloit MSA showed an increase in the annual unemployment rate to 7.5% in 2020. This increase is attributable to the economic impact of the COVID-19 pandemic. Unemployment peaked in April, 2020 at 17.4% steadily decreased to 4.1% in December, 2020.

The local real estate market is strong with the average sale price for houses now exceeding \$205,000, which is an 11.4% increase over 2019 sales prices. The average sales price for a home in Janesville (\$205,000) is 27% more than the City's median assessed home value (\$149,000). The Janesville area's strong real estate market has contributed to the City's significant growth in equalized assessed value over the past few years. The City's equalized assessed value grew 40.2% from 2015 to 2020, demonstrating Janesville's phenomenal economic recovery from the Great Recession and the closure of General Motors.

Janesville and Rock County have continued its economic improvement with all economic indicators being above the levels before the Great Recession. Janesville's continued progressiveness in the competitive economic development marketplace with preparation of industrial sites with necessary infrastructure and its' "speed to market" approach to development approvals, has allowed the community to continue its strong residential, commercial, and industrial growth.

All of these positive factors will continue to position Janesville as "the community of choice to realize life's opportunities."

Reporting Achievements

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 Janesville for its *Comprehensive Annual Financial Report* for the fiscal year ended December 31, 2019. This was the twenty-seventh consecutive year that the City of Janesville has achieved this prestigious award. In order to be awarded a *Certificate of Achievement*, a government must publish a *Comprehensive Annual Financial Report* that demonstrates a “spirit of full disclosure” to clearly communicate the City’s financial story. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

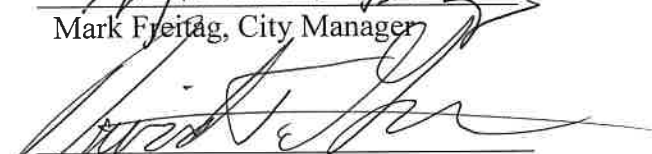
A *Certificate of Achievement* is valid for a period of one year only. We believe that our current *Comprehensive Annual Financial Report* continues to meet the Certificate of Achievement Program’s requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this *Comprehensive Annual Financial Report* was made possible by the dedicated commitment and hard work of each member of the Finance Office.



Mark Freitag, City Manager



David T. Godek, Finance Director



Mandy Price, Accounting Manager

DIRECTORY OF OFFICIALS

CITY OF JANESVILLE, WISCONSIN General Information

ELECTED OFFICIALS

CITY COUNCIL

TERM EXPIRES

Doug Marklein, Council President
Paul Benson, Council Vice President
Michael Jackson
Susan Johnson
Dave Marshick
Heather Miller
Paul Williams

April 2023
April 2022
April 2023
April 2022
April 2023
April 2023
April 2022

CERTIFIED PUBLIC ACCOUNTANTS

Baker Tilly US, LLP
Madison, Wisconsin

BOND COUNSEL

Kutak Rock
Chicago, Illinois

MUNICIPAL ADVISOR

Wisconsin Public Finance Professionals LLC
Milwaukee, Wisconsin

CITY OF JANESVILLE, WISCONSIN
General Information

APPOINTED OFFICIALS

City Manager – Mark Freitag
Deputy City Manager – Ryan McCue

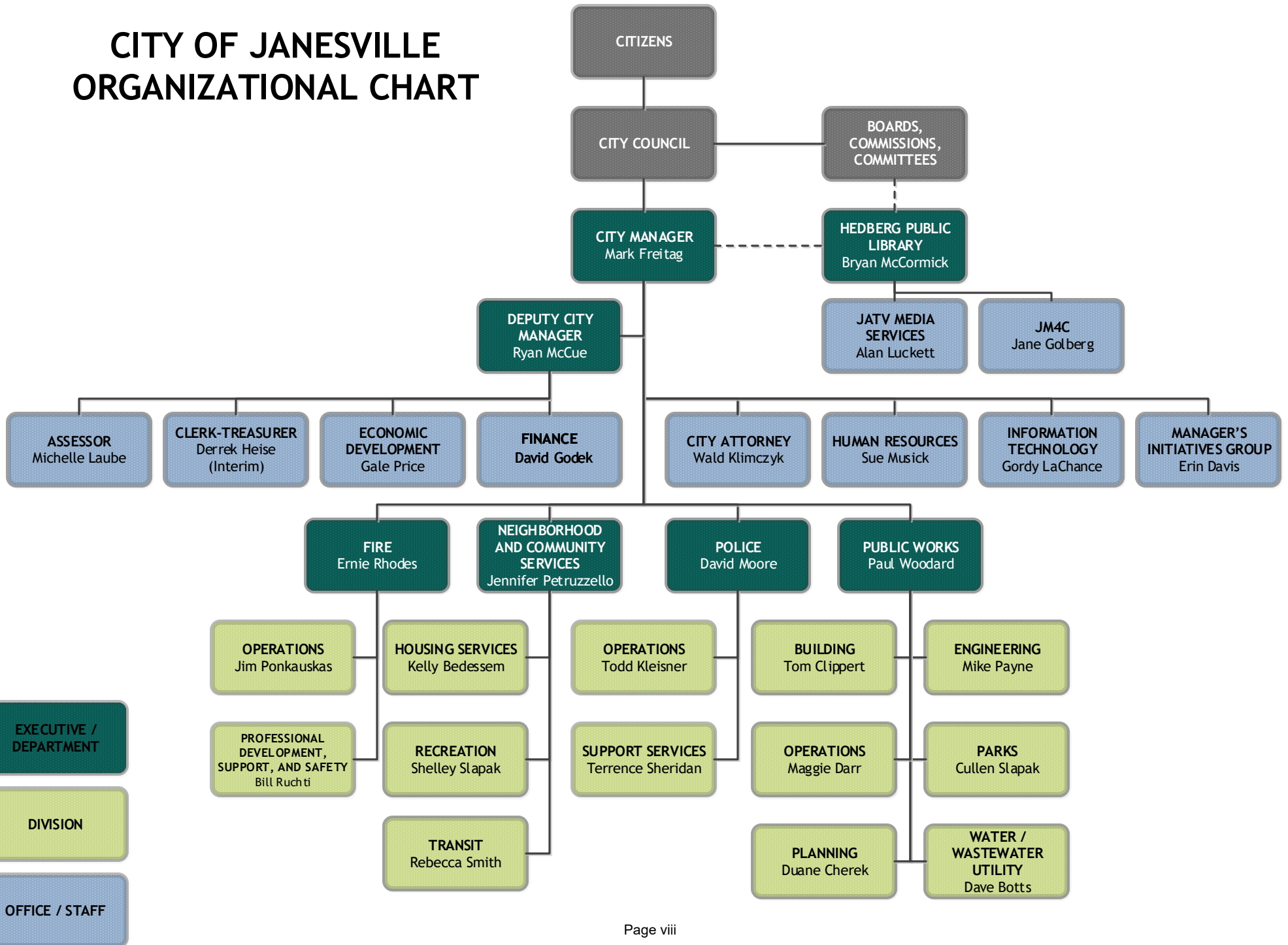
Department Heads

Bryan McCormick, Library Director
David Moore, Chief of Police
Jennifer Petruzzello, Director of Neighborhood and Community Services
Ernest Rhodes III, Fire Chief
Paul Woodard, Director of Public Works

Division/Office Heads

Kelly Bedessem, Housing Services Director
Dave Botts, Water/Wastewater Utility Director
Duane Cherek, Planning Director
Tom Clippert, Building Director
Maggie Darr, Operations Director
David Godek, Finance Director
Derrek Heise, Interim City Clerk–Treasurer
Wald Klimczyk, City Attorney
Gordy LaChance, Information Technology Manager
Michelle Laube, City Assessor
Susan Musick, Human Resources Director
Todd Kleisner, Deputy Chief of Police of Support Services
Mike Payne, City Engineer
Jim Ponkaukas, Deputy Fire Chief of Operations
Gale Price, Economic Development Director
Bill Ruchti, Deputy Fire Chief of Professional Development, Support, and Safety
Terry Sheridan, Deputy Chief of Police of Operations
Cullen Slapak, Parks Director
Shelley Slapak, Recreation Director
Rebecca Smith, Transit Director

CITY OF JANESVILLE ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Janesville
Wisconsin**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO



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Independent Auditors' Report

To the City Council of the
City of Janesville

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Janesville, Wisconsin, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Janesville's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to the City of Janesville's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City of Janesville's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Janesville, Wisconsin, as of December 31, 2020 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended December 31, 2020 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Janesville's basic financial statements. The supplementary information for the year ended December 31, 2020 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2020, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2020.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Janesville as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated June 10, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. The supplementary information for the year ended December 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2019.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Janesville's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will issue a report on our consideration of the City of Janesville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Janesville's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Janesville's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Madison, Wisconsin
June 10, 2021

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CITY OF JANESVILLE

Wisconsin's Park Place

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

We offer readers of the City of Janesville's financial statements this narrative overview and analysis of the financial activities of the City of Janesville for the fiscal year ended December 31, 2020, with comparative data for fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Transmittal Letter, which can be found on pages i – v of this report.

Financial Highlights

- > The assets and deferred outflows of the City of Janesville exceeded its liabilities and deferred inflows as of December 31, 2020 by \$307,641,987 (net position). Of this amount, \$303,358,746 represented the City's net investment in capital assets, \$39,768,621 was restricted, and (\$35,485,380) was unrestricted. See page 17 for details.
- > During the year, the City's total net position increased by \$13,305,929, or 4.5%. This increase indicates that the City's overall financial position improved during 2020. Governmental activities' net position increased \$1,319,386, or 0.8%, while business-type activities' net position increased \$11,986,543, or 9.8%. See page 8 for explanations for changes in net position.
- > As of December 31, 2020, the City of Janesville's Governmental Funds reported combined ending fund balances of \$35,483,568, a decrease of \$1,196,637, or -3.3%, in comparison with the prior year. Approximately 44.6% of the fund balance, \$15,810,230, is available for spending at the government's discretion (Committed, Assigned, and Unassigned Fund Balance). See pages 19 – 22 for details.
- > The General Fund is the main operating fund of the City, and the largest component of the Governmental Funds. As of December 31, 2020, the Unrestricted Fund Balance (Assigned and Unassigned) for the General Fund was \$10,011,379, or 19.0%, of the 2020 budgeted General Fund operating expenditures. See pages 19 – 22 for details.
- > During 2020, actual General Fund revenues and other financing sources were \$741,913 less than budgeted. Expenditures and other financing uses were \$2,372,120 less than budgeted. The City's original General Fund budget included usage of \$473,531 of Unassigned Fund Balance but was amended by \$455,767 to fund costs related to the response to the COVID-19 pandemic. The fund balance increased by \$1,630,207 over budget, or 17.1%, primarily due to under realizing expenses. See pages 102 – 105 for details.
- > As of December 31, 2020, the City of Janesville's Proprietary Funds reported combined ending net position of \$138,294,732, an increase of \$11,986,543, or 9.5%, for 2020. Approximately 2.9% of the net position, \$3,923,725, is unrestricted and available for spending at the government's discretion. See pages 23 – 25 for details.
- > The City of Janesville's total notes, bonds and revenue bonds outstanding increased by \$4.5 million, or 3.7%, to \$125.5 million. General Obligation debt increased \$6.4 million, or 6.3%, and revenue bonds decreased \$1.9 million, or 10.4%, from 2019. See pages 61 – 65 for details.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Janesville's basic financial statements. These basic financial statements are comprised of three components: (1) Government-Wide Financial Statements; (2) Fund Financial Statements; and, (3) Notes to the Financial Statements. This report also contains other supplementary information, in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City of Janesville's finances, in a manner similar to a private-sector business. The Government-Wide Financial Statements can be found on pages 17 and 18 of this report.

The *Statement of Net Position* presents information on all of the City of Janesville's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Janesville is improving or deteriorating.

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

Both of the Government-Wide Financial Statements distinguish functions of the City of Janesville that are principally supported by taxes and inter-governmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Janesville include General Government; Public Safety; Public Works; Recreation and Parks; Community and Economic Development; and Library. The business-type activities of the City of Janesville include the Water, Wastewater, and Stormwater Utilities, and the Transit System.

In addition to these various direct operations of the City, or primary government, the Government-Wide Financial Statements also include financial information related to two legally distinct entities for which the City has financial responsibility, known as Component Units. These Component Units are the Janesville Community Development Authority (CDA) and Janesville Innovation Incorporated (JII). These entities are described in Note I of the Financial Statements. Separately issued financial statements and management discussion information are not published for these component units.

Fund Financial Statements

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

Governmental Funds. Governmental Funds are used to account for essentially the same functions reported as governmental activities in the Government-Wide Financial Statements. However, unlike the Government-Wide Financial Statements, Governmental Fund Financial Statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of Governmental Funds is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented for Governmental Funds with similar information presented for governmental activities in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the *Governmental Funds Balance Sheet* and the *Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances* provide a reconciliation to facilitate this comparison between Governmental Funds and governmental activities.

The City of Janesville maintains 27 individual Governmental Funds. Information is presented separately in the *Governmental Funds Balance Sheet* and in the *Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances* for the General Fund, the Sanitation Fund, the Debt Service Fund, and the Capital Projects Fund, which are considered to be major Funds. Data from the remaining 23 Governmental Funds are combined into a single, aggregated presentation. Individual Fund data for each of these non-major Governmental Funds (Special Revenue Funds including TIF districts) is provided in the form of Combining Statements later in this report. The basic Governmental Fund Financial Statements can be found on pages 19 – 22 of this report.

Proprietary Funds. Proprietary Funds are used to report the same functions presented as business-type activities in the Government-Wide Financial Statements. Proprietary Funds provide the same type of information as the Government-Wide Financial Statements, only in more detail. The City of Janesville maintains two types of Proprietary Funds: Enterprise Funds and Internal Service Funds. The Proprietary Fund Financial Statements provide separate information for the Stormwater Utility, Water Utility, Wastewater Utility, and Transit System which are considered to be major Enterprise Funds of the City of Janesville. Internal Service Funds are used to account for enterprise-like operations that provide services, on a user fee basis, primarily, or exclusively, to departmental customers within the governmental entity itself, rather than to external customers. The City of Janesville uses Internal Service Funds to account for its Vehicle Operation & Maintenance (VOM), Insurance functions, and Benefits Funding (provides funds for payment of the non-general fund debt service borrowed in 2005 to payoff the Wisconsin Retirement System prior service liability). These internal functions are reported in a single, aggregated Proprietary Fund statement presentation, and included with other governmental activities in the Government-Wide Financial Statements. The basic Proprietary Fund Financial Statements can be found on pages 23 – 27 of this report.

Fiduciary Funds. Fiduciary Funds are used to account for, and report assets controlled by the city and the assets are for the benefit of individuals, private organizations, and/or other governmental units. Fiduciary Funds are not reflected in the Government-Wide Financial Statement because the resources of those funds are not available to support the City of Janesville's programs. The Fiduciary Fund maintained by the City of Janesville is a Custodial Fund called the Tax Collection Fund. The Tax Collection Fund records the tax roll and tax collections for other taxing jurisdictions within the City of Janesville. The basic Custodial Fund Financial Statements can be found on pages 28 and 29 of this report.

Notes to the Financial Statements

The Notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The *Notes to the Financial Statements* can be found on pages 30 – 95 of this report.

Supplementary Information

In addition to the basic Financial Statements and accompanying Notes, required supplementary information presents budgetary comparison schedules for the General Fund and Sanitation Fund to demonstrate compliance with the budget and complements the statement included in the basic Governmental Fund Financial Statements. The budgetary comparison schedules are found on pages 96 and 97 of this report.

The additional required supplementary information schedules show the required Wisconsin Retirement System (WRS) net pension asset/liability information as well as the other postemployment benefits (OPEB) information. While WRS is fully funded, the City has not funded the actuarial value of the OPEB. The required WRS and OPEB schedules are found on pages 98 – 100 of this report.

Additional supplementary information has been provided as part of this report. This information includes the General Fund detailed schedule of revenues and other sources, and expenditure and other uses; combining statements in connection with non-major governmental, enterprise, internal service, and agency funds; Water and Wastewater utilities operating revenues and expenses; utility plant; and component unit statement of cash flows. The supplementary information section can be found on pages 102 – 137 of this report.

The statistical section presents detailed information as a context for understanding the City's overall financial condition as presented in the financial statements, notes to the financial statements, and required supplementary information. The statistical section can be found at the end of this report.

Financial Analysis of the City Government-wide Statements

The City of Janesville's statements of net position at December 31, 2020 and 2019 are summarized in the table below.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Janesville, assets exceeded liabilities by \$307.6 million at the close of 2020. This is an increase of \$13.3 million, or 4.5%, above 2019.

City of Janesville						
Summary Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$103,512,556	\$91,793,609	\$27,636,044	\$23,680,737	\$131,148,600	\$115,474,346
Capital assets (net)	<u>252,642,490</u>	<u>242,745,365</u>	<u>164,223,599</u>	<u>157,147,743</u>	<u>416,866,089</u>	<u>399,893,108</u>
Total Assets	<u><u>356,155,046</u></u>	<u><u>334,538,974</u></u>	<u><u>191,859,643</u></u>	<u><u>180,828,480</u></u>	<u><u>548,014,689</u></u>	<u><u>515,367,454</u></u>
Deferred outflow s of resources	<u>28,604,911</u>	<u>28,411,957</u>	<u>2,726,758</u>	<u>2,834,441</u>	<u>31,331,669</u>	<u>31,246,398</u>
Current liabilities	8,034,410	7,705,156	1,941,164	1,760,996	9,975,574	9,466,152
Long-term liabilities	<u>130,276,813</u>	<u>128,444,361</u>	<u>51,565,312</u>	<u>54,115,275</u>	<u>181,842,125</u>	<u>182,559,636</u>
Total Liabilities	<u><u>138,311,223</u></u>	<u><u>136,149,517</u></u>	<u><u>53,506,476</u></u>	<u><u>55,876,271</u></u>	<u><u>191,817,699</u></u>	<u><u>192,025,788</u></u>
Deferred inflow s of revenues	<u>77,101,479</u>	<u>58,773,545</u>	<u>2,785,193</u>	<u>1,478,461</u>	<u>79,886,672</u>	<u>60,252,006</u>
Net Position:						
Net investment in capital assets*	185,634,962	180,995,422	117,868,784	108,602,546	303,358,746	289,332,968
Restricted	26,619,055	18,487,197	13,149,566	10,978,631	39,768,621	29,465,828
Unrestricted (deficit)*	<u>(42,906,762)</u>	<u>(31,454,750)</u>	<u>7,276,382</u>	<u>6,727,012</u>	<u>(35,485,380)</u>	<u>(24,462,738)</u>
Total Net Position	<u><u>\$169,347,255</u></u>	<u><u>\$168,027,869</u></u>	<u><u>\$138,294,732</u></u>	<u><u>\$126,308,189</u></u>	<u><u>\$307,641,987</u></u>	<u><u>\$294,336,058</u></u>

* The net position section includes an adjustment for capital assets owned by the business-type activities, but financed by the debt of the governmental activities column.

The largest portion of the City of Janesville's net position (approximately 98.6%) reflects its investment in capital assets (i.e., land, land improvements, buildings, furniture and fixtures, vehicles and equipment, plant in service, infrastructure and construction in progress), less any related debt used to acquire those

assets that is still outstanding. The City of Janesville uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Janesville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Janesville's net position (approximately 12.9%) represents resources that are subject to external restrictions, such as grants, on how they may be used. The remaining balance is an Unrestricted Net Position of (\$35,485,380).

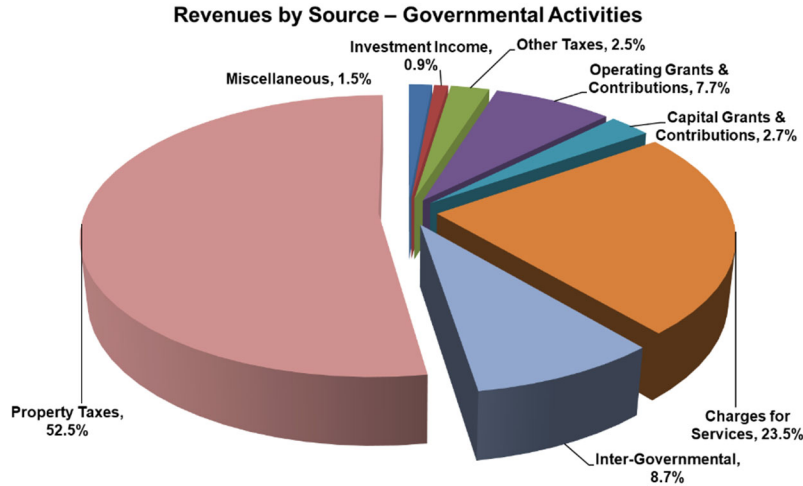
Net position increased \$1,319,386 (0.8%) for governmental activities and \$11,986,543 (9.8%) for business-type activities during 2020.

The following table provides a summary of the City's changes in net position.

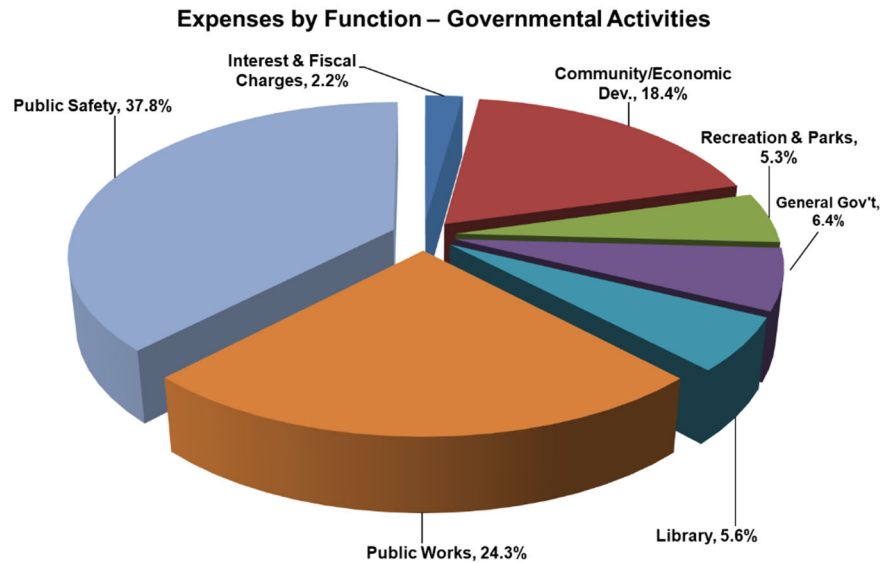
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
REVENUES						
<u>Program Revenues:</u>						
Charges for Services	\$ 19,236,705	\$ 18,956,287	\$ 30,387,650	\$ 23,931,087	\$ 49,624,355	\$ 42,887,374
Operating Grants & Contributions	6,288,677	4,780,586	2,289,893	2,070,475	8,578,570	6,851,061
Capital Grants & Contributions	2,194,078	2,328,727	4,636,800	2,380,940	6,830,878	4,709,667
<u>General Revenues:</u>						
Property Taxes	43,067,061	42,959,368	-	-	43,067,061	42,959,368
Other Taxes	2,026,139	2,412,455	-	-	2,026,139	2,412,455
<u>Inter-Governmental Revenues Not</u>						
Restricted to Specific Programs	7,076,180	6,609,965	-	-	7,076,180	6,609,965
Investment Income	699,579	1,294,627	70,881	240,316	770,460	1,534,943
Miscellaneous	<u>1,233,368</u>	<u>1,328,219</u>	<u>23,725</u>	<u>9,675</u>	<u>1,257,093</u>	<u>1,337,894</u>
Total Revenues	<u>81,821,787</u>	<u>80,670,234</u>	<u>37,408,949</u>	<u>28,632,493</u>	<u>119,230,736</u>	<u>109,302,727</u>
EXPENSES						
General Government	5,122,223	5,276,138	-	-	5,122,223	5,276,138
Public Safety	30,411,791	32,499,009	-	-	30,411,791	32,499,009
Public Works	19,558,230	18,979,099	-	-	19,558,230	18,979,099
Recreation & Parks	4,289,031	4,593,900	-	-	4,289,031	4,593,900
Community/Economic Dev.	14,797,174	11,482,642	-	-	14,797,174	11,482,642
Library	4,499,415	4,736,450	-	-	4,499,415	4,736,450
Interest and Fiscal Charges	1,727,256	1,674,295	-	-	1,727,256	1,674,295
Water Utility	-	-	6,209,575	6,244,772	6,209,575	6,244,772
Wastewater Utility	-	-	10,193,641	9,880,251	10,193,641	9,880,251
Stormwater Utility	-	-	4,953,754	3,780,201	4,953,754	3,780,201
Transit	-	-	4,162,717	4,351,839	4,162,717	4,351,839
Total Expenses	<u>80,405,120</u>	<u>79,241,533</u>	<u>25,519,687</u>	<u>24,257,063</u>	<u>105,924,807</u>	<u>103,498,596</u>
Increase in Net Position Before Transfers	1,416,667	1,428,701	11,889,262	4,375,430	13,305,929	5,804,131
Transfers	<u>(97,281)</u>	<u>(83,929)</u>	<u>97,281</u>	<u>83,929</u>	<u>-</u>	<u>-</u>
Increase in Net Position	1,319,386	1,344,772	11,986,543	4,459,359	13,305,929	5,804,131
Net Position, beginning of year	<u>168,027,869</u>	<u>166,683,097</u>	<u>126,308,189</u>	<u>121,848,830</u>	<u>294,336,058</u>	<u>288,531,927</u>
Net Position, end of year	<u>\$ 169,347,255</u>	<u>\$ 168,027,869</u>	<u>\$ 138,294,732</u>	<u>\$ 126,308,189</u>	<u>\$ 307,641,987</u>	<u>\$ 294,336,058</u>

Total revenues increased by \$9,928,009, or 9.1%, primarily due to increases in Charges for Services (\$6,736,981); Capital Grants & Contributions (\$2,121,211); and Operating Grants & Contributions (\$1,727,509). Meanwhile, total expenses increased \$2,426,211, or 2.3%, primarily due to more Community/Economic Development (\$3,314,532) and Stormwater Utility (\$1,173,553) spending.

Governmental Activities. The pie chart below shows a picture of how governmental activities were funded in 2020. Property taxes are the primary source of funding for governmental services providing just over half (52.5%) of the City's total governmental revenues. Charges for Services contributed 23.5%. Inter-Governmental Revenues increased slightly to 8.7%. Operating Grants contributed increased to 7.7%, and Capital Grants and Contributions were 2.9%. Capital grants and contributions vary depending upon the specific capital projects.

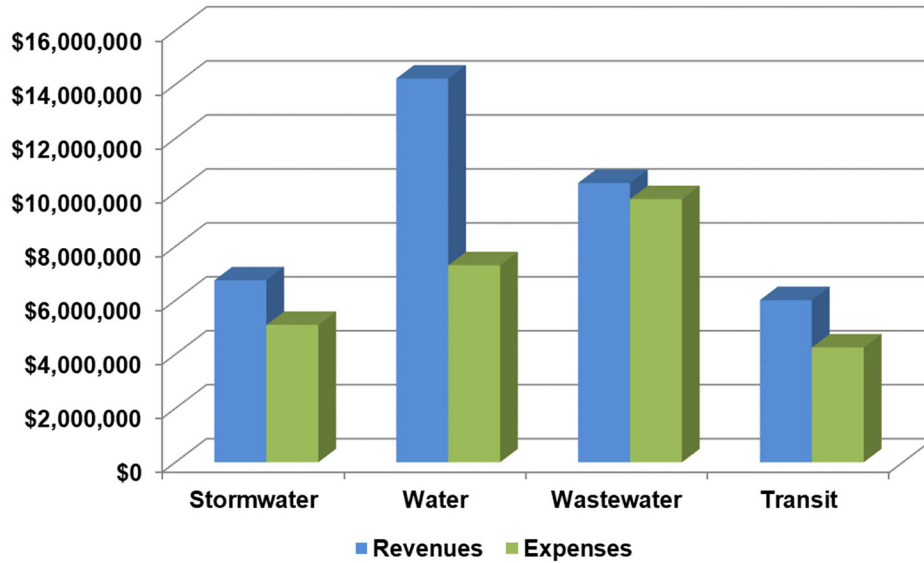


The pie chart below categorizes expenses by governmental functions. Public Safety was the largest category of expense at 37.8% of the total. Public Works was the next largest expense category with 24.3% of the total governmental activities.



Business-Type Activities. Business-type activities are shown in the graph below comparing program revenues to costs of the City of Janesville's business-type activities. This chart shows the Stormwater, Water, and Wastewater Utilities were fully self-supporting in 2020. The Transit fund requires annual transfers from the General Fund.

Program Revenues and Expenses – Business-Type Activities



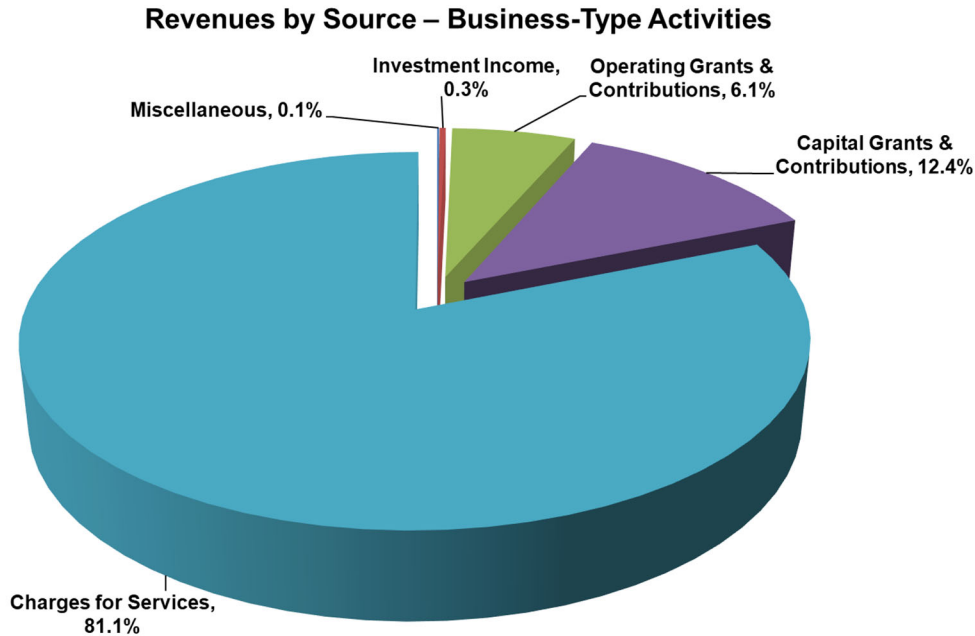
The Stormwater Utility is primarily funded by user charge rates per Equivalent Runoff Unit (ERU). The rate per ERU is designed to fund the budgeted expenditures. The Stormwater Utility generated net operating income of \$890,150. This income is used to pay its debt service requirements, which were \$547,831 in 2020.

The Water Utility produced a net operating income of \$8,032,040 in 2020 compared to \$2,873,448 in 2019. The Water Utility generated operating revenue of \$13,951,700, which was \$1,140,118 (8.9%) more than budgeted primarily due to increased residential and industrial water usage. Water operating expenses and payment in lieu of taxes (PILOT) transfer of \$7,479,664 were \$40,971 (0.6%) over budget.

The Wastewater Utility produced a net operating income of \$408,503 in 2020 compared to \$1,074,434 in 2019. The Wastewater Utility generated operating revenue of \$10,161,455, which was \$232,445 (2.2%) less than budgeted. Wastewater operating expenses of \$9,752,952 were \$213,030 (2.2%) more than budgeted due to higher structure rehabilitation costs than anticipated.

Transit received about 63% of its operating budget from combined Federal and State operating grants. Historically, this funding has remained relatively constant near the maximum. Transit Fare revenue decreased \$135,165 from the previous year, mostly due to decreased ridership in 2020 due to the COVID-19 pandemic. Transit operations are funded in part by General Fund transfers, about 26% in 2020. The 2020 General Fund Subsidy for operation of the Transit system was \$890,001, which was \$298,784 less than budgeted primarily due to lower personnel costs and CARES act funding that replaced lost Transit Fare revenue.

As shown in the pie chart below, revenues from the business-type activities come primarily from Charges for Services (81.2%); Capital Grants and Contributions (12.4%); and Operating Grants (6.1%). Operating grants and contributions are primarily State and Federal grants for the Transit System while Capital grants and contributions are capital grants for new buses and special assessments in Water and Wastewater Utilities for system expansion.



Financial Analysis of the City’s Major Funds

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

Governmental Funds. The focus of the City of Janesville’s Governmental Funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Janesville’s financing requirements. In particular, Unrestricted Fund Balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of December 31, 2020, the City of Janesville’s Governmental Funds reported combined ending balances of \$35,483,568, a decrease of \$1,196,637, or 3.3%, in comparison with the prior year. The Nonspendable Fund Balance is reserved for long-term receivables (\$206,080) which are unavailable for spending or prepaid items and inventories (\$312,410) that have already been spent. The Restricted Fund Balance of \$19,158,068 is restricted by creditors, grantors, or property tax levies to pay: (1) debt service (\$5,320,391); (2) capital projects activities (\$6,000,018); and (3) special revenue activities (\$7,837,659). Approximately \$15.8 million, or 44.6% of the fund balance, constitutes Committed, Assigned, and Unassigned Fund Balance. These balances include \$989,447 that has been committed to special revenue purposes by resolutions and ordinances, \$3,343,276 committed for Sanitation, \$466,654 assigned to fund the 2020 budget, \$2,671,883 assigned to future capital projects, and unassigned funds of \$8,338,970.

The *General Fund* is the chief operating fund of the City of Janesville. As of December 31, 2020, the total fund balance of the General Fund was \$10,217,459, of which \$10,011,379 was unrestricted (Assigned and Unassigned). This Unrestricted Fund Balance represents approximately 19.7% of total General Fund expenditures and transfers out for 2020 while the total fund balance represents approximately 20.1% of that same amount.

The City of Janesville’s General Fund balance increased \$700,909 versus an amended budgeted decrease of \$929,298 in 2020. Revenues were under the budgeted amount by \$771,917 while expenditures were under budget by \$2,073,336 and other financing sources (uses) were \$328,788 under

budget when netted. The net increase in the General Fund balance is primarily due to the City taking action at the onset of the COVID-19 pandemic to control costs. These measures included a hiring freeze and the decision to not hire seasonal workers. This resulted in under realized expenditures as follows: General Government (\$301,633); Public Safety (\$662,818); Public Works (\$397,238); Recreation and Parks (\$605,196); and Community and Economic Development (\$106,451). The cost reductions more than offset the loss revenue attributable to the COVID-19 Pandemic.

The *Sanitation Fund* provides for the collection of trash and recyclables and the related disposal cost of the sanitary landfill and compost site. The total fund balance as of December 31, 2020 was \$3,343,276, an increase of \$346,114, or 11.5%, from 2019. Operating revenue was over-realized by \$873,269 primarily due to more tonnage received. The sanitary landfill received 185,650 tons of waste in 2020, which is 15,940 tons more than last year. Operating expenses were over budget by \$356,797 primarily due to increased costs to process solid waste collections in 2020.

The *Debt Service Fund* has a total fund balance of \$5,320,391, all of which is restricted for the payment of debt service. The fund balance increased by \$436,823, or 8.9%, in 2020.

The *Capital Projects Fund* provides funding for capital projects of the City of Janesville, or other unique expenditures that are not normal operating or maintenance-type expenditures reportable within the General Fund or other Governmental Funds. The total fund balance as of December 31, 2020 was \$8,939,091, a decrease of \$810,181, or 8.3%, from the previous year. The decrease is primarily due to completion to previously delayed construction projects resulting in expending previously unspent note proceeds.

The aggregated *Other Governmental Funds* column includes various special revenue funds, such as Tax Incremental Financing (TIF) accounts, that are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The accumulated fund balances for these accounts decreased by \$1,870,302, or 19.6%, in 2020 primarily due to payment of developer incentives which came due in TIF District No. 32.

Proprietary Funds. The City of Janesville's Proprietary Funds provide the same type of information found in the Government-Wide Financial Statements, but in more detail.

The net position of the City's Enterprise Funds increased by \$11,497,808, or 9.3%, to \$134.9 million as of December 31, 2020. Most of this increase is due to assets placed into service. Meanwhile, the net position of the City's Internal Service Funds increased by \$1,199,807 to \$4,143,478 primarily due to favorable claims experience compared to last year as a result of the COVID-19 pandemic.

General Fund Budgetary Highlights

The *Budgetary Comparison Schedule – General Fund* indicates that the amended 2020 budget for expenditures and transfers out was \$53,121,501, funded by anticipated property taxes and revenues (\$50,662,203) and the Water Utility payment-in-lieu-of-taxes (\$1,530,000), and the application of available reserves (\$929,298). The 2020 budget was amended by \$455,767 to fund unreimbursed costs related to the City's response to the COVID-19 pandemic.

Actual revenues and transfers resulted in an unfavorable revenue variance of \$741,913, or -1.4%, less than the amount budgeted for 2020 as revenues were negatively impacted by the COVID-19 pandemic.

The major revenue budget to actual variances are as follows:

- General Fund Tax Levy – \$109,482 less than budget due primarily to refunds paid for claims of excessive assessment
- Hotel/motel Tax – \$161,552 less than budget as a result of less travel due to the COVID-19 pandemic

- Recreation Services Charges – \$571,025 less than budget primarily due to events and programs being cancelled due to the COVID-19 pandemic.
- Fire Department Service Charges – \$590,025 less than budget primarily due to a decrease in ambulance billings as a result of the COVID-19 pandemic.

The expenditure and transfer budget results after the supplemental appropriation yielded a favorable variance of \$2,347,120, or 4.5%, less than the amended budget.

- General Government – Budget savings of \$301,663 were realized primarily in wages, salaries, and benefits related to vacant positions as well as unspent operating contingency funds
 - Public Safety - Budget savings of \$662,818 were realized primarily in wages, salaries, and benefits related to vacant positions. Costs were also reduced because wages, salaries, and benefits related to the COVID-19 pandemic were transferred to a special revenue fund to take advantage of COVID funding provided by the Cares Act.
 - Public Works – Budget savings of \$397,238 were realized primarily in wages, salaries, and benefits related to vacant positions. Costs were also reduced because wages, salaries, and benefits related to the COVID-19 pandemic were transferred to a special revenue fund to take advantage of COVID funding provided by the Cares Act.
 - Recreation and Parks - Budget savings of \$605,196 were realized primarily in wages, salaries, and benefits related to vacant positions. Costs were also reduced because wages, salaries, and benefits related to the COVID-19 pandemic were transferred to a special revenue fund to take advantage of COVID funding provided by the Cares Act.
- Community and Economic Development – Budget savings of \$106,451 were realized primarily in wages, salaries, and benefits related to vacant positions. Costs were also reduced because wages, salaries, and benefits related to the COVID-19 pandemic were transferred to a special revenue fund to take advantage of COVID funding provided by the Cares Act

Additional information on the General Fund budget performance can be found in the supplementary information schedules on pages 102 – 105.

Capital Assets and Long-Term Debt

Capital Assets. In accordance with the implementation requirements of GASB No. 34, the City has recorded historical cost and accumulated depreciation associated with all of its capital assets, including infrastructure. As shown in the table below, the City reported capital assets net of accumulated depreciation for its governmental and business-type activities of \$416.9 million as of December 31, 2020.

City of Janesville
Capital Assets, Net of Accumulated Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$37,372,904	\$37,067,584	\$1,036,345	\$1,036,345	\$38,409,249	\$38,103,929
Construction in Progress	6,651,281	9,073,944	203,319	1,439,533	6,854,600	10,513,477
Land Improvements	10,224,190	10,224,190	937,694	937,694	11,161,884	11,161,884
Buildings	47,670,741	47,627,848	43,806,277	43,799,919	91,477,018	91,427,767
Furniture and Fixtures	9,215,406	9,173,852	5,479,230	4,719,958	14,694,636	13,893,810
Vehicles and Equipment	31,109,079	30,384,853	39,675,013	39,385,994	70,784,092	69,770,847
Plant in Service	-	-	167,676,380	157,881,076	167,676,380	157,881,076
Infrastructure	232,807,980	216,763,528	-	-	232,807,980	216,763,528
Total Capital Assets	\$375,051,581	\$360,315,799	\$258,814,258	\$249,200,519	\$633,865,839	\$609,516,318
Less Accumulated						
Depreciation	<u>(122,409,091)</u>	<u>(117,570,434)</u>	<u>(94,590,659)</u>	<u>(92,052,776)</u>	<u>(216,999,750)</u>	<u>(209,623,210)</u>
Capital Assets Net of						
Depreciation	<u>\$252,642,490</u>	<u>\$242,745,365</u>	<u>\$164,223,599</u>	<u>\$157,147,743</u>	<u>\$416,866,089</u>	<u>\$399,893,108</u>

In 2020, capital asset additions were \$46,138,890 and retirements were \$21,796,729. Significant capital asset additions include the following:

Stormwater Utility	Collection System Construction and Additons	3,439,142
Water Utility	Transmission and Distribution System Construction/Additions	5,153,253
Wastewater Utility	Collection System Construction/Additions	1,411,677
Transit	Buses and Equipment	3,999,331
Infrastructure	Street Construction/ Reconstruction	755,492
	Sidewalks	765,999
Furniture and Fixtures	Hedberg Public Library	336,653
Vehicles & Capital Equipment		
	2020 International - Dump Truck	189,361
	2020 Trash Collection Vehicles (3)	849,475
	2020 Ford Explorer Interceptor - JPD Patrol Vehicles (9)	336,482
	2020 Loader - Wheeled	266,799
	2020 Platform Truck (Roll Off)	123,779
	Groundmaster 5900 Mower (2)	186,493

Additional information of the City of Janesville’s capital assets can be found in Note IV.D on pages 52 – 57.

Long-Term Debt. At the end of the current fiscal year, the City of Janesville has \$125.5 million of long-term notes, bonds, and capital leases outstanding, as summarized in the following table.

City of Janesville Notes and Bonds Outstanding						
	Governmental Activities		Business Type-Activities		Total	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds and Notes	\$79,299,000	\$72,334,000	\$29,401,000	\$29,921,000	\$108,700,000	\$102,255,000
Revenue Bonds	-	-	16,824,384	18,768,104	16,824,384	18,768,104
Total	<u>\$79,299,000</u>	<u>\$72,334,000</u>	<u>\$46,225,384</u>	<u>\$48,689,104</u>	<u>\$125,524,384</u>	<u>\$121,023,104</u>

The 2020 rating for the City of Janesville from Standard and Poor’s Global Ratings for General Obligation Debt remained at “AA”.

State Statutes limit the amount of General Obligation Debt a governmental entity may issue to 5% of its total equalized valuation. The current debt limitation for the City of Janesville is \$279,562,985 which significantly exceeds the City of Janesville’s current outstanding General Obligation debt of \$108,700,000. As of December 31, 2020, the City of Janesville’s outstanding General Obligation debt equaled 38.9% of the State authorized debt limit.

The City of Janesville issued General Obligation Promissory Notes to finance the annual capital improvement program (CIP). The issue closed on July 28, 2020. It included funding for street infrastructure improvements (\$5,564,000); stormwater, water, and wastewater infrastructure improvements (\$3,326,000); developer incentive payment to Diamond Ridge Apartments, LLC (\$3,640,000); Eastside Town Square (\$3,463,000); and final construction of the Sanitary Landfill expansion (\$2,357,000).

Additional information of the City of Janesville’s long-term debt can be found in Note IV.F. on pages 61 – 65 and in the *Statistical Information* section of this report.

Economic Factors and Next Year’s Budget and Rates

- > The average annual unemployment rate for the City of Janesville was 7.1% for 2020, an increase from 3.7% in 2019. This compares to the unemployment rate of 6.3% for the State of Wisconsin and a national unemployment rate of 8.1% in 2020.
- > The City’s total equalized property value at January 1, 2020 was \$5,591,259,700. This compares to the previous year’s total of \$5,315,922,100, an 5.2% increase. The City’s equalized assessed value has grown 34.2% since 2016, which is 11 percentage points more than our peer cities’ average (22.8%) and almost twice the State of Wisconsin (17.6%) over the same period.
- > The State of Wisconsin continues to limit municipalities’ ability to levy taxes. Generally, the City is limited to its prior year tax levy dollar amount (excluding TIF districts), increased by the percentage increase in value due to new construction, or zero percent. Changes in debt service from one year to the next are generally exempt from levy limits. The City is also required to reduce its allowable levy by fee revenue it collects for certain services if they were funded by the tax levy in the prior year. Levies may exceed the allowable limits if approved by referendum.
- > The SARS-CoV-2, and resulting disease, COVID-19, have impacted the entire United States

including impacting the City of Janesville. While the FDA has provided emergency approval for vaccines to prevent the spread of SARS-CoV-2, currently, a sufficient number of people have not been vaccinated to reach herd immunity. The City saw decreases in revenue in many areas, but charges for services were impacted materially. The City's evaluation of the long-term impact of the COVID-19 pandemic is ongoing; however, we anticipate this situation could impact:

- Investment valuations and decreased investment income
- Declines in revenues such as room tax, ambulance transport fees, state aids, fines, or tickets
- Decline in demand for services such as transit; recreational activities; or permits & licenses.

The COVID-19 pandemic continues to have a negative impact on the community. Many businesses still have not reopened to full capacity levels and the virus is still having a negative impact on tourism. The City continues to monitor the situation with the pandemic locally, regionally, and nationally and is in a position to make operating changes as necessary to respond to changes created by the pandemic.

The City expects to receive approximately \$11.8 million from the American Rescue Plan Act (ARPA) over the next 2 years to address the COVID-19 pandemic. The City is reviewing potential projects to address the pandemic that meet the guidelines of the Interim Final Rule issued by the Department of Treasury on how funds may be expended.

Request for Information

This *Comprehensive Annual Financial Report* is designed to provide our citizens, customers, investors, and creditors with a general overview of the City of Janesville's finances and to provide accountability for the financial resources it receives. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed as follows:

City of Janesville
Finance Office
18 North Jackson Street
P.O. Box 5005
Janesville, WI 53547-5005

General information relating to the City of Janesville, Wisconsin, can be found at the City's website at <http://www.janesvillewi.gov>.

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GOVERNMENT-WIDE STATEMENTS

CITY OF JANESVILLE

STATEMENT OF NET POSITION
As of December 31, 2020

	Governmental Activities	Business- type Activities	Totals	Component Unit
ASSETS				
Cash and investments	\$ 37,770,322	\$ 1,519,941	\$ 39,290,263	\$ 303,354
Receivables (net)				
Taxes receivable	46,785,943	-	46,785,943	-
Accounts	5,033,807	9,558,527	14,592,334	-
Special assessments receivable	855,240	153,841	1,009,081	-
Other receivables	48,957	288,334	337,291	-
Prepaid items and inventories	690,338	365,796	1,056,134	-
Internal balances	(1,772,717)	1,772,717	-	-
Restricted assets				
Cash and investments	-	13,180,889	13,180,889	-
Net pension assets	9,045,915	795,999	9,841,914	-
Deposit with risk pool	1,604,120	-	1,604,120	-
Loans receivable (net)	3,450,631	-	3,450,631	-
Capital Assets				
Land	37,372,904	1,036,345	38,409,249	-
Construction in progress	6,651,281	203,319	6,854,600	-
Other capital assets, net of depreciation	<u>208,618,305</u>	<u>162,983,935</u>	<u>371,602,240</u>	<u>12,235</u>
Total Assets	<u>356,155,046</u>	<u>191,859,643</u>	<u>548,014,689</u>	<u>315,589</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	21,072,139	1,933,759	23,005,898	-
Deferred outflows related to health insurance OPEB	6,426,071	610,703	7,036,774	-
Deferred outflows related to life insurance OPEB	<u>1,106,701</u>	<u>182,296</u>	<u>1,288,997</u>	-
Total Deferred Outflows of Resources	<u>28,604,911</u>	<u>2,726,758</u>	<u>31,331,669</u>	-
LIABILITIES				
Accounts payable and accrued liabilities	8,034,410	1,818,301	9,852,711	33,740
Payable from restricted assets	-	122,863	122,863	-
Noncurrent liabilities				
Due within one year	16,097,508	7,336,086	23,433,594	-
Due in more than one year				
Long-term debt and compensated absences	68,613,039	39,723,188	108,336,227	-
Health insurance OPEB	43,087,600	4,094,842	47,182,442	-
Life insurance OPEB	<u>2,478,666</u>	<u>411,196</u>	<u>2,889,862</u>	-
Total Liabilities	<u>138,311,223</u>	<u>53,506,476</u>	<u>191,817,699</u>	<u>33,740</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred revenues	45,105,101	-	45,105,101	-
Deferred inflows related to pensions	27,222,521	2,304,771	29,527,292	-
Deferred inflows related to health insurance OPEB	4,389,771	417,183	4,806,954	-
Deferred inflows related to life insurance OPEB	<u>384,086</u>	<u>63,239</u>	<u>447,325</u>	-
Total Deferred Inflows of Resources	<u>77,101,479</u>	<u>2,785,193</u>	<u>79,886,672</u>	-
NET POSITION				
Net investment in capital assets	185,634,962	117,868,784	303,358,746	12,235
Restricted for				
Equipment replacement	-	10,063,684	10,063,684	-
Debt service	6,255,291	2,289,883	8,545,174	-
Grants	4,918,184	-	4,918,184	-
Library	591,367	-	591,367	-
TIF districts	2,324,570	-	2,324,570	-
Landfill long-term care	3,483,728	-	3,483,728	-
Pensions	9,045,915	795,999	9,841,914	-
Unrestricted	<u>(42,906,762)</u>	<u>7,276,382</u>	<u>(35,485,380)</u>	<u>269,614</u>
TOTAL NET POSITION	<u>\$ 169,347,255</u>	<u>\$ 138,294,732</u>	<u>\$ 307,641,987</u>	<u>\$ 281,849</u>

See accompanying notes to financial statements.

CITY OF JANESVILLE

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2020

Functions/Programs	Net Expenses (Revenues) and Changes in Net Position							Component Unit
	Expenses	Program Revenues			Primary Government			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals	
Primary Government								
Governmental Activities								
General government	\$ 5,122,223	\$ 581,999	\$ 2,543,951	\$ -	\$ (1,996,273)	\$ -	\$ (1,996,273)	
Public safety	30,411,791	3,884,731	1,677,554	20,040	(24,829,466)	-	(24,829,466)	
Public works	19,558,230	10,974,474	599,515	1,970,314	(6,013,927)	-	(6,013,927)	
Recreation and parks	4,289,031	1,884,304	-	-	(2,404,727)	-	(2,404,727)	
Community and economic development	14,797,174	1,125,241	1,123,995	199,896	(12,348,042)	-	(12,348,042)	
Library	4,499,415	785,956	343,662	3,828	(3,365,969)	-	(3,365,969)	
Interest and fiscal charges	1,727,256	-	-	-	(1,727,256)	-	(1,727,256)	
Total Governmental Activities	80,405,120	19,236,705	6,288,677	2,194,078	(52,685,660)	-	(52,685,660)	
Business-type Activities								
Water Utility	6,209,575	13,951,700	-	264,797	-	8,006,922	8,006,922	
Wastewater Utility	10,193,641	10,161,454	-	185,612	-	153,425	153,425	
Stormwater Utility	4,953,754	5,980,735	-	762,650	-	1,789,631	1,789,631	
Transit	4,162,717	293,761	2,289,893	3,423,741	-	1,844,678	1,844,678	
Total Business-type Activities	25,519,687	30,387,650	2,289,893	4,636,800	-	11,794,656	11,794,656	
Total Primary Government	\$ 105,924,807	\$ 49,624,355	\$ 8,578,570	\$ 6,830,878	(52,685,660)	11,794,656	(40,891,004)	
Component Unit- Community Development Authority	\$ 3,189,253	\$ 189,938	\$ 3,289,600	\$ -	-	-	-	\$ 290,285
General Revenues								
Taxes								
Property taxes, levied for general purposes					33,713,088	-	33,713,088	-
Property taxes, levied for the library					3,523,470	-	3,523,470	-
Property taxes, levied for TIF Districts					5,830,503	-	5,830,503	-
Other taxes					2,026,139	-	2,026,139	-
Intergovernmental revenues not restricted to specific programs					7,076,180	-	7,076,180	-
Investment income					699,579	70,881	770,460	269
Miscellaneous					1,233,368	23,725	1,257,093	-
Total General Revenues					54,102,327	94,606	54,196,933	269
Transfers					(97,281)	97,281	-	-
Change in Net Position					1,319,386	11,986,543	13,305,929	290,554
NET POSITION (DEFICIT) - Beginning of Year					168,027,869	126,308,189	294,336,058	(8,705)
NET POSITION - END OF YEAR					\$ 169,347,255	\$ 138,294,732	\$ 307,641,987	\$ 281,849

See accompanying notes to financial statements.

MAJOR GOVERNMENTAL FUNDS

General Fund – This fund accounts for the city’s primary operating activities. Principal sources of revenue are property taxes, licenses and permits, and state shared revenues. Primary expenditures are for police protection, fire protection, public works, recreation activities, maintenance of parks, and general administration.

Sanitation Fund – This fund accounts revenues that are legally restricted to support expenditures for the recycling programs, solid waste collection, composting facility, solid waste disposal and landfill operations.

Debt Service Fund – This fund accounts for resources that are restricted for the payment of principal and interest on long-term debt other than enterprise fund debt.

Capital Projects Fund – This fund accounts for long-term borrowing and other resources that are restricted, committed, or assigned to be used for capital improvement projects.



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CITY OF JANESVILLE

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2020

	General Fund	Sanitation	Debt Service	Capital Projects	Other Governmental Funds	Totals
ASSETS						
Cash and investments	\$ 7,742,961	\$ 2,000,013	\$ 5,311,810	\$ 9,735,542	\$ 8,480,856	\$ 33,271,182
Receivables (net)						
Taxes	34,541,131	279,146	1,260,971	-	10,704,695	46,785,943
Accounts	1,915,974	1,615,626	-	203,906	1,114,156	4,849,662
Special assessments	-	-	354,202	-	17,659	371,861
Delinquent special assessments	-	-	483,379	-	-	483,379
Accrued investment income	48,957	-	-	-	-	48,957
Due from other funds	2,473,331	-	-	393,797	-	2,867,128
Inventories	-	-	-	267,190	-	267,190
Prepaid items	3,220	-	-	-	42,000	45,220
Loans receivable (net)	-	-	-	-	3,450,631	3,450,631
TOTAL ASSETS	\$ 46,725,574	\$ 3,894,785	\$ 7,410,362	\$ 10,600,435	\$ 23,809,997	\$ 92,441,153

	General Fund	Sanitation	Debt Service	Capital Projects	Other Governmental Funds	Totals
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 1,177,976	\$ 489,830	\$ -	\$ 1,255,488	\$ 836,530	\$ 3,759,824
Accrued liabilities	769,642	61,679	-	12,059	148,082	991,462
Due to other funds	-	-	393,797	-	893,391	1,287,188
Total Liabilities	<u>1,947,618</u>	<u>551,509</u>	<u>393,797</u>	<u>1,267,547</u>	<u>1,878,003</u>	<u>6,038,474</u>
Deferred Inflows of Resources						
Unearned revenues	34,326,930	-	-	-	10,778,170	45,105,100
Unavailable revenues	233,567	-	1,696,174	393,797	3,490,473	5,814,011
Total Deferred Inflows of Resources	<u>34,560,497</u>	<u>-</u>	<u>1,696,174</u>	<u>393,797</u>	<u>14,268,643</u>	<u>50,919,111</u>
Fund Balances						
Nonspendable	206,080	-	-	267,190	42,000	515,270
Restricted	-	-	5,320,391	6,000,018	7,837,659	19,158,068
Committed	-	3,343,276	-	-	989,447	4,332,723
Assigned	466,654	-	-	2,671,883	-	3,138,537
Unassigned (deficit)	9,544,725	-	-	-	(1,205,755)	8,338,970
Total Fund Balances	<u>10,217,459</u>	<u>3,343,276</u>	<u>5,320,391</u>	<u>8,939,091</u>	<u>7,663,351</u>	<u>35,483,568</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 46,725,574</u>	<u>\$ 3,894,785</u>	<u>\$ 7,410,362</u>	<u>\$ 10,600,435</u>	<u>\$ 23,809,997</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note IV.D.	252,642,490
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. See Note IV. B.	5,814,011
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. See Note II.A.	(131,038,087)
The net pension asset does not relate to current financial resources and is not reported in the governmental funds	9,045,915
Deferred outflows of resources related to pensions and OPEBs do not relate to current financial resources and are not reported in the governmental funds	28,604,911
Deferred inflows of resources related to pensions and OPEBs do not relate to current financial resources and are not reported in the governmental funds	(31,996,378)
Internal service funds are used by management to charge the costs of various services to individual funds. The assets and liabilities of the internal service funds which primarily serve governmental activities are included as governmental activities.	<u>790,825</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	<u>\$ 169,347,255</u>

See accompanying notes to financial statements.

CITY OF JANESVILLE

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2020**

	General Fund	Sanitation	Debt Service	Capital Projects	Other Governmental Funds	Totals
REVENUES						
Taxes	\$ 34,411,811	\$ -	\$ -	\$ -	\$ 10,677,623	\$ 45,089,434
Licenses and permits	1,778,103	-	-	-	-	1,778,103
Investment income, rents and fines	1,012,666	-	75,226	320,662	170,818	1,579,372
State and federal aids	9,375,112	225,604	-	79,685	3,787,067	13,467,468
Special assessments	-	-	404,797	361,880	-	766,677
Service charges and other	3,312,594	10,290,030	-	-	4,282,976	17,885,600
Miscellaneous	-	-	-	178,908	23,346	202,254
Total Revenues	49,890,286	10,515,634	480,023	941,135	18,941,830	80,768,908
EXPENDITURES						
Current						
General government	4,569,679	-	-	-	90,169	4,659,848
Public safety	26,321,425	-	-	-	2,804,378	29,125,803
Public works	4,488,518	7,701,708	-	250,739	250,181	12,691,146
Recreation and parks	2,493,133	-	-	-	1,451,554	3,944,687
Community and economic development	1,561,220	-	-	-	14,111,445	15,672,665
Library	-	-	-	-	3,828,666	3,828,666
Capital Outlay	-	-	-	18,214,046	1,330,757	19,544,803
Debt Service						
Principal retirement	-	-	16,756,000	-	-	16,756,000
Interest and fiscal charges	-	-	1,754,034	-	-	1,754,034
Total Expenditures	39,433,975	7,701,708	18,510,034	18,464,785	23,867,150	107,977,652
Excess (deficiency) of revenues over expenditures	<u>10,456,311</u>	<u>2,813,926</u>	<u>(18,030,011)</u>	<u>(17,523,650)</u>	<u>(4,925,320)</u>	<u>(27,208,744)</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	14,593,000	6,088,000	20,681,000
Refunding debt issued	-	-	3,040,000	-	-	3,040,000
Premium on long-term debt	-	-	852,162	-	-	852,162
Transfers in	1,560,004	250,000	14,574,672	2,887,753	1,435,804	20,708,233
Transfers out	(11,315,406)	(2,717,812)	-	(767,284)	(4,468,786)	(19,269,288)
Total Other Financing Sources (Uses)	(9,755,402)	(2,467,812)	18,466,834	16,713,469	3,055,018	26,012,107
Net Change in Fund Balance	700,909	346,114	436,823	(810,181)	(1,870,302)	(1,196,637)
FUND BALANCES - Beginning of Year	<u>9,516,550</u>	<u>2,997,162</u>	<u>4,883,568</u>	<u>9,749,272</u>	<u>9,533,653</u>	<u>36,680,205</u>
FUND BALANCES - END OF YEAR	\$ 10,217,459	\$ 3,343,276	\$ 5,320,391	\$ 8,939,091	\$ 7,663,351	\$ 35,483,568

See accompanying notes to financial statements.

CITY OF JANESVILLE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2020

Net change in fund balances - total governmental funds	\$ (1,196,637)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of net assets the cost of these assets is capitalized and they are depreciated over their estimated useful lives. Depreciation is reported as expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	19,544,804
Certain capital outlay expenditures were not capitalized and are reported as functional expenditures in the government-wide statements	(1,855,234)
Some assets were contributed by donors or developers	471,545
Depreciation expense is reported in the government-wide statements	(8,093,958)
Net book value of remaining assets retired plus adjustments	(170,032)

Some receivables are not currently available and are reported as deferred revenue in the fund financial statements but are recognized as revenue in the government-wide financial statements.

Loans receivable	359,098
Special assessments receivable	912,332
Grants and other receivables	25,946

Debt issues provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Debt issued	(23,721,000)
Principal paid	16,756,000

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Net pension liability and related deferred outflows and inflows of resources	(178,304)
Net OPEB liability and related deferred outflows and inflows of resources	(1,806,173)
Landfill liability	72,000
Compensated absences	(7,881)
Accrued interest on debt	17,208

Governmental funds report debt discount and issuance costs as expenditures. Premiums on debt issuance are recorded as revenues. However, in the statement of net assets, premiums and discounts are deferred and reported as additions to/subtractions from long-term debt. These balances are amortized over the period the debt is outstanding.

Premium on new debt	(852,162)
Amortization of premium	330,762

The net revenues (expenses) of internal service fund activity is reported on the statement of activities.	<u>711,072</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,319,386</u>
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See accompanying notes to financial statements.

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MAJOR PROPRIETARY FUNDS

Stormwater Utility – To account for a stormwater drainage system with adequate capacity to accommodate major storms while maintaining the quality of stormwater discharged into receiving streams and rivers in compliance with state and federal regulations. Activities include street sweeping and maintenance of storm sewers, catch basins, and greenbelts.

Water Utility Fund – The Water Utility accounts for all activities necessary to provide cost effective water services to residents of the City of Janesville in accordance with current “safe drinking water” standards established by state and federal governments. Fund activities include administration, billing and collection, operations and maintenance, financing, and related debt service.

Wastewater Utility Fund – The Wastewater Utility accounts for all activities necessary to provide cost effective sanitary sewer services to residents of the City of Janesville in accordance with current “treated effluent discharge” standards established by state and federal governments. Fund activities include administration, billing and collection, operations and maintenance, collection system expansion, financing, and related debt service.

Transit System Fund – To account for state and federal funds granted to promote and provide a reliable, cost effective public transit system oriented to the needs of senior citizens, handicapped persons, children, major employment, and business centers.



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CITY OF JANESVILLE

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of December 31, 2020

	Stormwater Utility	Water Utility	Wastewater Utility	Transit System	Totals	Governmental Activities Internal Service Funds
ASSETS						
Current Assets						
Cash and working funds	\$ -	\$ -	\$ 1,451,839	\$ 68,102	\$ 1,519,941	\$ 4,499,140
Accounts receivable	1,396,862	2,437,084	1,911,926	208,026	5,953,898	184,145
Unbilled revenue	1,034,390	1,482,016	1,088,223	-	3,604,629	-
Other accounts receivable	-	70,465	217,869	-	288,334	-
Due from other funds	-	-	1,558,232	-	1,558,232	-
Inventories	-	282,778	-	80,018	362,796	367,928
Prepaid items	-	3,000	-	-	3,000	10,000
Special assessments receivable	-	76,527	77,314	-	153,841	-
Restricted Assets						
Revenue bond redemption account	-	249,600	2,101,486	-	2,351,086	-
Construction account	1,074	33,294	27,292	-	61,660	-
Replacement account	-	-	-	-	-	-
Total Restricted Assets	1,074	282,894	2,128,778	-	2,412,746	-
Total Current Assets	2,432,326	4,634,764	8,434,181	356,146	15,857,417	5,061,213
Noncurrent Assets						
Restricted Assets						
Construction account	496	253,313	450,650	-	704,459	-
Replacement account	-	782,922	9,280,762	-	10,063,684	-
Net pension assets	-	270,809	187,812	337,378	795,999	-
Total Restricted Assets	496	1,307,044	9,919,224	337,378	11,564,142	-
Deposit with risk pool	-	-	-	-	-	1,604,120
Utility Plant						
Land	-	308,314	18,000	710,031	1,036,345	-
Utility plant in service (at cost)	13,833,493	107,542,646	118,498,012	17,700,443	257,574,594	-
Construction work in progress	-	131,035	72,284	-	203,319	-
Accumulated depreciation	(2,426,615)	(34,784,394)	(53,121,031)	(4,258,619)	(94,590,659)	-
Net Plant	11,406,878	73,197,601	65,467,265	14,151,855	164,223,599	-
Total Noncurrent Assets	11,407,374	74,504,645	75,386,489	14,489,233	175,787,741	1,604,120
Total Assets	13,839,700	79,139,409	83,820,670	14,845,379	191,645,158	6,665,333
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pension	-	629,823	466,359	837,577	1,933,759	-
Deferred outflows related to health insurance OPEB	98,294	303,655	99,229	109,525	610,703	-
Deferred outflows related to life insurance OPEB	20,581	66,166	48,158	47,391	182,296	-
Total Deferred Outflows of Resources	118,875	999,644	613,746	994,493	2,726,758	-

See accompanying notes to financial statements.

	Stormwater Utility	Water Utility	Wastewater Utility	Transit System	Totals	Governmental Activities Internal Service Funds
LIABILITIES						
Current Liabilities						
Accounts payable	\$ 21,155	\$ 457,405	\$ 184,658	\$ 55,492	\$ 718,710	\$ 152,949
Claims payable	-	-	-	-	-	2,267,756
Accrued salaries and wages	104,900	236,085	257,552	209,654	808,191	101,150
Accrued interest	33,687	185,595	72,118	-	291,400	-
Due to other funds	60,516	3,077,656	-	-	3,138,172	-
Current portion of long-term debt	505,000	3,378,500	1,465,500	-	5,349,000	-
Current Liabilities Payable from Restricted Assets						
Construction payables	1,074	33,294	27,292	-	61,660	-
Current maturities of revenue bonds	-	214,154	1,772,932	-	1,987,086	-
Interest accrued on revenue bonds	-	3,313	57,890	-	61,203	-
Total Current Liabilities	726,332	7,586,002	3,837,942	265,146	12,415,422	2,521,855
Noncurrent Liabilities						
General obligation long-term debt payable	3,032,126	15,408,041	6,445,723	-	24,885,890	-
Revenue bonds	-	584,060	14,253,238	-	14,837,298	-
Health insurance OPEB	659,074	2,036,044	665,343	734,381	4,094,842	-
Life insurance OPEB	46,887	150,740	106,902	106,667	411,196	-
Total Noncurrent Liabilities	3,738,087	18,178,885	21,471,206	841,048	44,229,226	-
Total Liabilities	4,464,419	25,764,887	25,309,148	1,106,194	56,644,648	2,521,855
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	-	757,894	525,629	1,021,248	2,304,771	-
Deferred inflows related to health insurance OPEB	67,147	207,432	67,785	74,819	417,183	-
Deferred inflows related to life insurance OPEB	6,640	22,556	17,011	17,032	63,239	-
Total Deferred Inflows of Resources	73,787	987,882	610,425	1,113,099	2,785,193	-
NET POSITION						
Net investment in capital assets	7,870,248	53,866,159	41,980,522	14,151,855	117,868,784	-
Restricted per bond ordinance for:						
Debt service	-	246,287	2,043,596	-	2,289,883	-
Equipment replacement	-	-	9,280,762	-	9,280,762	-
Main replacement	-	782,922	-	-	782,922	-
Pensions	-	270,809	187,812	337,378	795,999	-
Unrestricted (deficit)	1,550,121	(1,779,893)	5,022,151	(868,654)	3,923,725	4,143,478
TOTAL NET POSITION	\$ 9,420,369	\$ 53,386,284	\$ 58,514,843	\$ 13,620,579	134,942,075	\$ 4,143,478
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					3,352,657	
Net Position of Business-type Activities					\$ 138,294,732	

See accompanying notes to financial statements.

CITY OF JANESVILLE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - PROPRIETARY FUNDS
For the Year Ended December 31, 2020

	Stormwater Utility	Water Utility	Wastewater Utility	Transit System	Totals	Governmental Activities Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 5,980,735	\$ 13,951,700	\$ 10,161,455	\$ 293,761	\$ 30,387,651	\$ 16,341,482
Total Operating Revenues	<u>5,980,735</u>	<u>13,951,700</u>	<u>10,161,455</u>	<u>293,761</u>	<u>30,387,651</u>	<u>16,341,482</u>
OPERATING EXPENSES						
Operation and maintenance	4,871,816	3,737,072	6,285,639	3,441,078	18,335,605	13,605,449
Depreciation	<u>218,769</u>	<u>2,182,588</u>	<u>3,467,313</u>	<u>814,807</u>	<u>6,683,477</u>	<u>-</u>
Total Operating Expenses	<u>5,090,585</u>	<u>5,919,660</u>	<u>9,752,952</u>	<u>4,255,885</u>	<u>25,019,082</u>	<u>13,605,449</u>
Operating Income (Loss)	<u>890,150</u>	<u>8,032,040</u>	<u>408,503</u>	<u>(3,962,124)</u>	<u>5,368,569</u>	<u>2,736,033</u>
NONOPERATING REVENUES (EXPENSES)						
Federal operating grants	-	-	-	1,277,986	1,277,986	-
State operating grants	-	-	-	902,259	902,259	-
Local operating subsidy	-	-	-	109,648	109,648	-
Investment income (loss)	-	-	70,881	-	70,881	-
Debt issuance costs	(6,319)	(13,495)	(17,350)	-	(37,164)	-
Amortization premium	13,053	85,033	38,301	-	136,387	-
Interest expense	(71,100)	(472,948)	(534,384)	-	(1,078,432)	-
Miscellaneous revenues (expenses)	-	13,843	(250)	-	13,593	-
Total Nonoperating Revenues (Expenses)	<u>(64,366)</u>	<u>(387,567)</u>	<u>(442,802)</u>	<u>2,289,893</u>	<u>1,395,158</u>	<u>-</u>
Income (Loss) Before Contributions and Transfers	825,784	7,644,473	(34,299)	(1,672,231)	6,763,727	2,736,033
CAPITAL CONTRIBUTIONS	762,650	264,797	185,612	3,423,741	4,636,800	-
TRANSFERS IN	-	-	-	1,657,285	1,657,285	-
TRANSFERS OUT	-	(1,560,004)	-	-	(1,560,004)	(1,536,226)
Net Change in Net Position	1,588,434	6,349,266	151,313	3,408,795	11,497,808	1,199,807
NET POSITION - Beginning of Year	<u>7,831,935</u>	<u>47,037,018</u>	<u>58,363,530</u>	<u>10,211,784</u>	<u>123,444,267</u>	<u>2,943,671</u>
NET POSITION - END OF YEAR	<u>\$ 9,420,369</u>	<u>\$ 53,386,284</u>	<u>\$ 58,514,843</u>	<u>\$ 13,620,579</u>	<u>\$ 134,942,075</u>	<u>\$ 4,143,478</u>

Some amounts reported for business-type activities in the statement of activities are different because the net revenue of certain internal service funds is reported with business-type activities.

488,735

Change in net position of business-type activities

\$ 11,986,543

See accompanying notes to financial statements.

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CITY OF JANESVILLE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2020

	Stormwater Utility	Water Utility	Wastewater Utility	Transit System	Totals	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 4,950,626	\$ 13,709,390	\$ 10,558,752	\$ 310,977	\$ 29,529,745	\$ 16,447,723
Cash paid to suppliers for goods and services	(3,547,071)	(1,525,204)	(3,468,519)	(864,020)	(9,404,814)	(12,207,497)
Cash payments to employees for services	(1,188,378)	(1,871,844)	(2,640,452)	(2,556,891)	(8,257,565)	(1,109,946)
Net Cash Flows From Operating Activities	<u>215,177</u>	<u>10,312,342</u>	<u>4,449,781</u>	<u>(3,109,934)</u>	<u>11,867,366</u>	<u>3,130,280</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Subsidies received - federal	-	-	-	1,277,986	1,277,986	-
Subsidies received - state	-	-	-	902,259	902,259	-
Subsidies received - local	-	-	-	109,648	109,648	-
Paid to municipality for tax equivalent	-	(1,530,000)	-	-	(1,530,000)	-
Negative cash balance implicitly financed by other utilities	-	-	-	(1,857)	(1,857)	-
Due to other funds	-	(354,517)	-	-	(354,517)	-
Transfers from (to) other funds	-	-	-	1,657,285	1,657,285	-
Transfer to debt service	-	-	-	-	-	(58,688)
Transfer to capital projects	-	-	-	-	-	(1,477,538)
Net Cash Flows From Noncapital Financing Activities	<u>-</u>	<u>(1,884,517)</u>	<u>-</u>	<u>3,945,321</u>	<u>2,060,804</u>	<u>(1,536,226)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Cash used to retire debt	(575,000)	(4,535,898)	(3,561,822)	-	(8,672,720)	-
Interest paid	(62,982)	(510,172)	(529,993)	-	(1,103,147)	-
Acquisition and construction of capital assets	(2,283,686)	(5,549,578)	(1,907,719)	(4,191,026)	(13,932,009)	-
Proceeds from long term debt issued	1,508,000	2,090,000	2,611,000	-	6,209,000	-
Issuance costs and premium on new debt	53,041	60,115	78,578	-	191,734	-
Construction grant received	<u>762,650</u>	<u>-</u>	<u>-</u>	<u>3,423,741</u>	<u>4,186,391</u>	<u>-</u>
Net Cash Flows From Capital and Related Financing Activities	<u>(597,977)</u>	<u>(8,445,533)</u>	<u>(3,309,956)</u>	<u>(767,285)</u>	<u>(13,120,751)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment income	<u>(3,384)</u>	<u>-</u>	<u>70,881</u>	<u>-</u>	<u>67,497</u>	<u>-</u>
Net Change in Cash Cash Equivalents	<u>(386,184)</u>	<u>(17,708)</u>	<u>1,210,706</u>	<u>68,102</u>	<u>874,916</u>	<u>1,594,054</u>
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>387,754</u>	<u>1,336,837</u>	<u>12,101,323</u>	<u>-</u>	<u>13,825,914</u>	<u>2,905,086</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,570</u>	<u>\$ 1,319,129</u>	<u>\$ 13,312,029</u>	<u>\$ 68,102</u>	<u>\$ 14,700,830</u>	<u>\$ 4,499,140</u>

	Stormwater Utility	Water Utility	Wastewater Utility	Transit System	Totals	Governmental Activities Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH						
FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	\$ 890,150	\$ 8,032,040	\$ 408,503	\$ (3,962,124)	\$ 5,368,569	\$ 2,736,033
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities						
Nonoperating income (expense)	-	13,843	(250)	-	13,593	-
Depreciation	218,769	2,182,588	3,467,313	814,807	6,683,477	-
Depreciation charged to other accounts	-	313,219	-	-	313,219	-
Change in Noncash Components of Working Capital						
Accounts receivable	(1,092,692)	(834,288)	45,809	(7,327)	(1,888,498)	106,240
Other accounts receivable	-	(14,166)	(95,762)	-	(109,928)	-
Due from other funds	-	(92,279)	391,479	-	299,200	-
Inventories	-	26,922	-	134,710	161,632	(12,552)
Accounts payable	29,686	324,191	104,203	(74,526)	383,554	(23,417)
Other current liabilities	(1,743)	52,067	46,331	17,103	113,758	323,976
Pension related deferrals and liabilities	62,584	26,039	(34,768)	9,661	63,516	-
Other post employment benefits	108,423	282,166	116,923	(42,238)	465,274	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 215,177</u>	<u>\$ 10,312,342</u>	<u>\$ 4,449,781</u>	<u>\$ (3,109,934)</u>	<u>\$ 11,867,366</u>	<u>\$ 3,130,280</u>
Cash and investments - statement of net position	\$ 1,570	\$ -	\$ 1,451,839	\$ 68,102	\$ 1,521,511	\$ 4,499,140
Revenue bond redemption account - statement of net position	-	249,600	2,101,486	-	2,351,086	-
Restricted cash and investments - statement of net position	-	1,069,529	9,758,704	-	10,828,233	-
CASH AND CASH EQUIVALENTS - COMBINED STATEMENT OF CASH FLOWS	<u>\$ 1,570</u>	<u>\$ 1,319,129</u>	<u>\$ 13,312,029</u>	<u>\$ 68,102</u>	<u>\$ 14,700,830</u>	<u>\$ 4,499,140</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

During 2020, \$264,797 and \$185,612 of capital additions were contributed to the water and wastewater utilities, respectively, by customers and Tax Incremental Financing (TIF).



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FIDUCIARY FUNDS

Fiduciary Funds are used to account for, and report assets controlled by the city and the assets are for the benefit of individuals, private organizations, and/or other governmental units. The Fiduciary Fund maintained by the City of Janesville is a Custodial Fund called the Tax Collection Fund.

CITY OF JANESVILLE

STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUND As of December 31, 2020

	<u>Tax Collection</u>
ASSETS	
Cash and investments	\$ 12,437,247
Taxes receivable	<u>68,823,817</u>
TOTAL ASSETS	<u>\$ 81,261,064</u>
LIABILITIES	
Due to other taxing units	<u>\$ 81,261,064</u>
TOTAL LIABILITIES	<u>\$ 81,261,064</u>
NET POSITION	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

CITY OF JANESVILLE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUND

For the Year Ended December 31, 2020

	<u>Tax Collection</u>
ADDITIONS	
Property taxes collected for other governments	\$ 34,959,341
TOTAL ADDITIONS	<u>34,959,341</u>
DEDUCTIONS	
Property taxes distributed to other governments	\$ 34,959,341
TOTAL DEDUCTIONS	<u>34,959,341</u>
CHANGE IN NET POSITION	<u>\$ -</u>

CITY OF JANESVILLE

INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Janesville, Wisconsin (the city) conform to generally accepted accounting principles as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the City of Janesville. The reporting entity for the city consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or 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. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax-exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, or blended, or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Discretely Presented Component Unit

City of Janesville Community Development Authority

The government-wide financial statements include the City of Janesville Community Development Authority ("CDA") as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the city council. The city can impose its will on the CDA and also create a potential financial benefit to or burden on the city by significantly influencing the programs, projects, activities, and level of service performed by the CDA. As a component unit, the CDA financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2020. See Note IV.I. the CDA does not issue separate financial statements.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

A. REPORTING ENTITY (cont.)

Blended Component Unit

Janesville Innovation, Inc.

The financial statements include Janesville Innovation, Inc. ("JII") as a component unit. JII is a legally separate organization. The board of JII is appointed by the city council. The city can impose its will on JII and also create a potential financial benefit to or burden on the city by significantly influencing the programs, projects, activities, and level of service performed by JII. JII's activities benefit almost exclusively the city's economic development department. As a blended component unit, JII's financial statements have been presented as a nonmajor fund called Innovation Center in the financial statements. The information presented is for the fiscal year ended December 31, 2020. JII does not issue separate financial statements.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements

Financial statements of the city are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund equity, revenues, and expenditure/expenses.

Separate financial statements are provided for governmental funds and proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the city or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the city believes is particularly important to financial statement users may be reported as a major fund.

The city reports the following major governmental funds:

- General Fund – accounts for the city’s primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- Sanitation Fund – accounts for landfill grants and service charges committed to supporting expenditures for the recycling programs, solid waste collection, composting facility, solid waste disposal and landfill operations.
- Debt Service Fund – accounts for resources that are restricted, committed, or assigned for the payment of principal and interest on long-term debt other than enterprise fund debt.
- Capital Projects Fund – accounts for long-term borrowing and other resources that are restricted, committed, or assigned to be used for capital improvement projects.

The city reports the following major enterprise funds:

- Stormwater Utility – accounts for operations of the stormwater system.
- Water Utility – accounts for operations of the water system.
- Wastewater Utility – accounts for operations of the wastewater system.
- Transit Utility – accounts for the operations of the transit system.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The city reports the following nonmajor governmental funds:

Special Revenue Funds – used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Library	North Kennedy Rd – TIF No.	Downtown – TIF No. 36
JATV-12	25	Humes Rd – TIF No. 37
Oak Hill Cemetery	Beloit Ave/Kellogg Ave – TIF	Milton Ave at Blackbridge – TIF
Special Accounts	No. 26	No. 38
South Main St – TIF	East Van Buren – TIF No. 27	Golf Courses
No. 17	Center Ave – TIF No. 28	Other Housing Grants
GOEX – TIF No. 21	Milton Ave at Mt Zion – TIF No.	Community Development Block
Beloit Ave Industrial	29	Grant
Park – TIF No. 22	Racine St – TIF No. 32	Innovation Center
Eastside Downtown	Mineral Pt – TIF No. 33	
– TIF No. 23	HWY 11/CTH G – TIF No. 35	

In addition, the city reports the following fund types:

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.

Vehicle Operation and Maintenance
Insurance
Benefits Funding

Custodial Funds are used to account for, and report assets controlled by the city and the assets are for the benefit of individuals, private organizations, and/or other governmental units.

Tax Collection Fund

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the city's stormwater utility, water utility, wastewater utility, and transit system and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are 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. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for most revenues including taxes and 90 days for certain grants. 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 inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

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 unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

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 unavailable revenues. Delinquent special assessments being held for collection by the county are reported as receivables and unavailable revenues in the debt service fund.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments, 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.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the stormwater utility, water utility, wastewater utility, and transit system funds are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the 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.

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

- a. Time deposits in any credit union, bank, savings bank, or trust company.
- b. 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, a local professional football stadium district, a local cultural arts district, by the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

The city has adopted an investment policy. See Note IV.A. for descriptions of that policy's guidelines in relation to the risks associated with its deposits and investments.

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 the methods and inputs outlined in Note IV.A. 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 monthly ending investment balances and investment income of some funds is allocated to the general fund. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2020, the fair value of the city's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note IV.A. for further information.

2. Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the city, taxes are collected for and remitted to the state and county governments as well as local school districts and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of fiduciary net position.

Property tax calendar – 2020 tax roll:

Lien date and levy date	December 2020
Tax bills mailed	December 2020
Payment in full, or	January 31, 2021
First installment due	January 31, 2021
Second installment due	July 31, 2021
Personal property taxes in full	January 31, 2021
Tax sale – 2020 delinquent real estate taxes	October 2023

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables (cont.)

Accounts receivable have been shown net of an allowance for uncollectible accounts. 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 for the stormwater, water, and wastewater and utilities because they have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as “due to and from other funds.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation. There were no advances outstanding at year-end.

The city has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The city records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development and housing rehabilitation loans receivable has been reduced by an allowance for uncollectible accounts of \$25,250.

It is the city’s policy to record unavailable 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 restricted fund balance in the fund financial statements.

3. Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and are recorded using the consumption method of accounting.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

4. Restricted Assets

Mandatory segregations of assets are presented 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 shown as restricted net position.

5. Capital Assets

Government–Wide Statements

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$10,000 for general capital assets and \$25,000 for infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their estimated acquisition value at the date of acquisition.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, and overhead. 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.

The city has no significant intangible assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	10 – 50 Years
Land Improvements	10 – 50 Years
Machinery and Equipment	3 – 20 Years
Utility System	4 – 75 Years
Infrastructure	20 – 75 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

6. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

7. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable available resources.

The outstanding balance of unmatured vacation pay is recorded as a noncurrent liability due within one year in the government-wide financial statements because the amount is not considered due to employees until January 1, 2021 and will not be paid with current financial resources. This vacation balance is not available for employees to use until January 1, 2021 and for most employee groups this vacation balance must be used by December 31, 2021. The balance is \$2,458,001 as of December 31, 2020.

Employees are granted sick leave in varying amounts. In general, accumulated sick leave is not paid to employees when they leave employment. Some employees who retire are allowed to convert some sick leave to paid up health insurance. No other sick leave is considered vested and no liability is recorded in the fund financial statements.

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, 2020 are determined on the basis of current salary rates and include salary related payments.

8. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

8. Long-Term Obligations/Conduit Debt (cont.)

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year-end is shown as an increase or decrease in the liability section of the statement of net position.

The city has approved the issuance of industrial revenue bonds (IRB) 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 \$7,170,000, made up of one issue.

9. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as inflow of resources (revenue) until that future time.

10. Equity Classifications

Government-Wide Statements

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont.)

Government-Wide Statements (cont.)

The net position section includes an adjustment for capital assets owned by the business-type activities column but financed by debt of the governmental activities column. The amount is a reduction of “net investment in capital assets,” and an increase in “unrestricted” net position, shown only in the total column.

	Governmental Activities	Business-type Activities	Adjustment	Total
Net investment in capital assets	\$ 185,634,962	\$ 117,868,784	\$ (145,000)	\$ 303,358,746
Unrestricted (deficit)	(42,906,762)	7,276,383	145,000	(35,485,379)

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a resolution approved by the city council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the city that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the finance committee to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont.)

Fund Statements (cont.)

The city considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the city would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The city has a formal minimum fund balance policy. That policy is to maintain a working capital fund between 16.7% and 25% of the budgeted general fund operating expenditures for the subsequent year. The city complied with its policy with a working capital fund of 23.6% of the budgeted general fund operating expenditures for the subsequent year.

See Note IV. H. for further information.

11. Basis for Existing Rates

Stormwater Utility

Current stormwater utility rates approved by the City Council became effective on January 1, 2020. New stormwater rates were approved by the City Council to become effective on January 1, 2021.

Water Utility

Current water utility rates authorized by the Public Service Commission of Wisconsin became effective November 1, 2019.

Wastewater Utility

Current wastewater utility rates approved by the City Council became effective on January 1, 2019. New wastewater rates were approved by the City Council to become effective on January 1, 2021.

12. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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

13. Postemployment Benefits Other Than Pensions (OPEB)

The city provides postemployment health insurance benefits for all eligible employees. Eligibility is based on age and years of service. The benefits are based on contractual agreements with employee groups, local ordinances, or employee benefit policies. The cost of those premiums is recognized as an expenditure as the premiums are paid. The entire cost is paid by the city. Funding for those costs is provided out of the current operating budget of the city. The contributions are financed on a pay-as-you-go basis.

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis as they are reported by the city OPEB Plan. For this purpose, the city OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

At December 31, 2020, the city reported activity related to health and life insurance OPEB as follows:

	Health Insurance	Life Insurance	
	OPEB	OPEB	Total
Deferred outflows of resources	\$7,036,774	\$1,288,997	\$8,325,771
Deferred inflows of resources	4,806,954	447,325	5,254,279
OPEB liability	47,182,442	2,889,862	50,072,304
OPEB expense	4,261,506	232,013	4,493,519

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this difference are as follows:

General obligation notes payable	\$ 79,299,000
Premium on debt	2,543,546
Landfill super fund care	410,000
Accrued vacation	2,458,001
Accrued interest	761,274
Health insurance OPEB	43,087,600
Life insurance OPEB	2,478,666
	<u> </u>
Combined Adjustment for Long-Term Liabilities	<u><u>\$ 131,038,087</u></u>

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

A budget has been adopted for the general fund, the debt service fund, the capital projects fund, and the following special revenue funds: Library, JATV-12, Oak Hill Cemetery, Golf Courses, Other Housing Grants, Community Development Block Grant, Sanitation, and Innovation Center. Budgets have not been formally adopted for other funds, although the city does approve an operating plan for each TIF district when it is created. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

B. EXCESS EXPENDITURES AND OTHER USES OVER APPROPRIATIONS

Budgeted expenditures and other financing uses (transfers) in the following funds (including amendments) were exceeded by actual expenditures and transfers.

Fund	Budgeted Expenditures	Actual Expenditures	Excess
Sanitation	\$ 9,870,230	\$ 10,419,520	\$ 549,290
Debt Service	18,422,293	18,510,034	87,741
Oakhill Cemetery	202,416	223,327	20,911
Innovation Center	139,330	187,244	47,914

The city controls expenditures at the program level. Some individual programs experienced expenditures which exceeded appropriations. The detail of those items can be found in the city’s year-end budget to actual report.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

C. DEFICIT BALANCES

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

As of December 31, 2020, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
TIF No. 17	\$ 112,120	Unfunded costs
TIF No. 22	59,374	Unfunded costs
TIF No. 25	267,840	Unfunded costs
TIF No. 28	98,275	Unfunded costs
TIF No. 35	472,398	Unfunded costs
TIF No. 36	111,287	Unfunded costs
Golf Courses	25,436	Unfunded costs
Innovation Center	17,025	Unfunded costs

TIF District deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. The deficit for the Golf Courses will be funded with future revenues of the Golf Courses. The deficit for the Innovation Center will be funded with future revenues of the Innovation Center.

D. LIMITATIONS ON THE CITY'S TAX LEVY

Wisconsin law limits the city's future tax levies. Generally, the city is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the city's equalized value due to new construction, or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The city is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The city's cash and investments at year-end were comprised of the following:

	Carrying Value	Statement Balance	Associated Risks
Demand deposits	\$ 43,969,462	\$ 44,372,192	Custodial credit
LGIP	12,447,009	12,447,009	Credit, interest rate
U.S. agencies explicitly guaranteed	5,109,230	5,109,230	Custodial credit, interest rate
U.S. agencies implicitly guaranteed	342,196	342,196	Credit, custodial credit, interest rate
Negotiable Certificates of Deposit	3,027,899	3,027,899	Custodial credit, interest rate, credit, concentration of credit
Petty cash	12,603	N/A	N/A
Total Cash and Investments	<u>\$ 64,908,399</u>	<u>\$ 65,298,526</u>	

Reconciliation to financial statements-primary government
Per statement of net position

Unrestricted cash and investments	\$ 39,290,263
Restricted cash and investments	13,180,889
Per statement of fiduciary net position	<u>12,437,247</u>
Total Cash and Investments	<u>\$ 64,908,399</u>

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit amounts (interest-bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

The city maintains irrevocable letters of credit or insured cash sweep accounts with its banks. At December 31, 2020, the City has an irrevocable letter of credit from Federal Home Loan Bank of Chicago to insure deposits in the amount of \$15,000,000.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in calculating custodial credit risk.

The city categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The city's implicitly and explicitly guaranteed U.S. agencies; and negotiable certificates of deposit are valued using matrix pricing techniques and Level 2 inputs.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. *DEPOSITS AND INVESTMENTS* (cont.)

Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the city’s deposits may not be returned to the city.

Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The city does not have any deposits or investments exposed to custodial credit risk.

The city’s investment policy states that all deposits and investments shall be fully insured or collateralized. The city was in compliance with its policy.

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations.

The city holds the following investments that are subject to credit risk: municipal bonds, negotiable certificates of deposit, and US agencies – implicitly guaranteed. All of the investments are rated the highest or second highest rating category by Standard and Poor’s or Moody’s in accordance with the city’s investment policy.

As of December 31, 2020, the city had investments in the following external pool which is not rated:

Local Government Investment Pool (LGIP)

The city’s investment policy states that the city may only invest in securities of the highest or second highest rating category. The city was in compliance with this policy.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer.

At December 31, 2020, the city did not have any investments subject to concentration of credit risk.

The city’s investment policy as it relates to diversification states “Investments shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, and/or a specific class of securities. In lieu of indicating specific investment amounts: (a) commercial paper shall be limited in size to \$500,000 per issuer; (b) no more than 40% of the portfolio may be invested beyond 24 months; (c) no more than 60% of the portfolio may be invested in the following categories: commercial paper or bank certificates of deposit and CDARS; and (d) local bank balances are restricted to Wisconsin financial institutions and shall be fully insured or collateralized.” The city was in compliance with its policy.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

As of December 31, 2020, the city’s investments were as follows:

Investment Type	Fair Value	Maturity		
		Less than 60 Days	60 Days - 2 years	2 years - 40 years
U.S. agencies explicitly guaranteed	\$ 5,109,230	\$ -	\$ 1,362	\$5,107,868
U.S. agencies implicitly guaranteed	342,196	-	-	342,196
Negotiable CDs	3,027,899	-	1,503,109	1,524,790
LGIP	12,447,009	12,447,009	-	-
Totals	\$ 20,926,334	\$12,447,009	\$1,504,471	\$6,974,854

The city’s investment policy states that no more than 40% of the cash and investments may be invested beyond 24 months. The city was in compliance with its policy.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES

Receivables as of year-end for the government’s individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Sanitation	Debt Service	Capital Projects	Stormwater Utility	Water Utility	Wastewater Utility	Transit System	Nonmajor and Other	Total
Net Total Receivables	<u>\$ 36,506,062</u>	<u>\$ 1,894,772</u>	<u>\$ 2,098,552</u>	<u>\$ 203,906</u>	<u>\$ 2,431,252</u>	<u>\$ 4,066,092</u>	<u>\$ 3,295,332</u>	<u>\$ 208,026</u>	<u>\$ 15,471,286</u>	<u>\$ 66,175,280</u>
Amounts not expected to be collected within one year	<u>\$ 233,567</u>	<u>\$ -</u>	<u>\$ 837,581</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,527</u>	<u>\$ 77,314</u>	<u>\$ -</u>	<u>\$ 3,468,290</u>	<u>\$ 4,693,279</u>

The city has recorded allowances for ambulance receivables, loans receivable, special assessments, and other miscellaneous receivables totaling \$10,173,351.

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned	Totals
Property taxes receivable for subsequent year	\$ -	\$ 45,007,004	\$ 45,007,004
Delinquent personal property taxes	233,567	-	233,567
Long-term loans receivable	3,450,631	-	3,450,631
Special assessments not yet due	2,107,630	-	2,107,630
Grants not available at year end	22,183	-	22,183
Miscellaneous	-	98,096	98,096
Total Unavailable/Unearned Revenue for Governmental Funds	<u>\$ 5,814,011</u>	<u>\$ 45,105,100</u>	<u>\$ 50,919,111</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

C. RESTRICTED ASSETS

The following represent the balances of the restricted assets:

Long Term Debt Accounts

- Construction – Used to report proceeds of revenue bond issuances that are restricted for use in construction.
- Redemption – Used to segregate resources accumulated for debt service payments over the next twelve months.

Replacement Account

The wastewater utility established a replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources. The water utility established a replacement account to be used for water main replacements as required by the Public Services Commission of Wisconsin as part of the city's last convention rate case.

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

Following is a list of restricted assets at December 31, 2020:

	Restricted Assets
Business-type Activities	
Construction account	\$ 766,119
Replacement account	10,063,684
Revenue bond redemption account	2,351,086
Net pension asset	795,999
Total Business-type Activities	<u>13,976,888</u>
Governmental Activities	
Net pension asset	<u>9,045,915</u>
Total Governmental Activities	<u>9,045,915</u>
Total Restricted Assets	<u>\$ 23,022,803</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

	1/1/2020 Beginning Balance	Additions	Deletions	12/31/2020 Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 25,018,818	\$ -	\$ (4,261)	\$ 25,014,557
Right of way	12,048,766	312,681	(3,100)	12,358,347
Construction in progress	9,073,944	10,026,105	(12,448,768)	6,651,281
Total Capital Assets Not Being Depreciated	<u>46,141,528</u>	<u>10,338,786</u>	<u>(12,456,129)</u>	<u>44,024,185</u>
Capital assets being depreciated				
Land improvements	10,224,190	-	-	10,224,190
Buildings	47,627,848	169,600	(126,707)	47,670,741
Furniture and fixtures	9,173,852	336,653	(295,099)	9,215,406
Vehicles and equipment	30,384,853	3,081,902	(2,357,676)	31,109,079
Landfill improvements	12,223,233	6,997,145	-	19,220,378
Storm sewer	33,269,818	134,354	-	33,404,172
Roads	115,330,957	4,301,000	(350,099)	119,281,858
Sidewalks	23,604,772	1,413,477	(99,621)	24,918,628
Street lights	4,616,460	147,549	(7,250)	4,756,759
Traffic signals	4,655,097	-	-	4,655,097
Bridges	14,269,746	1,830,794	(86,520)	16,014,020
Boat launches	286,199	-	-	286,199
Bike trails	6,278,849	529,445	-	6,808,294
Riverwall/retaining wall	1,896,467	1,329,178	(95,000)	3,130,645
Dams	331,930	-	-	331,930
Total Capital Assets Being Depreciated	<u>314,174,271</u>	<u>20,271,097</u>	<u>(3,417,972)</u>	<u>331,027,396</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS

	1/1/2020 Beginning Balance	Additions	Deletions	12/31/2020 Ending Balance
Less: Accumulated depreciation for				
Land improvements	\$ (4,446,198)	\$ (378,502)	\$ -	\$ (4,824,700)
Buildings	(15,723,237)	(1,098,838)	1,522	(16,820,553)
Furniture and fixtures	(6,351,231)	(406,588)	287,213	(6,470,606)
Vehicles and equipment	(18,201,149)	(2,118,619)	2,328,076	(17,991,692)
Landfill improvements	(4,466,026)	(786,090)	-	(5,252,116)
Storm sewer	(11,838,999)	(445,465)	-	(12,284,464)
Roads	(39,261,466)	(1,900,606)	350,099	(40,811,973)
Sidewalks	(7,215,550)	(405,170)	99,621	(7,521,099)
Street lights	(1,683,306)	(93,732)	7,250	(1,769,788)
Traffic signals	(1,334,498)	(93,102)	-	(1,427,600)
Bridges	(4,711,712)	(201,387)	86,520	(4,826,579)
Boat launches	(286,199)	-	-	(286,199)
Bike trails	(1,616,870)	(108,950)	-	(1,725,820)
Riverwall/retaining wall	(377,565)	(50,271)	95,000	(332,836)
Dams	(56,428)	(6,638)	-	(63,066)
Total Accumulated Depreciation	(117,570,434)	(8,093,958)	3,255,301	(122,409,091)
Net Capital Assets Being Depreciated	196,603,837	12,177,139	(162,671)	208,618,305
Total Governmental Activities Capital Assets, Net of Depreciation	\$ 242,745,365	\$ 22,515,925	\$ (12,618,800)	\$ 252,642,490

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 204,219
Public safety	1,129,189
Public works, which includes the depreciation of infrastructure	5,593,166
Recreation and parks	621,559
Community and economic development	86,331
Library	459,494
Total Governmental Activities Depreciation Expense	\$ 8,093,958

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	1/1/2020 Beginning Balance	Additions	Deletions	12/31/2020 Ending Balance
Business-type Activities				
<u>Stormwater</u>				
Capital assets not being depreciated				
Construction in progress	\$ 1,300,615	\$ -	\$ (1,300,615)	\$ -
Total Capital Assets Not Being Depreciated	1,300,615	-	(1,300,615)	-
Capital assets being depreciated				
Detention ponds	2,610,466	1,015	-	2,611,481
Greenbelt crossings	2,281,655	133,575	-	2,415,230
Stormwater mains	4,796,117	1,301,837	-	6,097,954
Dam Improvements	147,341	2,002,715	-	2,150,056
General assets	558,772	-	-	558,772
Total Capital Assets Being Depreciated	10,394,351	3,439,142	-	13,833,493
Total Capital Assets	11,694,966	3,439,142	(1,300,615)	13,833,493
Less: Accumulated depreciation for				
Detention ponds	(811,842)	(52,219)	-	(864,061)
Greenbelt crossings	(582,797)	(31,313)	-	(614,110)
Stormwater mains	(415,054)	(72,627)	-	(487,681)
Dam Improvements	(33,100)	(22,974)	-	(56,074)
General assets	(365,054)	(39,635)	-	(404,689)
Total Accumulated Depreciation	(2,207,847)	(218,768)	-	(2,426,615)
Stormwater Capital Assets, Net of Depreciation	\$ 9,487,119	\$ 3,220,374	\$ (1,300,615)	\$ 11,406,878

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	1/1/2020 Beginning Balance	Additions	Deletions	12/31/2020 Ending Balance
Business-type Activities				
<u>Water</u>				
Capital assets not being depreciated				
Land and land rights	\$ 308,314	\$ -	\$ -	\$ 308,314
Construction in progress	133,646	68,140	(70,751)	131,035
Total Capital Assets Not Being Depreciated	441,960	68,140	(70,751)	439,349
Capital assets being depreciated				
Source of supply	2,301,834	-	-	2,301,834
Pumping	8,699,679	35,490	(5,327)	8,729,842
Treatment	225,492	48,477	-	273,969
Transmission and distribution	86,253,344	5,153,253	(208,416)	91,198,181
Administrative and general assets	4,681,483	429,974	(72,637)	5,038,820
Total Capital Assets Being Depreciated	102,161,832	5,667,194	(286,380)	107,542,646
Total Capital Assets	102,603,792	5,735,334	(357,131)	107,981,995
Less: Accumulated depreciation for				
Source of supply	(1,315,090)	(66,754)	-	(1,381,844)
Pumping	(5,589,775)	(331,522)	5,327	(5,915,970)
Treatment	(225,493)	(14,983)	-	(240,476)
Transmission and distribution	(21,177,792)	(1,724,529)	205,363	(22,696,958)
Administrative and general assets	(4,260,796)	(358,070)	69,720	(4,549,146)
Total Accumulated Depreciation	(32,568,946)	(2,495,858)	280,410	(34,784,394)
Water Capital Assets, Net of Depreciation	\$ 70,034,846	\$ 3,239,476	\$ (76,721)	\$ 73,197,601

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	1/1/2020 Beginning Balance	Additions	Deletions	12/31/2020 Ending Balance
Business-type Activities				
<u>Wastewater</u>				
Capital assets not being depreciated				
Land	\$ 18,000	\$ -	\$ -	\$ 18,000
Construction in progress	5,272	130,214	(63,202)	72,284
Total Capital Assets Not Being Depreciated	23,272	130,214	(63,202)	90,284
Capital assets being depreciated				
Collection system	60,378,645	1,411,677	(353)	61,789,969
Treatment and disposal	53,975,023	304,230	(19,260)	54,259,993
General assets	2,192,699	317,386	(62,035)	2,448,050
Total Capital Assets Being Depreciated	116,546,367	2,033,293	(81,648)	118,498,012
Total Capital Assets	116,569,639	2,163,507	(144,850)	118,588,296
Less: Accumulated depreciation for				
Collection system	(18,354,400)	(826,611)	353	(19,180,658)
Treatment and disposal	(29,487,317)	(2,430,059)	19,260	(31,898,116)
General assets	(1,877,781)	(226,511)	62,035	(2,042,257)
Total Accumulated Depreciation	(49,719,498)	(3,483,181)	81,648	(53,121,031)
Wastewater Capital Assets, Net of Depreciation	\$ 66,850,141	\$ (1,319,674)	\$ (63,202)	\$ 65,467,265

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	1/1/2020 Beginning Balance	Additions	Deletions	12/31/2020 Ending Balance
Business-type Activities				
<u>Transit</u>				
Capital assets not being depreciated				
Land and land rights	\$ 710,031	\$ -	\$ -	\$ 710,031
Total Capital Assets Not Being Depreciated	710,031	-	-	710,031
Capital assets being depreciated				
Building	7,897,024	-	(23,804)	7,873,220
Equipment	9,725,067	4,191,024	(4,088,868)	9,827,223
Total Capital Assets Being Depreciated	17,622,091	4,191,024	(4,112,672)	17,700,443
Total Capital Assets	18,332,122	4,191,024	(4,112,672)	18,410,474
Less: Accumulated depreciation for				
Building	(1,937,440)	(189,038)	23,804	(2,102,674)
Equipment	(5,619,045)	(625,768)	4,088,868	(2,155,945)
Total Accumulated Depreciation	(7,556,485)	(814,806)	4,112,672	(4,258,619)
Transit Capital Assets, Net of Depreciation	\$ 10,775,637	\$ 3,376,218	\$ -	\$ 14,151,855
	1/1/2020 Beginning Balance	Additions	Deletions	12/31/2020 Ending Balance
Business-type Capital Assets, Net of Depreciation	\$ 157,147,743	\$ 8,516,394	\$ (1,440,538)	\$ 164,223,599

Depreciation expense was charged to functions as follows:

Business-type Activities

Stormwater	\$ 218,769
Water	2,182,588
Wastewater	3,467,313
Transit	814,807
Total Business-type Activities	\$ 6,683,477

Depreciation expense may be different from business-type activity accumulated depreciation additions because of joint metering, salvage, cost of removal, internal allocations, or asset disposal costs.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	Water Utility	\$ 1,579,940	\$ -
General Fund	TIF 17	112,120	75,404
General Fund	TIF 22	70,441	-
General Fund	TIF 25	261,823	-
General Fund	TIF 28	98,275	90,818
General Fund	TIF 35	269,414	-
General Fund	TIF 36	44,680	-
General Fund	Innovation Fund	36,638	36,638
Capital Projects Fund	Debt Service Fund	393,797	-
Wastewater Utility	Storm Water Utility	60,516	-
Wastewater Utility	Water Utility	1,497,716	-
Subtotal- Fund Financial Statements		4,425,360	202,860
Less: Fund eliminations		(2,845,420)	(202,860)
Less: Internal service fund elimination adjustment		(3,352,657)	-
Total Government-wide Statement of Net Position		<u>\$ (1,772,717)</u>	<u>\$ -</u>

Receivable Fund	Payable Fund	Amount
Governmental Activities	Business-type Activities	\$ 1,579,940
Business-type Activities	Governmental Activities	<u>(3,352,657)</u>
Total Government-wide Statement of Net Position		<u>\$ (1,772,717)</u>

The principal purpose of these interfunds is to cover deficit cash balances. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

For the statement of net position, interfund balances which are owed within governmental activities or business-type activities are netted and eliminated.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Amount	Principal Purpose	Fund Transferred From	Amount	Principal Purpose
General Fund	\$ 1,560,004	Tax equivalent	General Fund	\$ 9,589,298	Debt payments
Total General Fund	<u>1,560,004</u>		General Fund	1,160,341	Subsidy
Sanitation Fund	250,000	Subsidy	General Fund	565,767	COVID-19
Total Sanitation Fund	<u>250,000</u>		Total General Fund	<u>11,315,406</u>	
Debt Service Fund	9,359,298	Debt payments	Sanitation Fund	1,525,318	Debt payments
Debt Service Fund	1,525,318	Debt payments	Sanitation Fund	1,192,494	Capital project
Debt Service Fund	185,124	Debt payments	Total Sanitation Fund	<u>2,717,812</u>	
Debt Service Fund	52,500	Debt payments	Capital Projects	767,284	Subsidy
Debt Service Fund	219,900	Debt payments	Total Capital Projects	<u>767,284</u>	
Debt Service Fund	1,164,225	Debt payments	Water Utility	1,560,004	Tax equivalent
Debt Service Fund	101,799	Debt payments	Total Water Utility	<u>1,560,004</u>	
Debt Service Fund	143,450	Debt payments	Library	185,124	Debt payments
Debt Service Fund	158,700	Debt payments	Library	197,381	Capital project
Debt Service Fund	485,600	Debt payments	Golf	52,500	Debt payments
Debt Service Fund	870,080	Debt payments	Special Accounts	268,737	Excess TIF to Housing
Debt Service Fund	19,990	Debt payments	Special Accounts	101,300	COVID Microloan Program
Debt Service Fund	58,688	Debt payments	TIF 21	219,900	Debt payments
Debt Service Fund	230,000	Debt payments	TIF 22	1,164,225	Debt payments
Total Debt Service Fund	<u>14,574,672</u>		- TIF 23	101,799	Debt payments
Capital Projects Fund	1,192,494	Landfill capital	TIF 25	143,450	Debt payments
Capital Projects Fund	197,381	Library capital	TIF 26	158,700	Debt payments
Capital Projects Fund	20,340	Subsidy	TIF 32	250,000	Subsidy
Capital Projects Fund	1,477,538	VOM capital equipment	TIF 33	250,000	Subsidy
Total Capital Projects Fund	<u>2,887,753</u>		- TIF 35	485,600	Debt payments
Special Accounts	667,067	COVID-19	TIF 36	870,080	Debt payments
Transit	890,001	Subsidy	TIF 37	19,990	Debt payments
Transit	767,284	Capital subsidy	Benefits Funding	58,688	Debt payments
TIF 21	268,737	Excess TIF to Housing	VOM	1,477,538	Capital equipment
TIF 36	500,000	Subsidy	Total Nonmajor Funds	<u>6,005,012</u>	
Total Nonmajor Funds	<u>3,093,089</u>				
Sub-Total Fund Financial Statements	\$ 22,365,518			22,365,518	\$ -
Less: Fund Eliminations				(17,341,663)	
Less: Government-wide Eliminations				(5,121,136)	
Total Government Wide Statement of Activities				<u>\$ (97,281)</u>	

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

Transfers (cont.)

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Governmental Activities	Business-type Activities	\$ 1,560,004
Business-type Activities	Governmental Activities	<u>(1,657,285)</u>
		<u>\$ (97,281)</u>

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 72,334,000	\$ 23,721,000	\$ 16,756,000	\$ 79,299,000	\$ 13,586,000
Premium on debt	2,022,146	852,162	330,762	2,543,546	-
Total Notes Payable	74,356,146	24,573,162	17,086,762	81,842,546	13,586,000
Other Liabilities					
Landfill superfund care	482,000	-	72,000	410,000	53,507
Accrued vacation	2,450,120	2,458,001	2,450,120	2,458,001	2,458,001
Total Other Liabilities	2,932,120	2,458,001	2,522,120	2,868,001	2,511,508
Total Governmental Activities Long-Term Liabilities	\$ 77,288,266	\$ 27,031,163	\$ 19,608,882	\$ 84,710,547	\$ 16,097,508
Business-Type Activities					
Bonds and Notes Payable					
General obligation debt	\$ 29,921,000	\$ 6,209,000	\$ 6,729,000	\$ 29,401,000	\$ 5,349,000
Premium on debt	741,379	228,898	136,387	833,890	-
Revenue bonds from direct borrowings and direct placement	18,768,104	-	1,943,720	16,824,384	1,987,086
Total Business-Type Activities Long-Term Liabilities	\$ 49,430,483	\$ 6,437,898	\$ 8,809,107	\$ 47,059,274	\$ 7,336,086

In addition to the liabilities above, information of the OPEB liabilities is provided in Notes V. A. and V. D. respectively.

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 governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

In accordance with Wisconsin Statutes, total general obligation indebtedness of the city may not exceed 5% of the equalized value of taxable property within the city's jurisdiction. The debt limit as of December 31, 2020 was \$279,562,985. Total general obligation debt outstanding at year-end was \$108,700,000.

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/2020
Governmental Activities					
General Obligation Debt					
General obligation notes	6/3/2013	2/1/2025	0.50 - 2.85%	\$ 3,668,000	\$ 1,365,000
General obligation notes	10/30/2013	2/1/2023	2.00 - 3.00%	10,665,000	2,305,000
General obligation notes	9/3/2014	2/1/2024	1.00 - 3.00%	12,085,000	4,995,000
General obligation notes	7/8/2015	2/1/2025	2.00 - 4.00%	9,477,000	4,215,000
General obligation notes	7/13/2016	2/1/2026	1.50 - 3.00%	12,916,000	6,345,000
General obligation notes	7/13/2016	2/1/2026	1.50 - 3.00%	5,775,000	825,000
General obligation notes	7/12/2017	2/1/2027	2.00 - 3.00%	13,736,000	8,739,000
General obligation notes	7/11/2018	2/1/2028	1.50 - 4.00%	14,039,000	10,815,000
General obligation notes	7/9/2019	2/1/2029	1.50 - 4.00%	15,104,000	13,064,000
General obligation notes	7/9/2019	2/1/2029	1.50 - 4.00%	3,015,000	2,910,000
General obligation notes	7/28/2020	2/1/2030	1.25 - 2.00%	17,171,000	17,171,000
General obligation notes	7/28/2020	2/1/2030	1.25 - 2.00%	3,040,000	3,040,000
General obligation notes	7/28/2020	2/1/2040	1.25 - 2.25%	3,510,000	3,510,000
Total Governmental Activities – General Obligation Debt					<u>\$ 79,299,000</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/2020
Business-type Activities					
General Obligation Debt					
General obligation notes	10/30/2013	2/1/2023	2.00 - 3.00%	\$ 2,415,000	\$ 820,000
General obligation notes	9/3/2014	2/1/2024	1.00 - 3.00%	4,835,000	2,275,000
General obligation notes	9/3/2014	2/1/2024	1.00 - 3.00%	1,690,000	600,000
General obligation notes	7/8/2015	2/1/2025	2.00 - 4.00%	4,208,000	2,055,000
General obligation notes	7/13/2016	2/1/2026	1.50 - 3.00%	6,414,000	3,565,000
General obligation notes	7/12/2017	2/1/2027	2.00 - 3.00%	5,039,000	3,286,000
General obligation notes	7/11/2018	2/1/2028	1.50 - 4.00%	7,866,000	6,185,000
General obligation notes	7/9/2019	2/1/2029	1.50 - 4.00%	4,916,000	4,406,000
General obligation notes	7/28/2020	2/1/2030	1.25 - 2.00%	4,674,000	4,674,000
General obligation notes	7/28/2020	2/1/2030	1.25 - 2.00%	1,535,000	1,535,000
Total Business-type Activities General Obligation Debt					<u>\$ 29,401,000</u>

Debt service requirements to maturity are as follows:

Years	Government Activities		Business- Type Activities	
	General Obligation Debt		General Obligation Debt	
	Principal	Interest	Principal	Interest
2021	\$ 13,586,000	\$ 1,685,847	\$ 5,349,000	\$ 646,336
2022	11,851,000	1,406,256	4,769,000	533,716
2023	10,963,000	1,138,569	4,342,000	424,025
2024	9,781,000	898,276	4,064,000	325,790
2025	7,975,000	690,899	3,310,000	238,920
2026-2030	23,063,000	1,258,508	7,567,000	336,870
2031-2035	975,000	165,599	-	-
2036-2040	1,105,000	61,869	-	-
Totals	<u>\$ 79,299,000</u>	<u>\$ 7,305,823</u>	<u>\$ 29,401,000</u>	<u>\$ 2,505,657</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the water and wastewater utilities.

The city has pledged future service revenues, net of specified operating expenses, to repay revenue bonds issued since 2000. Proceeds from the bonds provided financing for the water and wastewater systems. The bonds are payable solely from service revenues and are payable through 2031. Annual principal and interest payments on the bonds are expected to require 16.8% of net revenues. The total principal and interest remaining to be paid on the bonds is \$18.5 million. Principal and interest paid for the current year and total customer net revenues were \$2.3 million and \$14.1 million, respectively.

Revenue debt payable at December 31, 2020 consists of the following:

Business-type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Indebted- ness	Balance 12/31/2020
<u>Water Utility</u>					
* Safe Drinking Water loan	2003	2023	2.75%	\$ 1,336,937	\$ 259,451
* Safe Drinking Water loan	2004	2024	2.37%	2,150,000	538,763
				Total Water Utility	798,214
<u>Wastewater Utility</u>					
* Clean Water Fund loan	2001	2020	2.75%	1,100,828	73,530
* Clean Water Fund loan	2004	2023	2.37%	2,032,973	387,805
* Clean Water Fund loan	2010	2029	2.15%	27,212,000	14,965,047
* Clean Water Fund loan	2011	2031	2.40%	983,325	599,788
				Total Wastewater Utility	16,026,170
Total Business-type Activities Revenue Debt					\$ 16,824,384

* The debt note is directly placed with a third party

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

***Business-type Activities Revenue Debt* (cont.)**

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-Type Activities Revenue Bonds from Direct Borrowings and Direct Placement	
	Principal	Interest
2021	\$ 1,987,086	\$ 345,044
2022	1,955,875	301,245
2023	1,999,132	257,507
2024	1,816,637	215,654
2025	1,713,376	177,425
2026-2030	7,291,060	330,039
2031	61,218	735
Totals	\$ 16,824,384	\$ 1,627,649

Other Debt Information

Estimated payments of accrued vacation and landfill superfund care are not included in the debt service requirement schedules. The accrued vacation liability attributable to governmental funds will be liquidated primarily by the general fund. The landfill superfund care liability will be liquidated by the sanitation special revenue fund.

A statutory mortgage lien upon the water and wastewater systems 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 water and wastewater systems and the earnings of the systems remain subject to the lien until payment in full of the principal and interest on the bonds.

Current Refunding

On July 28, 2020, the City issued \$4,575,000 in GO promissory notes with an average coupon rate of 1.00 – 1.75% to refund \$4,575,000 of outstanding bonds/notes with an average coupon rate of 1.00 – 2.00%. The net proceeds along with existing funds were used to prepay the outstanding debt. The cash flow requirements on the refunded debt prior to the current refunding were \$4,680,529 from 2021 through 2022. The cash flow requirements on the 2020 refunding notes are \$4,636,311 from 2021 through 2022. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$44,218.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

G. CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the city to place a final cover on its operating landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 40 years after closure. During 2001, the city purchased an insurance policy to cover the costs of the remaining closure and post closure care. This policy transfers the risk of remaining costs to another entity. Therefore, the city no longer reports a long-term liability for closure and post closure care.

The city is required by state environmental laws to provide financial security to guarantee final site closure and post closure care. The city is in compliance with these requirements by having in place the insurance policy, which provides the required amount for closure and post closure care. Monies to pay for the insurance policy were from city investments, most notably annual payments the city had put in its own escrow account to fulfill the state requirements. The insurance policy allows the city to draw money from the account as a reimbursement against the expenditures for closure and post closure care. Those reimbursements will be claimed once the closure and long-term care requirements are fulfilled and approved by the State Environmental Agency (WDNR). The city will make a request against the insurance policy for a lump sum payment against the closure part of the policy and annually for 40 years against the long-term care portion of the policy.

H. NET POSITION/FUND BALANCES

Governmental activities net position reported on the government wide statement of net position at December 31, 2020 include the following:

Net investment in capital assets	
Land	\$ 37,372,904
Construction in progress	6,651,281
Other capital assets, net of accumulated depreciation	208,618,305
Less: related long-term debt outstanding (excluding unspent capital related debt proceeds)	<u>(67,007,528)</u>
Total net investment in capital assets	<u>185,634,962</u>
Restricted	
Debt service	6,255,291
Grants	4,918,184
Library	591,367
TIF districts	2,324,570
Landfill long-term care	3,483,728
Pension	<u>9,045,915</u>
Total restricted	<u>26,619,055</u>
Unrestricted (deficit)	<u>(42,906,762)</u>
Total Governmental Activities Net Position	<u>\$ 169,347,255</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION/FUND BALANCES (cont.)

Governmental fund balances reported on the fund financial statements at December 31, 2020 include the following:

Nonspendable	
Major Funds	
General Fund	
Prepaid items	\$ 3,220
Noncurrent interfund balances	202,860
Total General Fund	<u>206,080</u>
Capital Projects	
Inventories	<u>267,190</u>
Total Capital Projects	<u>267,190</u>
Nonmajor Funds	
Prepaid items	<u>42,000</u>
Restricted	
Major Funds	
Debt Service - debt service	5,320,391
Capital Projects - unspent bond proceeds	<u>6,000,018</u>
Total Major Funds	<u>11,320,409</u>
Nonmajor Funds	
Special Revenue Funds	
Library	591,367
Special Accounts	3,895,615
TIF No. 23	140,340
TIF No. 26	87,748
TIF No. 27	72,906
TIF No. 29	397,501
TIF No. 32	1,461,843
TIF No. 33	76,769
TIF No. 37	67,642
TIF No. 38	2,162
Other Housing Grants	535,759
Community Development Block Grant	<u>508,007</u>
Total Nonmajor Funds	<u>\$ 7,837,659</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION/FUND BALANCES (cont.)

Committed

Major Funds	
Sanitation	\$ 3,343,276
Total Major Funds	<u>3,343,276</u>

Nonmajor Funds

Special Revenue Funds	
JATV-12	258,600
Oak Hill Cemetery	125,425
Special Accounts	605,422
Total Nonmajor Special Revenue Funds	<u>989,447</u>

Assigned

Major Funds	
General Fund - applied to 2021 budget	466,654
Capital Projects	2,671,883
Total Major Funds	<u>3,138,537</u>

Unassigned (deficit)

Major Funds	
General Fund	9,544,725
Total Major Funds	<u>9,544,725</u>

Nonmajor Funds

Special Revenue Funds	
TIF No. 17	(112,120)
TIF No. 22	(59,374)
TIF No. 25	(267,840)
TIF No. 28	(98,275)
TIF No. 35	(472,398)
TIF No. 36	(111,287)
Golf Courses	(67,436)
Innovation Center	(17,025)
Total Nonmajor Special Revenue Funds (Deficit)	<u>\$ (1,205,755)</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION/FUND BALANCES (cont.)

Business-type activities net position reported on the government wide statement of net position at December 31, 2020 include the following:

Net Investments in Capital Assets

Plant in service	\$ 258,610,939
Accumulated depreciation	(94,590,659)
Construction work in progress	203,319
Sub-Total	<u>164,223,599</u>
Current portion of general obligation debt	(5,349,000)
Current portion of revenue bonds	(1,987,086)
General obligation debt	(24,885,890)
Revenue bonds	(14,837,298)
Construction payables	(61,660)
Sub-Total	<u>(47,120,934)</u>
Construction Funds (unspent debt)	<u>766,119</u>
Sub-Total	<u>766,119</u>
Total Net Investment in Capital Assets	<u>\$ 117,868,784</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT

This report contains the Community Development Authority (CDA) which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and the statement of activities.

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

a. Basis of Accounting/Measurement Focus

The CDA follows the full accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

The CDA's cash and investments at year-end were comprised of the following:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risks</u>
Demand deposits	\$ 303,354	\$ 303,354	Custodial credit

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit amounts (interest-bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in calculating custodial credit risk.

Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the CDA's deposits may not be returned to the CDA.

The CDA does not have any deposits exposed to custodial credit risk.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT (cont.)

c. Cash and Cash Equivalents

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

d. Capital Assets

	Beginning Balance	Additions	Deletions	Ending Balance	Useful Lives (Years)
Equipment	\$ 87,158	\$ -	\$ -	\$ 87,158	4-20
Less: accumulated depreciation	(72,117)	(2,805)	-	(74,923)	
Totals	\$ 15,040	\$ (2,805)	\$ -	\$ 12,235	

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011 and expected to work at least 1,200 hours a year (880 hours teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Comprehensive Annual Financial Report, which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES’ RETIREMENT SYSTEM (cont.)

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before 12/31/2016) are entitled to retirement benefit based on a formula factor, their average earnings, and creditable service.

Final average earnings are the average of the participant's three highest annual earnings period. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at age 55 (50 for protective occupations) and receive an actuarially reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

Post-retirement adjustments. The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system’s consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the “floor”) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2010	(1.3)%	22%
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees and Executives and Elected Officials. January 1, 2016, the Executives and Elected Officials category merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$3,191,757, in contributions from the city.

Contribution rates for the plan year reported as of December 31, 2020 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General	6.55%	6.55%
Protective with Social Security	6.55%	10.55%
Protective without Social Security	6.55%	14.95%

Pension Asset, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the city reported an asset of \$9,841,914 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The city's proportion of the net pension asset was based on the city's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the city's proportion was 0.30522708%, which was an increase of 0.00468743% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the city recognized pension expense of \$3,424,597.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

At December 31, 2020, the city reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 18,682,203	\$ 9,349,192
Changes in actuarial assumptions	766,946	-
Net differences between projected and actual earnings on pension plan investments	-	20,120,372
Changes in proportion and differences between employer contributions and proportionate share of contributions	9,063	57,728
Employer contributions subsequent to the measurement date	3,547,686	-
Totals	\$ 23,005,898	\$ 29,527,292

\$3,547,686 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2021. Other amounts reported as deferred outflows (inflows) of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2021	\$ (3,011,326)
2022	(2,232,379)
2023	350,436
2024	(5,175,811)

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Actuarial assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2018
Measurement Date of Net Pension Liability (Asset)	December 31, 2019
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*:	1.9%

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience, and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total Pension Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 actuarial valuation.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Long-term expected return on plan assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Core Fund Asset Class	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long Term Expected Real Rate of Return %
Global Equities	49%	8.0%	5.1%
Fixed Income	24.5	4.9	2.1
Inflation Sensitive Assets	15.5	4.0	1.2
Real Estate	9	6.3	3.5
Private Equity/Debt	8	10.6	7.6
Multi-Asset	4	6.9	4.0
Total Core Fund	110	7.5	4.6
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.5	4.6
International Equities	30	8.2	5.3
Total Variable Fund	100	7.8	4.9

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

Single discount rate. A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long-term bond rate of 2.75%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2019. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Sensitivity of the city's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the city's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the city's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the net pension liability (asset)	\$25,344,688	(\$9,841,914)	(\$36,147,946)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

At December 31, 2020, the city reported a payable to the pension plan of \$515,726, which represents contractually required contributions outstanding as of the end of the year.

B. RISK MANAGEMENT

The city maintains a risk management program to safeguard its financial security by protecting its human, financial and property assets from the adverse impact of loss. Various techniques and programs are utilized to reduce the possibility of a loss from occurring and manage the adverse consequences should an event occur resulting in a loss. Risk treatment devices utilized include control, reduction, retention and transfer through proactive safety programs and loss control practices, contractual risk transfer, self-insurance funding, and the purchase of insurance.

Public Entity Risk Pool – Transit Mutual Insurance Corporation of Wisconsin (TMI)

The Transit Mutual Insurance Corporation of Wisconsin (TMI) is a mutual insurance corporation, which insures auto liability and auto physical damage for municipally-owned transit systems in Wisconsin. Each insured property is an owner of the mutual insurance corporation. The city insures its transit systems' auto liability and physical damage with TMI and is an owner of the corporation.

The city's auto liability insurance policy as a \$250,000 per person policy limit and a \$7,000,000 per accident policy limit. Of the per accident policy limit, TMI insures \$2,500,000 and reinsures \$4,500,000 with Great American Insurance Company. In addition, the city's policy provides for \$25,000 per person and \$50,000 per accident in uninsured motorist insurance.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Public Entity Risk Pool – Transit Mutual Insurance Corporation of Wisconsin (TMI) (cont.)

The physical damage policy issued by TMI to the city provides collision and comprehensive coverage for the lesser of the agreed value or the cost of repairs minus a \$500 per accident deductible for private passenger and services units and a \$1,000 per accident deductible for bus units.

Management of TMI 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 corporation beyond its representation on the board of directors.

Premiums are determined in advance of each premium year, which begins on January 1. TMI is an assessable mutual; accordingly, 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 premium year. Members are required by Wisconsin statute and TMI bylaws to fund any deficit attributable to a premium year during which they were a member. TMI was incorporated in 1985 and began issuing insurance policies in 1986; there has never been a member assessment beyond the annual premiums.

The city's share of this corporation is 2.98% for auto liability and 7.31% of physical damage liability. A list of the other members and their share of participating is available in the TMI report, which can be obtained directly from the TMI's offices.

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

CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC that was established under Section 66.30 of the Wisconsin statutes governing intergovernmental cooperation commissions.

CVMIC insures the municipalities up to \$5,000,000 per occurrence above the self-insured retention amount selected by each individual city or village. CVMIC also provides excess insurance of \$5,000,000 over the CVMIC layer through a group purchase program paid proportionately by members for a total limit of \$10,000,000 per occurrence. Members pay premiums based on their self-insured retention amount, claims experience and population.

Management of CVMIC and WMIC consists of a board of directors and officers elected by the membership from each class of participants based on population. The board of directors hires the company executive director who in turn hires the management staff of CVMIC. The city does not exercise any control over the activities of the CVMIC and WMIC beyond the election of the officers and board.

Financial statements of CVMIC can be obtained directly from CVMIC's offices. The city's Mutual Member Participation Calculation for 2020 was calculated at \$578,317 or 3.968%. This calculation is based on premiums, claims and self-insured retention of the city as compared to the entire membership. The city's participation portion of available funds would be distributed upon dissolution. The initial investment in WMIC is not refundable upon withdrawal from the commission and has been reported at the original amount of \$1,604,120 in the insurance internal service fund. WMIC is not required to have an audit.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

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

The city pays an annual premium to CVMIC for its general liability insurance as noted. The city's self-insured retention amount annually is \$100,000 per occurrence and \$400,000 in the aggregate.

The city accounts for its participation in the company in the insurance internal service fund. Payments to CVMIC for current year insurance coverage are reflected in the general operating statements of the various funds. The city has recorded claims payable at year-end in the insurance internal service fund of \$431,890. For liability claims, the city's uninsured risk of loss is \$100,000 per incident with a \$5,000,000 limit per occurrence. \$461,000 was designated for that reserve at year-end and is included in unrestricted net position of the internal service fund.

Self-Insurance – Health Claims

The city has a self-funded health insurance program with claims processed by an administrative firm on behalf of the city. The claims are accounted for and financed by the city in the insurance internal service fund.

For health claims, the uninsured risk of loss is \$175,000 per incident with a \$2,000,000 lifetime maximum per individual. Stop loss insurance is purchased for claims in excess of \$175,000. Actual claims have exceeded the stop loss limit for some claimants in each of the last five years.

All funds of the city participate in the risk management program. Amounts payable to the internal service fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. \$774,000 was designated for that reserve at year-end and is included in unrestricted net position of the internal service fund.

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. Liabilities include an amount for claims that have been incurred but not reported. The city does not allocate overhead costs or other non-incremental costs to the claims liability.

Claims Liability	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims – Beginning of Year	\$ 857,000	\$ 882,000
Current year claims and changes in estimates	13,795,194	8,966,542
Claim payments	<u>(13,770,194)</u>	<u>(9,104,542)</u>
Unpaid Claims – End of Year	<u>\$ 882,000</u>	<u>\$ 744,000</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self-Insurance – Worker’s Compensation

The city is also self-insured for workers compensation, which are accounted for and financed by the insurance internal service fund. For these claims, the uninsured risk of loss is \$500,000 per incident for all other employees. The city has purchased commercial insurance for claims in excess of \$500,000. Settled claims have not exceeded the commercial coverage in any of the past five years.

All funds of the city participate in the risk management program. Amounts payable to the internal fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. \$229,000 was designated for that reserve at year-end and is included in unrestricted net position of the internal service fund.

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. Liabilities include an amount for claims that have been incurred but not reported. The city does not allocate overhead costs or other non-incremental costs to the claims liability.

<i>Claims Liability</i>	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims – Beginning of Year	\$ 810,552	\$ 974,295
Current year claims and changes in estimates	446,958	376,338
Claim payments	<u>(283,215)</u>	<u>(258,768)</u>
Unpaid Claims – End of Year	<u>\$ 974,295</u>	<u>\$ 1,091,866</u>

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental fund types if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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.

In 2015, the city entered into an incentive agreement with a developer in TIF No. 35. If the developer adheres to the terms of the agreement, the city has committed a total of \$5,296,000 in incentive payments that are payable through 2027. Incentive payments in the amount of \$616,416 occurred in 2020.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

During 2020, the city borrowed \$29,930,000 for the purpose of making various capital improvements. These monies, as well as other revenue sources, are reflected in the capital projects fund, special revenue funds, and enterprise 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 is \$5,057,987 at year-end and is included in fund balance in the capital project fund and special revenue funds and in net investment in capital assets in the enterprise funds.

The city-owned landfill is a source of potential liability to the city. The U.S. Environmental Protection Agency (EPA) has issued a Record of Decision on a city owned landfill that accepted wastes during the period 1953 through 1985. The EPA determined the landfill had environmental impacts that required clean-up and long-term care. The estimated net present value cost is \$8.3 million. Remediation construction activities are complete and remaining long-term care will occur over the next 6 years. The City of Janesville, General Motors Corporation, Manpower, and the other responsible parties have entered into a Federal District Court approved settlement agreement with the EPA. The city estimates its remaining present value cost for long-term care of this facility will be approximately \$0.41 million. This amount is recorded in the governmental activities statement of net position. The city's costs under the agreement may be spread over the next six years. The city has paid \$3.0 million in costs to date. The remaining \$4.9 million of construction clean-up costs were borne by those industries that caused the environmental problem.

At December 31, 2020, there were \$2,522,316 of unrecorded deferred assessments which are not recorded as receivables because collection is subject to certain events occurring in the future, and no formal repayment schedule has been established. The breakdown of deferred assessments is as follows:

Water	\$ 1,274,009
Wastewater	<u>1,248,307</u>
Total	<u>\$ 2,522,316</u>

D. OTHER POSTEMPLOYMENT BENEFITS

Health Insurance Plan

The city administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides health insurance contributions for eligible retirees and their spouses through the city's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses receive healthcare insurance until the retiree reaches age 65 at established contribution rates. The Retiree Health Plan does not issue a publicly available financial report.

Contributions are established through collective bargaining agreements and may be amended only through negotiations between the city and the union. The city makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees during that year. The city contributes 88.1% and 85.7% of the total premiums for family and single plans, respectively, for eligible retired plan members and their spouses. For fiscal year 2020, the city contributed \$9,071,529, or 88.9% of the total premiums, to the plan. Plan members receiving benefits contribute 11.9% and 14.3% of their premium costs for family and single plans, respectively. For fiscal year 2020, total member contributions were \$1,137,629 or 11.1% of the total premiums, through required contributions.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

General Information About the OPEB Plan

Plan description. The city defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the city. RBP is a single-employer defined benefit OPEB plan administered by the city. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the city council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits provided. The city provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms provide for payment of 50 to 100 percent of health insurance premiums for non-Medicare-eligible retirees and 0 percent of supplemental health insurance premiums for Medicare-eligible retirees. The plan also provides all retirees with 100 percent of life insurance benefits.

Employees covered by benefit terms. At December 31, 2020, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	108
Inactive plan members entitled to but not yet receiving benefit payments	6
Active plan members	474
	<hr/>
	588
	<hr/> <hr/>

Total OPEB Liability

The city's total OPEB liability of \$47,182,442 was measured as of December 31, 2019 and was determined by an actuarial valuation as of December 31, 2019.

Actuarial assumptions and other inputs. The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.0%
Healthcare cost trend rates	6.50% decreasing by 0.10% per year down to 5.0%, and level thereafter
Retirees' share of benefit-related costs	10.0%

The discount rate was based on a 20-year AA municipal bond rate of 2.75% reflective as of the measurement date.

Mortality rates were based on the Wisconsin 2018 Mortality Table.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

The actuarial assumptions used in the valuation were based on the results of an experience study for the period conducted in 2018 using Wisconsin Retirement System experience from 2015-2017.

Changes in the Total OPEB Liability	<u>Total OPEB Liability</u>
Balances at December 31, 2018	\$ 43,524,327
Changes for the year:	
Service cost	1,921,076
Interest	1,739,616
Changes of benefit terms	653,319
Differences between expected and actual experience	(4,053,621)
Changes of assumptions or other input	5,386,678
Benefit payments	<u>(1,988,953)</u>
Net changes	<u>3,658,115</u>
Balances at December 31, 2019	<u>\$ 47,182,442</u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the city, as well as what the city total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75 percent) or 1-percentage-point higher (3.75 percent) than the current discount rate:

	1% Decrease (1.75%)	Discount Rate (2.75%)	1% Increase (3.75%)
Total OPEB liability	\$ 50,865,947	\$ 47,182,442	\$ 43,752,623

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the city, as well as what the city's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5 percent decreasing to 4.0 percent) or 1-percentage-point higher (7.5 percent decreasing to 6.0 percent) than the current healthcare cost trend rates:

	1% Decrease (5.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (6.5% Decreasing to 5.0%)	1% Increase (7.5% Decreasing to 6.0%)
Total OPEB liability	\$ 42,529,982	\$ 47,182,442	\$ 52,634,308

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the city recognized an OPEB expense of \$4,261,506. At December 31, 2020, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,603,219
Changes in actuarial assumptions or other input	4,788,158	1,203,735
City contributions subsequent to the measurement date	2,248,616	-
Totals	\$ 7,036,774	\$ 4,806,954

\$2,248,616 reported as deferred outflows related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows (inflows) of resources related to OPEB will be recognized as OPEB expenses as follows:

Year Ended December 31:	Deferred Outflows (Inflows) of Resources (net)
2021	\$(52,505)
2022	(52,505)
2023	(52,505)
2024	(52,505)
2025	(52,505)
Thereafter	243,729

The OPEB liability attributable to governmental funds will be liquidated primarily by the general fund.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

LOCAL RETIREE LIFE INSURANCE FUND (LRLIF)

Plan description. The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

ETF issues a standalone Comprehensive Annual Financial Report, which can be found at <https://etfonline.wi.gov/ETFGASBPublicWeb/gasb75Local.dot>.

Benefits provided. The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions. The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contribution based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates for the plan year reported as of December 31, 2020 are:

Coverage Type	Employer Contributions
50% Post Retirement Coverage	40% of Employee Contribution
25% Post Retirement Coverage	20% of Employee Contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the plan year are as listed below:

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

**Life Insurance Employee Contribution Rates For
The Plan Year**

<u>Attained Age</u>	<u>Basic</u>
Under 30	\$0.05
30-34	0.06
34-39	0.07
40-44	0.08
45-49	0.12
50-54	0.22
55-59	0.39
60-64	0.49
65-69	0.57

During the reporting period, the LRLIF recognized \$12,268 in contributions from the employer.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2020, the city reported a liability of \$2,889,862 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The city's proportion of the net OPEB liability was based on the city's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2019, the city's proportion was 0.678659%, which was an increase of 0.049167% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the city recognized OPEB expense of \$232,013. The OPEB liability attributable to governmental funds will be liquidated primarily by the general fund.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

At December 31, 2020, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 129,462
Net differences between projected and actual earnings on OPEB plan investments	54,513	
Changes of assumptions	1,066,083	317,863
Changes in proportion and differences between employer contributions and proportionate share of contributions	155,456	
Employer contributions subsequent to the measurement date	12,945	
Total	\$ 1,288,997	\$ 447,325

\$12,945 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Deferred Outflows (Inflows) of Resources (net)
2021	\$141,839
2022	141,839
2023	135,961
2024	129,907
2025	110,632
Thereafter	168,546

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Actuarial assumptions. The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2019
Measurement Date of Net OPEB Liability:	December 31, 2019
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.74%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.87%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total OPEB Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the January 1, 2019 actuarial valuation.

Long-term expected return on plan assets. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

**Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2019**

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
US Government Bonds	Barclays Government	45%	2.12%
US Long Credit Bonds	Barclays Long Credit	5	2.90
US Mortgages	Barclays MBS	50	1.53
US Municipal Bonds	Barclays MBS	1	1.68
Inflation			2.20
Long-Term Expected Rate of Return			4.25

The long-term expected rate of return decreased slightly from 5.00% in the prior year to 4.25% in the current year. This change was primarily based on the target asset allocation and capital market expectations. The expected inflation rate also decreased slightly from 2.30% in the prior year to 2.20% in the current year. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Single discount rate. A single discount rate of 2.87% was used to measure the total OPEB Liability for the current year, as opposed to a discount rate of 4.22% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 4.10 percent as of December 31, 2018 to 2.74 percent as of December 31, 2019. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

Sensitivity of the city's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the City's proportionate share of the Net OPEB liability (asset) calculated using the discount rate of 2.87%, as well as what the City's proportionate share of the Net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.87%) or 1-percentage-point higher (3.87%) than the current rate:

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

	1% Decrease Discount Rate (1.87%)	Current Discount Rate (2.87%)	1% Increase to Discount Rate (3.87%)
City's proportionate share of the net OPEB liability	\$ 3,990,416	\$ 2,889,862	\$ 2,052,555

E. TAX ABATEMENTS

The city through various Tax Incremental Financing Districts (TID) has entered into tax abatement agreements with developers in the form of a tax incremental financing incentive payments to stimulate economic development. The abatements are authorized through the TID project plans. The developers pay property taxes as they become due, and after meeting the criteria established in the development agreements, are entitled to future incentive payments that directly correlate to the taxes paid.

The city has disclosed each tax abatement individually.

Agreement Description	Calculation Method	Developer Commitment	Payment Arrangement	Recapture Provisions, if any
GOEX	\$835,736 Total Package including rail and transportation improvements	Construction of New 161,875 sq. ft. building, Guarantee Value of \$5,517,250 and incremental revenues of \$143,776 from 2015 - 2022, within 1 year of occupancy create, retain and maintain 130 FTEs for 7 years	\$835,736 total	Annual increment guarantee of \$143,776. Any shortage must be paid by developer
101 Milwaukee	\$500,000 reimbursement of renovations costs	Guaranteed minimum property tax payment ranging from \$72,065 to \$79,930 in 2023 (Final year)	One Time payment of \$500,000	Graduated Guaranteed payment over the life of the agreement
North Woods Holdings, 2011	\$100,000 development incentive	21,000 sq. ft. building expansion, retain 86 jobs and add 32 within three years. Includes increment guarantee of \$12,329.10	\$100,000 one time payment	Guaranteed increment increase of \$12,329.10 annually for ten years
North Woods Holdings, 2014	\$1,008,106 development loan for incentive and 7 acres of land	141,005 sq. ft. expansion, retain 100 jobs and create 40 additional jobs per year for 9 years	\$1,008,106 in land, building and job incentives	Guaranteed additional increment of \$186,959 annually for nine years
Seneca		80,000 sq. ft. expansion of the building and increase in real property taxes by \$30,327.50; create and maintain 25 new jobs by June 2015, however, debt forgiveness is only on the increment created	Forgivable loan of \$303,275	Guaranteed additional increment of 30,327.50 annually for ten years
Milgold	\$160,000 total reimbursement for building rehab (60% of the value increase)	Rehabilitate the 17,750 sq. ft. building	Max Reimbursement of \$160,000 over 10 years. Total paid out \$24,338.48. Ceased payments in 2015	None

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

E. TAX ABATEMENTS (cont.)

Agreement Description	Calculation Method	Developer Commitment	Payment Arrangement	Recapture Provisions, if any
Greene Bros	\$425,000 incentive for building rehabilitation	Rehabilitate the 23,600 sq. ft. building and guarantee value of \$1,395,232 and increment of \$33,075.83.	One Time Payment of \$425,000	Guaranteed additional increment of \$33,075.83
Shine	\$1.53M in land, \$1.5M forgivable loan for development incentive, \$1.5M for replacement of prototype building, \$578,000 stormwater assessment forgivable loan, \$345,000 for utilities extended by the City. City also includes a \$4M loan guarantee which will be assigned to a future note secured by Shine	Construct a 30,000 sq. ft. new building valued at \$50M, guaranteed annual tax equivalent payment of \$1,166,564, guarantee 125 jobs within 5 years of initiating production. \$1.5M for replacement of prototype building requires replacement building to be completed on campus.	Only the storm water assessment forgivable loan and the extension of utilities has been fully executed the remaining portions of the agreement have not. Anticipating \$1.5M forgivable loan to be issued in 2019.	Guaranteed annual tax equivalent payment of \$1,166,564
Dollar General Land	\$5,296,600 in incentive and land for the development	Build 1,000,000 sq. ft. warehouse and guarantee value of \$40 per square foot and \$25 million in personal property	\$134,660 in 2017, \$529,660 from 2018-2026 and \$134,660 in 2027	Agreement is a pay-go, thus payment is reduced if building or personal property values not met. Personal property did not meet the \$25M requirement and State has reduced Personal Property taxes
Capital Circle 1	\$1,274,437.06 forgivable loan for land and incentive for building construction	Construction of 150,000 sq. ft. building and guarantee value of \$5,400,000	One time payment of \$957,330.02 in land and cash incentive	Guarantee Increment of \$129,561 annually for ten years
3800 Enterprise Drive Inc. (AM Castle Building)	\$1,968,841 forgivable loan in land and building value	Build 208,000 sq. ft. facility, guarantee \$10,450,000 in value	One time payment of \$1,968,841 in land and cash incentive	Guarantee Increment of \$250,725 annually for ten years
Capital Circle 2 (as revised)	\$1,005,534.64 in the form of land and building incentive	Build 100,000 sq. ft. facility and guarantee value of \$4,557,000	One time payment of the incentive in the form of land and cash	Guarantee increment of \$105,553.46
Westphal Electric	\$66,288 forgivable loan in the form of land	Build 12,000 sq. ft. facility and guarantee increment of \$7,379.61 annually for 10 years	One time payment in the form of land	Guarantee increment of \$7,379.61 annually
Playstar	\$410,000 forgivable loan for building construction	Build 58,300 sq. ft. facility, guaranteed value increment \$1,779,899 (total \$2,216,299), tax increment of \$46,380.84 (total \$54,424.77) for 10 years, and retain 13 FTE LWE and create 10 FT LWE.	One time payment cash incentive of \$410,000	Guaranteed annual increment of \$46,380.84 (Total tax equivalency payment = \$54,424.77)

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

E. TAX ABATEMENTS (cont.)

Agreement Description	Calculation Method	Developer Commitment	Payment Arrangement	Recapture Provisions, if any
Key Real Estate Solutions, LLC	\$37,000 forgivable loan for building rehabilitation	Rehabilitate 8,448 sq. ft., guarantee tax increment of \$3,700 for 10 years.	One time cash incentive payment of \$37,000	Guaranteed annual increment of \$3,700. (Total tax equivalency payment = \$11,073.95)
Gallina	\$253,992 forgivable loan for building expansion	Build 40,000 sq. ft. expansion, tax increment guarantee of \$26,968 for 10 years, maintain 13 FTEs	One time cash incentive payment of \$253,992	Guaranteed annual increment of \$26,968 (Total tax equivalency payment = \$65,780.41)
Janesville Hotel Group LLC	\$1,055,000 in land costs and incentive for the building	Build 33,064 sq. ft. facility, tax increment guarantee of \$86,643.51 for 10 years	\$1,055,000 in cash incentive and land	Guaranteed annual tax equivalent payment of \$86,643.51
TFJ Development Inc.	\$2,865,774.73 reimbursement for building rehabilitation	Rehabilitate 78,000 sq. ft. facility, guaranteed value of \$9,160,000 (\$6,096,300 incremental value)	Annual reimbursement payments vary over 14 years with max total payments \$2,865,774.73	None
J&L Targets, Inc.	\$131,272 incentive for addition to the building	Build 9,000 sq. ft. addition to facility and guarantee value of \$872,693.15 for entire facility	One time cash incentive of \$140,000	Annual debt service for loan of \$15,193.38 annually forgiven in two parts, \$6,366.18 annually forgiven based upon job creation and \$8,827.20 forgiven through increased real property increment for the property
Pontiac Place Hotel Developers, Inc.	\$2,011,000 for new hotel construction	Build 52,851 sq. ft. facility with guaranteed value of \$6,039,000	Annual reimbursement payments vary over 11 years with a max total of \$2,011,065	Agreement is a pay-go, thus payment is reduced if building values not met
Northwoods Holdings 2018	Land value of \$568,789 and construction incentive of \$234,000	Build 100,000 sq. ft. facility and guarantee value of \$3,600,000	Land value of \$568,789 and one time construction incentive of \$234,000	Guaranteed increment of \$80,283 annually
Halverson Holdings	Land value of \$59,659 and construction incentive of \$80,341	Build 29,300 square foot facility on the property with a guarantee value of \$720,000	Land value of \$59,659 and construction incentive of \$80,341	Guaranteed increment of \$17,275 annually
100 Innovation Drive Corp. (Naturpak)	Land value of \$548,848 and development incentive of \$625,000	Build 150,000 square foot facility on the property with a guarantee value of \$5,400,000	Land value of \$548,848 and development incentive of \$625,000	Guaranteed increment of \$134,122.42 annually
TI Janesville II, LLC (Zilber)	\$2,445,623.25 Maximum Paygo Construction Incentive over Ten years. No land included.	Build 303,000 square foot industrial facility on the property with a guaranteed value of \$13,045,468 and guaranteed annual increment of at least \$304,829.	Payment of Paygo payment of \$244,562.32 annually for up to 10 years if projected value and increment are met.	Paygo reduced to a maximum of 80% of created value if project does not achieve guaranteed value and annual increment.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

E. TAX ABATEMENTS (CONT.)

Agreement Description	Calculation Method	Developer Commitment	Payment Arrangement	Recapture Provisions, if any
MW Residences, LLC (Howde)	Development incentive of \$3,600,000 for phase one to be paid for phase 1 in 2020 after occupancy each of the two buildings. Development incentive of \$4,000,000 to be paid at occupancy of each of the three buildings.	Build five MF Residential buildings totaling 260 units, in two phases over four years. Projected total property value of \$23,738.55 after build out and a guaranteed annual increment of \$528,000 after build out.	Agreement projects phased in increment for payback of entire incentives over 17 years through minimum increased property taxes.	Minimum tax requires developer to be invoiced for any annual shortfall in the guaranteed property tax. In addition any payment of an incentive is tied to completion of each building, thus if a building is not granted occupancy, the incentive is not paid.
Diamond Ridge Apartments, LLC (Horizon)	Cash Development incentive of \$3,300,000 to be paid when 20% of the project is completed. City will cover debt with a 20-year bond.	Build 115 MF Residential units, complete by Dec 31, 2020. Guaranteed value of \$10,711,000 and a guaranteed annual increment of \$232,436. Developer pays principal and interest for the 20-year bond issued for the project.	Payment of principal and interest for the bond will be derived from the guaranteed minimum taxes from the project for 20 years.	Minimum tax requires developer to be invoiced for any annual shortfall in the guaranteed property tax.
River Flats	City owned land at no cost. Forgivable loans totaling \$546,000 and amortized over 20 years at 3% interest. Paygo totaling \$1,905,500 over 20 years.	Build 5-story MF Residential Project with 92 affordable units to be completed by August 1, 2021. Guaranteed value of the project of \$4.8 million and a guaranteed increment of \$98,635 first year after completion and increasing .5% annually for 20 years of the agreement.	Pay as you go of 20 years. Payment is 95% of new increment generated with maximum payment over time of \$1,905,500.	Payments are reduced annually if project does not achieve guaranteed increment generation.
Grafft Irrevocable Trust	Cash Development incentive of \$102,500.25 paid as a pay as you go incentive over a total of 15 years.	Develop 5-MF upper-floor residential units over 4,140 square feet in area. Guaranteed value of \$500,000 and guaranteed increment of \$11,425 in each year of the 15 year agreement.	Pay as you go of 15 years equaling 95% of the new increment created by the project with a maximum payment of \$102,500.25.	Payments are reduced annually if project does not achieve guaranteed increment generation.
Monterey Apartments	Cash Development incentive of \$1,770,000 paid as a pay as you go incentive over a total of 19 years.	Redevelop existing former hotel totaling 44,851 square feet into 51 MF residential units. Guaranteed value of \$4,950,000 in the first year after completion with an annual increase of .5% and guaranteed increment of \$110,980.49 in the first year after completion with an annual increase of .5% over the 19 years of the agreement.	Pay as you go of 19 years equaling 90% of the new increment created by the project with a maximum payment of \$1,770,000.	Payments are reduced annually if project does not achieve guaranteed increment generation.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

F. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 87, *Leases*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*

When they become effective, application of these standards may restate portions of these financial statements.

G. SUBSEQUENT EVENTS

Relief through the American Rescue Plan Act

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of local government to mitigate the fiscal effects stemming from the public health emergency. The city's estimated award is \$11.7 million, which will be used to combat the negative effects of the public health emergency in the local economy. The city received 50% of the funds in May 2021, with the remaining expected a year later. The funds are to cover costs incurred by December 31, 2024.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF JANESVILLE

REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE GENERAL FUND For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget
REVENUES				
Taxes	\$ 34,661,070	\$ 34,661,070	\$ 34,411,811	\$ (249,259)
Licenses and permits	1,649,736	1,649,736	1,778,103	128,367
Investment income, rents and fines	770,000	770,000	1,012,666	242,666
State and federal aids	9,080,877	9,080,877	9,375,112	294,235
Service charges and other	4,500,520	4,500,520	3,312,594	(1,187,926)
Total Revenues	<u>50,662,203</u>	<u>50,662,203</u>	<u>49,890,286</u>	<u>(771,917)</u>
EXPENDITURES				
Current	Current	Current	Current	Current
General government	4,781,312	4,871,312	4,569,679	301,633
Public safety	27,184,243	26,984,243	26,321,425	662,818
Public works	4,885,756	4,885,756	4,488,518	397,238
Recreation and parks	3,098,329	3,098,329	2,493,133	605,196
Community and economic development	1,667,671	1,667,671	1,561,220	106,451
Total Expenditures	<u>41,617,311</u>	<u>41,507,311</u>	<u>39,433,975</u>	<u>2,073,336</u>
Excess of revenues over expenditures	<u>9,044,892</u>	<u>9,154,892</u>	<u>10,456,311</u>	<u>1,301,419</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,530,000	1,530,000	1,560,004	30,004
Transfers out	(11,048,423)	(11,614,190)	(11,315,406)	298,784
Total Other Financing Sources (Uses)	<u>(9,518,423)</u>	<u>(10,084,190)</u>	<u>(9,755,402)</u>	<u>328,788</u>
Net change in fund balance	(473,531)	(929,298)	700,909	1,630,207
FUND BALANCES - Beginning of Year	<u>9,516,550</u>	<u>9,516,550</u>	<u>9,516,550</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 9,043,019</u>	<u>\$ 8,587,252</u>	<u>\$ 10,217,459</u>	<u>\$ 1,630,207</u>

See independent auditors' report and accompanying notes to required supplementary information.

CITY OF JANESVILLE

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 SANITATION
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget
REVENUES				
State and federal aids	\$ 225,000	\$ 225,000	\$ 225,604	\$ 604
Service charges and other	9,417,365	9,417,365	10,290,030	872,665
Total Revenues	9,642,365	9,642,365	10,515,634	873,269
EXPENDITURES				
Current				
Public works	7,344,911	7,344,911	7,701,708	(356,797)
Total Expenditures	7,344,911	7,344,911	7,701,708	(356,797)
Excess of revenues over expenditures	2,297,454	2,297,454	2,813,926	516,472
OTHER FINANCING SOURCES (USES)				
Transfers in	250,000	250,000	250,000	-
Transfers out	(2,525,319)	(2,525,319)	(2,717,812)	(192,493)
Total Other Financing Sources (Uses)	(2,275,319)	(2,275,319)	(2,467,812)	(192,493)
Net change in fund balance	22,135	22,135	346,114	323,979
FUND BALANCES - Beginning of Year	2,997,162	2,997,162	2,997,162	-
FUND BALANCES - END OF YEAR	\$ 3,019,297	\$ 3,019,297	\$ 3,343,276	\$ 323,979

See independent auditor's report and accompanying notes to required supplementary information.

CITY OF JANESVILLE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET) -
WISCONSIN RETIREMENT SYSTEM*
For the Year Ended December 31, 2020

Fiscal Year Ending	Proportion of the Net Pension Liability/(Asset)	Proportionate Share of the Net Pension Liability/(Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	0.28181434%	\$ (6,922,131)	\$ 29,934,378	23.12%	102.74%
12/31/2016	0.28540220%	\$ 4,637,730	\$ 32,131,966	14.43%	98.20%
12/31/2017	0.28922280%	\$ 2,383,886	\$ 31,418,359	7.59%	99.12%
12/31/2018	0.29663873%	\$ (8,807,555)	\$ 31,900,964	27.61%	102.93%
12/31/2019	0.30053965%	\$ 10,692,258	\$ 32,815,852	32.58%	96.45%
12/31/2020	0.30522708%	\$ (9,841,914)	\$ 33,669,491	29.23%	102.96%

SCHEDULE OF EMPLOYER CONTRIBUTIONS -
WISCONSIN RETIREMENT SYSTEM*
For the Year Ended December 31, 2020

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 2,859,533	\$ 2,859,533	\$ -	\$ 32,131,966	8.90%
12/31/2016	\$ 2,761,662	\$ 2,761,662	\$ -	\$ 31,415,079	8.79%
12/31/2017	\$ 3,133,047	\$ 3,133,047	\$ -	\$ 31,899,493	9.82%
12/31/2018	\$ 3,233,976	\$ 3,233,976	\$ -	\$ 32,815,853	9.85%
12/31/2019	\$ 3,245,361	\$ 3,245,361	\$ -	\$ 33,669,491	9.64%
12/31/2020	\$ 3,547,686	\$ 3,547,686	\$ -	\$ 34,629,837	10.24%

*Note: These schedules are intended to show information for ten years; additional years' information will be displayed as it becomes available.

CITY OF JANESVILLE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET LIFE INSURANCE OPEB LIABILITY -
 LOCAL RETIREE LIFE INSURANCE FUND*
 For the Year Ended December 31, 2020

Fiscal Year Ending	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/2018	0.61893000%	\$ 1,862,100	\$ 26,027,777	7.15%	44.81%
12/31/2019	0.62949200%	\$ 1,624,302	\$ 31,750,000	5.12%	48.69%
12/31/2020	0.67865900%	\$ 2,889,862	\$ 32,769,000	8.82%	37.58%

SCHEDULE OF EMPLOYER CONTRIBUTIONS -
 LOCAL RETIREE LIFE INSURANCE FUND*
 For the Year Ended December 31, 2020

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2018	\$ 12,158	\$ 12,158	\$ -	\$ 26,774,454	0.05%
12/31/2019	\$ 12,327	\$ 12,327	\$ -	\$ 32,575,233	0.04%
12/31/2020	\$ 12,945	\$ 12,945	\$ -	\$ 32,665,936	0.04%

*Note: These schedules are intended to show information for ten years; additional years' information will be displayed as it becomes available.

See independent auditors' report and accompanying notes to the required supplementary information.

CITY OF JANESVILLE

SCHEDULE OF CHANGES IN EMPLOYER'S TOTAL OPEB LIABILITY AND RELATED RATIOS
HEALTH INSURANCE
December 31, 2020

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB Liability			
Service cost	\$ 2,025,566	\$ 2,025,566	\$ 1,921,076
Interest	1,469,385	1,523,002	1,739,616
Changes of benefit terms	-	-	653,319
Differences between expected and actual experience	-	-	(4,053,621)
Changes of assumptions	-	(1,604,981)	5,386,678
Benefit payments	<u>(2,084,453)</u>	<u>(1,841,628)</u>	<u>(1,988,953)</u>
Net Change in Total OPEB Liability	1,410,498	101,959	3,658,115
Total OPEB Liability - Beginning	<u>42,011,870</u>	<u>43,422,368</u>	<u>43,524,327</u>
Total OPEB Liability - Ending	<u>\$ 43,422,368</u>	<u>\$ 43,524,327</u>	<u>\$ 47,182,442</u>
Covered-employee payroll	\$ 28,774,761	\$ 28,774,761	\$ 31,419,755
Total OPEB liability as a percentage of covered-employee payroll	150.90%	151.26%	150.17%

Notes to Schedule:

Benefit changes. There were no changes to the benefits.

Changes in assumptions. The discount rate was changed to be reflective of a 20-year AA municipal bond rate (2.75%) as of the measurement date in order to be compliant with GASB 75

Valuation date:

Actuarially determined contribution rates are calculated as of December 31, 2019, one year prior to the end of the fiscal year

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal (level percent of salary)
Amortization method	Average remaining member service life
Amortization period	9 years
Asset valuation method	N/A
Inflation	2.50%
Healthcare cost trend rates	6.50% decreasing by 0.10% per year down to 5.00% and level thereafter
Salary increases	3.00%
Investment rate of return	N/A
Retirement age	Based upon rates from the December 31, 2016 actuarial valuation for the Wisconsin Retirement System (WRS)
Mortality	Wisconsin 2018 Mortality Table adjusted for future mortality improvements using the MP-2018 fully generated improvement scale (multiplies 60%)

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The city implemented GASB Statement No. 75 in 2018. Information prior to 2018 is not available.

See independent auditors' report and accompanying notes to required supplementary information.

CITY OF JANESVILLE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2020

BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. C.

The budgeted amounts presented include any amendments made. The city manager may allow the expenditure level for a program element to exceed the budget amount provided the program appropriation is not exceeded. Amendments to the adopted budget to provide for a new or significantly expanded program activity or a new capital item (greater than \$2,000) for which funding will not exceed the original program appropriation will be considered allocations within the original program appropriation and will require a majority vote of the entire membership of the council. Amendments to the adopted budget to provide for a new or significantly expanded program activity or a new capital item (greater than \$2,000) for which funding is expected to exceed the original program appropriation included in the program appropriation will require the adoption of a resolution by a two-thirds vote of the entire membership of the council. Appropriations lapse at year-end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the program level of expenditure. Programs represent groupings of similar city departments or activities, such as the Public Safety Program being comprised of the police and fire departments or the Community and Economic Development Program being comprised of the community development, property maintenance, and EDA departments.

WISCONSIN RETIREMENT SYSTEM

The amounts determined for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

The city is required to present the last ten fiscal years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in Assumptions. No significant changes in assumptions were noted from the prior year.

LOCAL RETIREE LIFE INSURANCE FUND

The amounts determined for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

The city is required to present the last ten fiscal years of data; however, accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in Assumptions. Several actuarial assumptions changed from the prior year, including the single discount rate, long-term expected rate of return and expected inflation. Please refer to the Actuarial Assumptions section above for additional details.



SUPPLEMENTARY INFORMATION

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CITY OF JANESVILLE

GENERAL FUND DETAILED SCHEDULE OF REVENUES AND OTHER SOURCES For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget
TAXES				
General property tax	\$ 33,861,016	\$ 33,861,016	\$ 33,751,534	\$ (109,482)
Penalties and interest on taxes	195,000	195,000	196,760	1,760
Mobile home taxes	70,000	70,000	92,062	22,062
Hotel/motel tax	433,054	433,054	271,502	(161,552)
Wheel tax	102,000	102,000	99,953	(2,047)
Totals	<u>34,661,070</u>	<u>34,661,070</u>	<u>34,411,811</u>	<u>(249,259)</u>
LICENSES				
Alcoholic beverage licenses	77,000	77,000	83,151	6,151
Publication fees	3,750	3,750	7,724	3,974
Food and cigarettes	17,000	17,000	19,831	2,831
Weights and measures	23,000	23,000	24,307	1,307
Dog licenses	70,000	70,000	67,598	(2,402)
Bartender licenses	16,000	16,000	10,762	(5,238)
Amusement center licenses	18,000	18,000	17,552	(448)
Cable TV	620,000	620,000	625,019	5,019
Other regulatory licenses and permits	35,020	35,020	39,239	4,219
Totals	<u>879,770</u>	<u>879,770</u>	<u>895,183</u>	<u>15,413</u>
COMMUNITY DEVELOPMENT PERMITS				
Application fees	68,800	68,800	70,263	1,463
Resident permit fees	285,866	285,866	360,217	74,351
Commercial permit fees	415,300	415,300	452,440	37,140
Totals	<u>769,966</u>	<u>769,966</u>	<u>882,920</u>	<u>112,954</u>
INVESTMENT INCOME, RENTS AND FINES				
Investment income	310,000	310,000	578,463	268,463
Rents - city owned property	120,000	120,000	138,603	18,603
Municipal court fines	280,000	280,000	236,830	(43,170)
Sale of city property	10,000	10,000	8,770	(1,230)
Rental - city services center	50,000	50,000	50,000	-
Totals	<u>770,000</u>	<u>770,000</u>	<u>1,012,666</u>	<u>242,666</u>
STATE AND FEDERAL AIDS				
Shared taxes from state	5,757,965	5,757,965	5,798,897	40,932
Local road allotment	2,252,972	2,252,972	2,322,301	69,329
State payment - municipal services	115,000	115,000	120,202	5,202
Connecting street maintenance	335,380	335,380	334,544	(836)
Computer value reimbursement	184,912	184,912	184,912	-
Exempt personal property aid	151,021	151,021	151,021	-
Exempt cable tv fee aid	68,627	68,627	68,627	-
State aid - fire insurance	215,000	215,000	394,608	179,608
Totals	<u>9,080,877</u>	<u>9,080,877</u>	<u>9,375,112</u>	<u>294,235</u>

CITY OF JANESVILLE

GENERAL FUND DETAILED SCHEDULE OF REVENUES AND OTHER SOURCES (cont.) For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
SERVICE CHARGES AND OTHER				
Parking	\$ 71,525	\$ 71,525	\$ 38,275	\$ (33,250)
Public works	263,875	263,875	284,795	20,920
Police department	41,500	41,500	26,954	(14,546)
Fire department	3,201,020	3,201,020	2,610,995	(590,025)
Leisure services	872,600	872,600	301,575	(571,025)
Wastewater service charge	50,000	50,000	50,000	-
Totals	<u>4,500,520</u>	<u>4,500,520</u>	<u>3,312,594</u>	<u>(1,187,926)</u>
TRANSFERS IN				
Water utility taxes	<u>1,530,000</u>	<u>1,530,000</u>	<u>1,560,004</u>	<u>30,004</u>
Totals	<u>1,530,000</u>	<u>1,530,000</u>	<u>1,560,004</u>	<u>30,004</u>
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 52,192,203</u>	<u>\$ 52,192,203</u>	<u>\$ 51,450,290</u>	<u>\$ (741,913)</u>

CITY OF JANESVILLE

GENERAL FUND DETAILED SCHEDULE OF EXPENDITURES AND OTHER USES For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
GENERAL GOVERNMENT				
City Council	\$ 21,972	\$ 21,972	\$ 4,172	\$ 17,800
City Manager	452,054	452,054	437,781	14,273
Community Information	93,543	93,543	48,088	45,455
City Assessor	536,474	536,474	522,883	13,591
City Attorney	550,110	550,110	571,587	(21,477)
Elections	126,924	126,924	113,980	12,944
City Clerk - Treasurer	513,225	513,225	463,691	49,534
Finance	440,400	440,400	438,802	1,598
Human Resources	347,046	347,046	308,028	39,018
Information Systems	1,063,568	1,063,568	966,552	97,016
Insurance	150,884	150,884	137,846	13,038
Economic Adjustments	47,405	98,405	97,614	791
Unclassified and Sundry	437,707	476,707	458,655	18,052
Totals	<u>4,781,312</u>	<u>4,871,312</u>	<u>4,569,679</u>	<u>301,633</u>
PUBLIC SAFETY				
Police department	14,582,883	14,502,883	14,140,882	362,001
Fire department	12,601,360	12,481,360	12,180,543	300,817
Totals	<u>27,184,243</u>	<u>26,984,243</u>	<u>26,321,425</u>	<u>662,818</u>
PUBLIC WORKS				
Administration				
Engineering	786,202	786,202	621,093	165,109
Sub-Totals	<u>786,202</u>	<u>786,202</u>	<u>621,093</u>	<u>165,109</u>
Street Maintenance and Repair				
Paved Streets	790,001	790,001	669,316	120,685
Snow Removal	1,456,455	1,456,455	1,519,973	(63,518)
Weed Cutting	57,015	57,015	41,943	15,072
Sub-Totals	<u>2,303,471</u>	<u>2,303,471</u>	<u>2,231,232</u>	<u>72,239</u>
Public Buildings and Parking				
Public Buildings	664,903	664,903	648,765	16,138
Parking Facilities	136,512	136,512	93,825	42,687
Sub-Totals	<u>801,415</u>	<u>801,415</u>	<u>742,590</u>	<u>58,825</u>

CITY OF JANESVILLE

GENERAL FUND DETAILED SCHEDULE OF EXPENDITURES AND OTHER USES (cont.) For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
PUBLIC WORKS (cont.)				
Traffic Control				
Traffic Signs	\$ 270,448	\$ 270,448	\$ 205,760	\$ 64,688
Traffic Signals	151,506	151,506	146,302	5,204
Street Painting	94,762	94,762	90,892	3,870
Street Lighting	477,952	477,952	450,649	27,303
Sub-Totals	994,668	994,668	893,603	101,065
Total Public Works	4,885,756	4,885,756	4,488,518	397,238
RECREATION AND PARKS				
Recreation Administration	60,690	60,690	64,994	(4,304)
Senior Citizens Center	281,896	281,896	223,279	58,617
Park Management	1,641,428	1,641,428	1,532,093	109,335
Recreation Programs	497,392	497,392	276,022	221,370
Ice Skating Center	355,364	355,364	323,791	31,573
Aquatics	261,559	261,559	72,954	188,605
Totals	3,098,329	3,098,329	2,493,133	605,196
COMMUNITY AND ECONOMIC DEVELOPMENT				
Economic Development	175,720	175,720	173,439	2,281
Community Development	1,185,290	1,185,290	1,144,849	40,441
Housing Services-Property Maintenance	306,661	306,661	242,932	63,729
Totals	1,667,671	1,667,671	1,561,220	106,451
GENERAL FUND TRANSFERS				
Transit System	1,188,785	1,188,785	890,001	298,784
Debt Service	9,784,638	9,784,638	9,784,638	-
Special Assessments	75,000	75,000	75,000	-
Special Accounts	-	565,767	565,767	-
Totals	11,048,423	11,614,190	11,315,406	298,784
TOTAL EXPENDITURES AND OTHER USES				
	\$ 52,665,734	\$ 53,121,501	\$ 50,749,381	\$ 2,372,120

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NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds from specific revenue sources that are restricted or committed to expenditures for specific purposes.

Library Fund – To account for funds provided to maintain a member library system.

JATV-12 – To account for funds used to provide public access television to share local events with the community.

Oak Hill Cemetery – To account for the operation and maintenance of the Oak Hill Cemetery.

Special Accounts – To account for the proceeds from specific revenue sources that are restricted to expenditures for special projects.

Tax Incremental Financing (TIF) District #17 – To account for the financing and construction of City improvements related to South Main Street.

Tax Incremental Financing (TIF) District #21 – To account for the financing and construction of City improvements related to GOEX Corporation's industrial expansion.

Tax Incremental Financing (TIF) District #22 – To account for the financing and construction of City improvements related to the Beloit Avenue Industrial Park, west side of Beloit Avenue.

Tax Incremental Financing (TIF) District #23 – To account for the financing and construction of City improvements related to the eastside downtown.

NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Tax Incremental Financing (TIF) District #25 - To account for the financing and construction of City improvements related to North Kennedy Road/I-90.

Tax Incremental Financing (TIF) District #26 - To account for the financing and construction of City improvements related to Beloit Avenue/Kellogg Avenue.

Tax Incremental Financing (TIF) District #27 - To account for the financing and construction of City improvements related to the East Van Buren Area.

Tax Incremental Financing (TIF) District #28 - To account for the financing and construction of City improvements related to the Center Avenue/Near Westside.

Tax Incremental Financing (TIF) District #29 - To account for the financing and construction of City improvements related to the Milton Avenue at Mt. Zion Street Area.

Tax Incremental Financing (TIF) District #32 - To account for the financing and construction of City improvements related to mixed industrial and commercial development along Racine Street.

Tax Incremental Financing (TIF) District #33 - To account for the financing and construction of City improvements related to neighborhood revitalization near the Mercy Health Systems campus on Mineral Point.

Tax Incremental Financing (TIF) District #35 - To account for the financing and construction of City improvements and stimulate commercial and industrial development projects in the area near HWY 11 and CTH G.

NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Tax Incremental Financing (TIF) District #36 – To account for the financing and construction of City improvements and stimulate commercial development or redevelopment in the downtown, an area in need of rehabilitation or conservation.

Tax Incremental Financing (TIF) District #37 – To account for the financing and construction of City improvements and stimulate commercial development or redevelopment in the area south of Humes Road, west of I-39/90, east of N. Pontiac Dr., and north of Holiday Dr., an area in need of rehabilitation or conservation.

Tax Incremental Financing (TIF) District #38 – To account for the financing and construction of City improvements and spur residential and commercial development related to the Milton Avenue at Blackbridge Road Area.

Golf Courses Fund – To account for the operation of the City's two golf courses (Blackhawk and Riverside) managed by KemperSports.

Other Housing Grants – To account for state/federal funds provided to promote revitalization of Janesville's downtown and central city neighborhoods.

Community Development Block Grant – To account for federal funds provided to assist low and moderate-income families, including elderly and handicapped individuals, to obtain affordable, decent, safe and sanitary housing.

Innovation Center (Blended Component Unit) – To account for funds related to the 22,000 square foot office/commercial/industrial business incubator which provides supportive services, infrastructure, education, training, and mentorship to entrepreneurs. The facility is a key component in the implementation of the City's Economic Development Strategy by fostering growth of start-up businesses within the Community to create jobs and expand the tax base.



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CITY OF JANESVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
As of December 31, 2020

	<u>Library</u>	<u>JATV-12</u>	<u>Oak Hill Cemetery</u>	<u>Special Accounts</u>
ASSETS				
Current Assets				
Cash and investments	\$ 706,010	\$ 222,167	\$ 129,575	\$ 4,053,231
Taxes receivable	3,546,742	-	-	-
Accounts receivable	4,354	41,044	1,115	634,781
Special assessments receivable	-	-	-	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 4,257,106</u>	<u>\$ 263,211</u>	<u>\$ 130,690</u>	<u>\$ 4,688,012</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ 24,072	\$ -	\$ 679	\$ 137,893
Accrued liabilities	94,925	4,611	4,586	36,202
Due to other funds	-	-	-	-
Total Liabilities	<u>118,997</u>	<u>4,611</u>	<u>5,265</u>	<u>174,095</u>
Deferred Inflows of Resources				
Unearned revenues	3,546,742	-	-	980
Unavailable revenues	-	-	-	11,900
Total Deferred Inflows of Resources	<u>3,546,742</u>	<u>-</u>	<u>-</u>	<u>12,880</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	591,367	-	-	3,895,615
Committed	-	258,600	125,425	605,422
Unassigned (deficit)	-	-	-	-
Total Fund Balances	<u>591,367</u>	<u>258,600</u>	<u>125,425</u>	<u>4,501,037</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 4,257,106</u>	<u>\$ 263,211</u>	<u>\$ 130,690</u>	<u>\$ 4,688,012</u>

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South Main St TIF No. 17	GOEX TIF No. 21	Beloit Ave Industrial Park TIF No. 22	Eastside Downtown TIF No. 23	North Kennedy Rd TIF No. 25	Beloit Ave/ Kellogg Ave TIF No. 26	East Van Buren TIF No. 27	Center Ave TIF No. 28
\$ -	\$ -	\$ -	\$ 140,340	\$ -	\$ 84,694	\$ 72,906	\$ -
36,684	-	1,334,133	60,019	332,539	358,916	6,885	7,457
-	-	11,067	-	3,809	3,054	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 36,684</u>	<u>\$ -</u>	<u>\$ 1,345,200</u>	<u>\$ 200,359</u>	<u>\$ 336,348</u>	<u>\$ 446,664</u>	<u>\$ 79,791</u>	<u>\$ 7,457</u>
\$ -	\$ -	\$ -	\$ -	\$ 9,826	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
112,120	-	70,441	-	261,823	-	-	98,275
<u>112,120</u>	<u>-</u>	<u>70,441</u>	<u>-</u>	<u>271,649</u>	<u>-</u>	<u>-</u>	<u>98,275</u>
36,684	-	1,334,133	60,019	332,539	358,916	6,885	7,457
-	-	-	-	-	-	-	-
<u>36,684</u>	<u>-</u>	<u>1,334,133</u>	<u>60,019</u>	<u>332,539</u>	<u>358,916</u>	<u>6,885</u>	<u>7,457</u>
-	-	-	-	-	-	-	-
-	-	-	140,340	-	87,748	72,906	-
-	-	-	-	-	-	-	-
(112,120)	-	(59,374)	-	(267,840)	-	-	(98,275)
<u>(112,120)</u>	<u>-</u>	<u>(59,374)</u>	<u>140,340</u>	<u>(267,840)</u>	<u>87,748</u>	<u>72,906</u>	<u>(98,275)</u>
<u>\$ 36,684</u>	<u>\$ -</u>	<u>\$ 1,345,200</u>	<u>\$ 200,359</u>	<u>\$ 336,348</u>	<u>\$ 446,664</u>	<u>\$ 79,791</u>	<u>\$ 7,457</u>

CITY OF JANESVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE (cont.)
As of December 31, 2020

	Milton Ave at Mt Zion TIF No. 29	Racine St TIF No. 32	Mineral Pt TIF No. 33	HWY 11/CTH G TIF No. 35
ASSETS				
Current Assets				
Cash and investments	\$ 397,501	\$ 1,546,654	\$ 76,769	\$ -
Taxes receivable	83,579	1,878,639	348,159	1,899,298
Accounts receivable	-	-	-	1,520
Special assessments receivable	-	17,659	-	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
TOTAL ASSETS	\$ 481,080	\$ 3,442,952	\$ 424,928	\$ 1,900,818
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current Liabilities				
Accounts payable	\$ -	\$ 84,587	\$ -	\$ 203,532
Accrued liabilities	-	224	-	972
Due to other funds	-	-	-	269,414
Total Liabilities	-	84,811	-	473,918
Deferred Inflows of Resources				
Unearned revenues	83,579	1,878,639	348,159	1,899,298
Unavailable revenues	-	17,659	-	-
Total Deferred Inflows of Resources	83,579	1,896,298	348,159	1,899,298
Fund Balances				
Nonspendable	-	-	-	-
Restricted	397,501	1,461,843	76,769	-
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	(472,398)
Total Fund Balances	397,501	1,461,843	76,769	(472,398)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 481,080	\$ 3,442,952	\$ 424,928	\$ 1,900,818

Downtown TIF No. 36	Humes Rd TIF No. 37	Milton Ave TIF No. 38	Golf Courses	Other Housing Grants	Community Development Block Grant	Innovation Center	Totals
\$ -	\$ 67,642	\$ 2,162	\$ 49,017	\$ 447,861	\$ 484,327	\$ -	\$ 8,480,856
394,465	417,180	-	-	-	-	-	10,704,695
113,416	-	-	1,360	151,357	105,078	42,201	1,114,156
-	-	-	-	-	-	-	17,659
-	-	-	42,000	-	-	-	42,000
-	-	-	-	1,826,435	1,624,196	-	3,450,631
<u>\$ 507,881</u>	<u>\$ 484,822</u>	<u>\$ 2,162</u>	<u>\$ 92,377</u>	<u>\$ 2,425,653</u>	<u>\$ 2,213,601</u>	<u>\$ 42,201</u>	<u>\$ 23,809,997</u>
\$ 179,074	\$ -	\$ -	\$ 49,764	\$ 52,358	\$ 76,701	\$ 18,044	\$ 836,530
949	-	-	63	818	4,697	35	148,082
44,680	-	-	-	-	-	36,638	893,391
<u>224,703</u>	<u>-</u>	<u>-</u>	<u>49,827</u>	<u>53,176</u>	<u>81,398</u>	<u>54,717</u>	<u>1,878,003</u>
394,465	417,180	-	67,986	-	-	4,509	10,778,170
-	-	-	-	1,836,718	1,624,196	-	3,490,473
<u>394,465</u>	<u>417,180</u>	<u>-</u>	<u>67,986</u>	<u>1,836,718</u>	<u>1,624,196</u>	<u>4,509</u>	<u>14,268,643</u>
-	-	-	42,000	-	-	-	42,000
-	67,642	2,162	-	535,759	508,007	-	7,837,659
-	-	-	-	-	-	-	989,447
<u>(111,287)</u>	<u>-</u>	<u>-</u>	<u>(67,436)</u>	<u>-</u>	<u>-</u>	<u>(17,025)</u>	<u>(1,205,755)</u>
<u>(111,287)</u>	<u>67,642</u>	<u>2,162</u>	<u>(25,436)</u>	<u>535,759</u>	<u>508,007</u>	<u>(17,025)</u>	<u>7,663,351</u>
<u>\$ 507,881</u>	<u>\$ 484,822</u>	<u>\$ 2,162</u>	<u>\$ 92,377</u>	<u>\$ 2,425,653</u>	<u>\$ 2,213,601</u>	<u>\$ 42,201</u>	<u>\$ 23,809,997</u>

CITY OF JANESVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
For the Year Ended December 31, 2020

	<u>Library</u>	<u>JATV-12</u>	<u>Oak Hill Cemetery</u>	<u>Special Accounts</u>
REVENUES				
Taxes	\$ 3,523,470	\$ -	\$ -	\$ 1,362,097
Investment income	-	-	-	17,647
State and federal aids	20,546	17,157	-	1,890,130
Service charges and other	585,635	154,375	250,455	1,485,686
Miscellaneous	-	-	-	-
Total Revenues	<u>4,129,651</u>	<u>171,532</u>	<u>250,455</u>	<u>4,755,560</u>
EXPENDITURES				
Current				
General government	-	-	-	90,169
Public safety	-	-	-	2,804,378
Public works	-	-	-	250,181
Recreation and parks	-	-	223,327	115,824
Community and economic development	-	-	-	823,869
Library	3,323,290	162,979	-	342,397
Capital Outlay	369,944	12,843	-	944,000
Debt Service				
Interest charges	-	-	-	-
Total Expenditures	<u>3,693,234</u>	<u>175,822</u>	<u>223,327</u>	<u>5,370,818</u>
Excess (deficiency) of revenues over expenditures	<u>436,417</u>	<u>(4,290)</u>	<u>27,128</u>	<u>(615,258)</u>
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	-	-
Transfer in	-	-	-	935,804
Transfer out	(382,505)	-	-	-
Total Other Financing Sources (Uses)	<u>(382,505)</u>	<u>-</u>	<u>-</u>	<u>935,804</u>
Net change in fund balance	53,912	(4,290)	27,128	320,546
FUND BALANCES (DEFICIT) -				
Beginning of Year	<u>537,455</u>	<u>262,890</u>	<u>98,297</u>	<u>4,180,491</u>
FUND BALANCES (DEFICIT) -				
END OF YEAR	<u>\$ 591,367</u>	<u>\$ 258,600</u>	<u>\$ 125,425</u>	<u>\$ 4,501,037</u>

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South Main St TIF No. 17	GOEX TIF No. 21	Beloit Ave Industrial Park TIF No. 22	Eastside Downtown TIF No. 23	North Kennedy Rd TIF No. 25	Beloit Ave/ Kellogg Ave TIF No. 26	East Van Buren TIF No. 27
\$ 37,385	\$ 268,737	\$ 1,279,256	\$ 61,166	\$ 329,442	\$ 336,034	\$ 6,277
-	1,343	16,448	9,919	495	693	308
32	1,128	553	2,160	10,259	21,985	3,016
-	-	-	80,871	4,514	1,536	2,794
-	-	-	-	-	-	-
<u>37,417</u>	<u>271,208</u>	<u>1,296,257</u>	<u>154,116</u>	<u>344,710</u>	<u>360,248</u>	<u>12,395</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,184	211,268	151	2,545	405,169	5,453	733
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>5,184</u>	<u>211,268</u>	<u>151</u>	<u>2,545</u>	<u>405,169</u>	<u>5,453</u>	<u>733</u>
<u>32,233</u>	<u>59,940</u>	<u>1,296,106</u>	<u>151,571</u>	<u>(60,459)</u>	<u>354,795</u>	<u>11,662</u>
-	-	-	-	435,000	-	-
-	-	-	-	-	-	-
-	(589,937)	(1,164,225)	(101,799)	(143,450)	(158,700)	-
-	(589,937)	(1,164,225)	(101,799)	291,550	(158,700)	-
32,233	(529,997)	131,881	49,772	231,091	196,095	11,662
(144,353)	529,997	(191,255)	90,568	(498,931)	(108,347)	61,244
<u>\$ (112,120)</u>	<u>\$ -</u>	<u>\$ (59,374)</u>	<u>\$ 140,340</u>	<u>\$ (267,840)</u>	<u>\$ 87,748</u>	<u>\$ 72,906</u>

CITY OF JANESVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE (cont.)
For the Year Ended December 31, 2020

	Center Ave TIF No. 28	Milton Ave at Mt Zion TIF No. 29	Racine St TIF No. 32	Mineral Pt TIF No. 33
REVENUES				
Taxes	\$ 418	\$ 58,059	\$ 1,401,839	\$ 273,629
Investment income	-	1,769	14,469	2,235
State and federal aids	454	5,794	248,489	549
Service charges and other	-	-	123,956	4,743
Guaranteed payment	<u>2,321</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>3,193</u>	<u>65,622</u>	<u>1,788,753</u>	<u>281,156</u>
EXPENDITURES				
Current				
Public safety	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Recreation and parks	-	-	-	-
Community and economic development	1,028	5,254	3,591,606	160,817
Library	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Interest charges	-	-	-	-
Total Expenditures	<u>1,028</u>	<u>5,254</u>	<u>3,591,606</u>	<u>160,817</u>
Excess (deficiency) of revenues over expenditures	<u>2,165</u>	<u>60,368</u>	<u>(1,802,853)</u>	<u>120,339</u>
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	-	-
Transfer in	-	-	-	-
Transfer out	-	-	(250,000)	(250,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>(250,000)</u>
Net change in fund balance	2,165	60,368	(2,052,853)	(129,661)
FUND BALANCES (DEFICIT) -				
Beginning of Year	<u>(100,440)</u>	<u>337,133</u>	<u>3,514,696</u>	<u>206,430</u>
FUND BALANCES (DEFICIT) -				
END OF YEAR	<u>\$ (98,275)</u>	<u>\$ 397,501</u>	<u>\$ 1,461,843</u>	<u>\$ 76,769</u>

HWY 11/CTH G TIF No. 35	Downtown TIF No. 36	Humes Rd TIF No. 37	Milton Ave at Blackbridge TIF No. 38	Golf Courses	Other Housing Grants	Community Development Block Grant	Innovation Center	Totals
\$ 1,282,944	\$ 162,949	\$ 293,921	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,677,623
2,558	-	222	-	-	2,058	500	100,154	170,818
383,597	236,698	-	-	-	441,824	502,696	-	3,787,067
-	72,023	-	-	1,237,447	95,306	135,635	48,000	4,282,976
20,000	1,025	-	-	-	-	-	-	23,346
<u>1,689,099</u>	<u>472,695</u>	<u>294,143</u>	<u>-</u>	<u>1,237,447</u>	<u>539,188</u>	<u>638,831</u>	<u>148,154</u>	<u>18,941,830</u>
-	-	-	-	-	-	-	-	90,169
-	-	-	-	-	-	-	-	2,804,378
-	-	-	-	-	-	-	-	250,181
-	-	-	-	1,112,403	-	-	-	1,451,554
1,059,962	2,420,085	162,853	3,493,529	-	602,866	975,799	183,274	14,111,445
-	-	-	-	-	-	-	-	3,828,666
-	-	-	-	-	-	-	3,970	1,330,757
-	-	-	-	-	-	-	-	-
<u>1,059,962</u>	<u>2,420,085</u>	<u>162,853</u>	<u>3,493,529</u>	<u>1,112,403</u>	<u>602,866</u>	<u>975,799</u>	<u>187,244</u>	<u>23,867,150</u>
<u>629,137</u>	<u>(1,947,390)</u>	<u>131,290</u>	<u>(3,493,529)</u>	<u>125,044</u>	<u>(63,678)</u>	<u>(336,968)</u>	<u>(39,090)</u>	<u>(4,925,320)</u>
-	2,143,000	-	3,510,000	-	-	-	-	6,088,000
-	500,000	-	-	-	-	-	-	1,435,804
<u>(485,600)</u>	<u>(870,080)</u>	<u>(19,990)</u>	<u>-</u>	<u>(52,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,468,786)</u>
<u>(485,600)</u>	<u>1,772,920</u>	<u>(19,990)</u>	<u>3,510,000</u>	<u>(52,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,055,018</u>
143,537	(174,470)	111,300	16,471	72,544	(63,678)	(336,968)	(39,090)	(1,870,302)
<u>(615,935)</u>	<u>63,183</u>	<u>(43,658)</u>	<u>(14,309)</u>	<u>(97,980)</u>	<u>599,437</u>	<u>844,975</u>	<u>22,065</u>	<u>9,533,653</u>
<u>\$ (472,398)</u>	<u>\$ (111,287)</u>	<u>\$ 67,642</u>	<u>\$ 2,162</u>	<u>\$ (25,436)</u>	<u>535,759</u>	<u>\$ 508,007</u>	<u>\$ (17,025)</u>	<u>\$ 7,663,351</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - LIBRARY For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 3,523,470	\$ 3,523,470	\$ 3,523,470	\$ -
State and federal aids	20,060	20,060	20,546	486
Service charges and other	641,513	641,513	585,635	(55,878)
Total Revenues	<u>4,185,043</u>	<u>4,185,043</u>	<u>4,129,651</u>	<u>(55,392)</u>
EXPENDITURES				
Current				
Library	3,584,113	3,584,113	3,323,290	260,823
Capital Outlay	415,805	415,805	369,944	45,861
Total Expenditures	<u>3,999,918</u>	<u>3,999,918</u>	<u>3,693,234</u>	<u>306,684</u>
Excess of revenues over expenditures	<u>185,125</u>	<u>185,125</u>	<u>436,417</u>	<u>251,292</u>
OTHER FINANCING USES				
Transfer out	(185,125)	(382,506)	(382,505)	1
Total Other Financing Uses	<u>(185,125)</u>	<u>(382,506)</u>	<u>(382,505)</u>	<u>1</u>
Net change in fund balance	-	(197,381)	53,912	251,293
FUND BALANCES - Beginning of Year	<u>537,455</u>	<u>537,455</u>	<u>537,455</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 537,455</u>	<u>\$ 340,074</u>	<u>\$ 591,367</u>	<u>\$ 251,293</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - JATV-12 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
State and federal aids	\$ 17,157	\$ 17,157	\$ 17,157	\$ -
Service charges and other	155,300	155,300	154,375	(925)
Total Revenues	<u>172,457</u>	<u>172,457</u>	<u>171,532</u>	<u>(925)</u>
EXPENDITURES				
Current				
Library	191,460	191,460	162,979	28,481
Capital Outlay	12,474	12,474	12,843	(369)
Total Expenditures	<u>203,934</u>	<u>203,934</u>	<u>175,822</u>	<u>28,112</u>
Net change in fund balance	(31,477)	(31,477)	(4,290)	27,187
FUND BALANCES - Beginning of Year	<u>262,890</u>	<u>262,890</u>	<u>262,890</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 231,413</u>	<u>\$ 231,413</u>	<u>\$ 258,600</u>	<u>\$ 27,187</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - OAK HILL CEMETERY

For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Service charges and other	\$ 172,000	\$ 172,000	\$ 250,455	\$ 78,455
Total Revenues	<u>172,000</u>	<u>172,000</u>	<u>250,455</u>	<u>78,455</u>
EXPENDITURES				
Current				
Recreation and parks	<u>202,416</u>	<u>202,416</u>	<u>223,327</u>	<u>(20,911)</u>
Total Expenditures	<u>202,416</u>	<u>202,416</u>	<u>223,327</u>	<u>(20,911)</u>
Net change in fund balance	(30,416)	(30,416)	27,128	57,544
FUND BALANCES - Beginning of Year	<u>98,297</u>	<u>98,297</u>	<u>98,297</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 67,881</u>	<u>\$ 67,881</u>	<u>\$ 125,425</u>	<u>\$ 57,544</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GOLF COURSES For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Service charges and other	\$ 1,180,049	\$ 1,180,049	\$ 1,237,447	\$ 57,398
Total Revenues	<u>1,180,049</u>	<u>1,180,049</u>	<u>1,237,447</u>	<u>57,398</u>
EXPENDITURES				
Current				
Recreation and parks	1,117,695	1,117,695	1,112,403	5,292
Total Expenditures	<u>1,117,695</u>	<u>1,117,695</u>	<u>1,112,403</u>	<u>5,292</u>
Excess (deficiency) of revenues over expenditures	<u>62,354</u>	<u>62,354</u>	<u>125,044</u>	<u>62,690</u>
OTHER FINANCING USES				
Transfers out	(52,500)	(52,500)	(52,500)	-
Total Other Financing Uses	<u>(52,500)</u>	<u>(52,500)</u>	<u>(52,500)</u>	<u>-</u>
Net change in fund balance	9,854	9,854	72,544	62,690
FUND BALANCES (DEFICIT) - Beginning of Year	<u>(97,980)</u>	<u>(97,980)</u>	<u>(97,980)</u>	<u>-</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ (88,126)</u>	<u>\$ (88,126)</u>	<u>\$ (25,436)</u>	<u>\$ 62,690</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - OTHER HOUSING GRANTS For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income	\$ 10,000	\$ 10,000	\$ 2,058	\$ (7,942)
State and federal aids	863,883	863,883	441,824	(422,059)
Service charges and other	110,000	110,000	95,306	(14,694)
Total Revenues	<u>983,883</u>	<u>983,883</u>	<u>539,188</u>	<u>(444,695)</u>
EXPENDITURES				
Current				
Community and economic development	1,134,283	1,134,283	602,866	531,417
Total Expenditures	<u>1,134,283</u>	<u>1,134,283</u>	<u>602,866</u>	<u>531,417</u>
Net change in fund balance	(150,400)	(150,400)	(63,678)	86,722
FUND BALANCES - Beginning of Year	<u>599,437</u>	<u>599,437</u>	<u>599,437</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 449,037</u>	<u>\$ 449,037</u>	<u>\$ 535,759</u>	<u>\$ 86,722</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ 500	\$ 500
State and federal aids	810,509	810,509	502,696	(307,813)
Service charges and other	<u>129,000</u>	<u>129,000</u>	<u>135,635</u>	<u>6,635</u>
Total Revenues	<u>939,509</u>	<u>939,509</u>	<u>638,831</u>	<u>(300,678)</u>
EXPENDITURES				
Current				
Community and economic development	<u>1,428,293</u>	<u>1,428,293</u>	<u>975,799</u>	<u>452,494</u>
Total Expenditures	<u>1,428,293</u>	<u>1,428,293</u>	<u>975,799</u>	<u>452,494</u>
Net change in fund balance	(488,784)	(488,784)	(336,968)	151,816
FUND BALANCES - Beginning of Year	<u>844,975</u>	<u>844,975</u>	<u>844,975</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 356,191</u>	<u>\$ 356,191</u>	<u>\$ 508,007</u>	<u>\$ 151,816</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - INNOVATION CENTER
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income and rents	\$ 86,200	\$ 86,200	\$ 100,154	\$ 13,954
Service charges and other	-	-	48,000	48,000
Total Revenues	<u>86,200</u>	<u>86,200</u>	<u>148,154</u>	<u>61,954</u>
EXPENDITURES				
Current				
Community and economic development	139,330	139,330	183,274	(43,944)
Capital Outlay	-	-	3,970	(3,970)
Total Expenditures	<u>139,330</u>	<u>139,330</u>	<u>187,244</u>	<u>(47,914)</u>
Net change in fund balance	(53,130)	(53,130)	(39,090)	14,040
FUND BALANCES - Beginning of Year	<u>22,065</u>	<u>22,065</u>	<u>22,065</u>	<u>-</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ (31,065)</u>	<u>\$ (31,065)</u>	<u>\$ (17,025)</u>	<u>\$ 14,040</u>

BUDGET AND ACTUAL FOR DEBT SERVICE AND CAPITAL PROJECTS
MAJOR GOVERNMENTAL FUNDS

Debt Service Fund – This fund accounts for resources that are restricted for the payment of principal and interest on long-term debt other than enterprise fund debt.

Capital Projects Fund – This fund accounts for long-term borrowing and other resources that are restricted, committed, or assigned to be used for capital improvement projects.

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income	\$ 40,455	\$ 40,455	\$ 75,226	\$ 34,771
Special assessments	<u>1,587,000</u>	<u>1,587,000</u>	<u>404,797</u>	<u>(1,182,203)</u>
Total Revenues	<u>1,627,455</u>	<u>1,627,455</u>	<u>480,023</u>	<u>(1,147,432)</u>
EXPENDITURES				
Debt Service				
Principal retirement	16,756,000	16,756,000	16,756,000	-
Interest and fiscal charges	<u>1,666,293</u>	<u>1,666,293</u>	<u>1,754,034</u>	<u>(87,741)</u>
Total Expenditures	<u>18,422,293</u>	<u>18,422,293</u>	<u>18,510,034</u>	<u>(87,741)</u>
Excess (deficiency) of revenues over expenditures	<u>(16,794,838)</u>	<u>(16,794,838)</u>	<u>(18,030,011)</u>	<u>(1,235,173)</u>
OTHER FINANCING SOURCES				
Refunding debt issued	-	-	3,040,000	3,040,000
Premium on long-term debt	565,268	565,268	852,162	286,894
Transfers in	<u>14,560,925</u>	<u>14,560,925</u>	<u>14,574,672</u>	<u>13,747</u>
Total Other Financing Sources	<u>15,126,193</u>	<u>15,126,193</u>	<u>18,466,834</u>	<u>3,340,641</u>
Net change in fund balance	(1,668,645)	(1,668,645)	436,823	2,105,468
FUND BALANCES - Beginning of Year	<u>4,883,568</u>	<u>4,883,568</u>	<u>4,883,568</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,214,923</u>	<u>\$ 3,214,923</u>	<u>\$ 5,320,391</u>	<u>\$ 2,105,468</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - CAPITAL PROJECTS
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget
REVENUES				
Investment income	\$ -	\$ -	\$ 320,662	\$ 320,662
State and federal aids	1,094,000	1,094,000	79,685	(1,014,315)
Special assessments	-	-	361,880	361,880
Miscellaneous	-	-	178,908	178,908
Total Revenues	<u>1,094,000</u>	<u>1,094,000</u>	<u>941,135</u>	<u>(152,865)</u>
EXPENDITURES				
Current				
Public works	-	-	250,739	(250,739)
Capital Outlay	<u>19,739,000</u>	<u>19,739,000</u>	<u>18,214,046</u>	<u>1,524,954</u>
Total Expenditures	<u>19,739,000</u>	<u>19,739,000</u>	<u>18,464,785</u>	<u>1,274,215</u>
Excess (deficiency) of revenues over expenditures	<u>(18,645,000)</u>	<u>(18,645,000)</u>	<u>(17,523,650)</u>	<u>1,121,350</u>
OTHER FINANCING SOURCES				
Long-term debt issued	15,947,000	15,947,000	14,593,000	(1,354,000)
Transfers in	2,698,000	2,895,381	2,887,753	(7,628)
Transfers out	-	-	(767,284)	(767,284)
Total Other Financing Sources (Uses)	<u>18,645,000</u>	<u>18,842,381</u>	<u>16,713,469</u>	<u>(2,128,912)</u>
Net change in fund balance	-	197,381	(810,181)	(1,007,562)
FUND BALANCES - Beginning of Year	<u>9,749,272</u>	<u>9,749,272</u>	<u>9,749,272</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 9,749,272</u>	<u>\$ 9,946,653</u>	<u>\$ 8,939,091</u>	<u>\$ (1,007,562)</u>

SUPPLEMENTARY INFORMATION

MAJOR PROPRIETARY FUNDS

Water Utility Fund – The Water Utility accounts for all activities necessary to provide cost effective water services to residents of the City of Janesville in accordance with current “safe drinking water” standards established by state and federal governments. Fund activities include administration, billing and collection, operations and maintenance, financing, and related debt service.

Wastewater Utility Fund – The Wastewater Utility accounts for all activities necessary to provide cost effective sanitary sewer services to residents of the City of Janesville in accordance with current “treated effluent discharge” standards established by state and federal governments. Fund activities include administration, billing and collection, operations and maintenance, collection system expansion, financing, and related debt service.

JANESVILLE WATER UTILITY

UTILITY PLANT
December 31, 2020

	Balance 1-1-20	2020 Additions	Retirements	Balance 12-31-20
SOURCE OF SUPPLY				
Land and land rights	\$ 203,417	\$ -	\$ -	\$ 203,417
Wells and springs	2,301,834	-	-	2,301,834
Total Source of Supply	<u>2,505,251</u>	<u>-</u>	<u>-</u>	<u>2,505,251</u>
PUMPING				
Land and land rights	14,401	-	-	14,401
Structures and improvements	4,312,246	35,490	5,327	4,342,409
Electric pumping equipment	4,387,433	-	-	4,387,433
Total Pumping	<u>8,714,080</u>	<u>35,490</u>	<u>5,327</u>	<u>8,744,243</u>
WATER TREATMENT				
Water treatment equipment	<u>225,492</u>	<u>48,477</u>	<u>-</u>	<u>273,969</u>
TRANSMISSION AND DISTRIBUTION				
Land and land rights	90,496	-	-	90,496
Reservoirs and standpipes	3,423,372	-	-	3,423,372
Transmission and distribution mains	62,916,193	4,342,066	101,890	67,156,369
Services	10,711,422	208,418	1,784	10,918,056
Meters	5,167,856	379,653	77,499	5,470,010
Hydrants	4,034,501	223,116	27,242	4,230,375
Total Transmission and Distribution	<u>86,343,840</u>	<u>5,153,253</u>	<u>208,415</u>	<u>91,288,678</u>
GENERAL				
Structures and improvements	1,027,728	-	-	1,027,728
Office furniture and equipment	34,902	-	-	34,902
Transportation equipment	905,637	14,950	-	920,587
Stores equipment	14,438	-	-	14,438
Tools, shop and garage equipment	172,382	1,243	24,337	149,288
Power operated equipment	655,779	-	-	655,779
Communication equipment	1,082,947	25,900	-	1,108,847
Computer equipment	787,670	387,880	48,300	1,127,250
Total General	<u>4,681,483</u>	<u>429,973</u>	<u>72,637</u>	<u>5,038,819</u>
TOTAL PLANT IN SERVICE	<u>\$ 102,470,146</u>	<u>\$ 5,667,193</u>	<u>\$ 286,379</u>	<u>\$ 107,850,960</u>

JANESVILLE WATER UTILITY

OPERATING REVENUES AND EXPENSES Years Ended December 31, 2020 and 2019

OPERATING REVENUES	<u>2020</u>	<u>2019</u>
Sales of Water		
Metered Sales		
Residential	\$ 6,409,611	\$ 3,823,378
Residential Multi-Family	571,311	307,561
Commercial	1,904,363	1,094,501
Industrial	2,938,987	1,833,457
Public authorities	347,276	217,331
Private fire protection	79,534	54,509
Public fire protection	<u>1,567,471</u>	<u>1,162,336</u>
Total Sales of Water	<u>13,818,553</u>	<u>8,493,072</u>
Other Operating Revenues		
Forfeited discounts	31,425	66,923
Water department rentals	10,546	16,240
Other water revenues	<u>91,177</u>	<u>112,395</u>
Total Other Operating Revenues	<u>133,148</u>	<u>195,558</u>
Total Operating Revenues	<u>13,951,700</u>	<u>8,688,631</u>
 OPERATING EXPENSES		
Operation and Maintenance		
Source of Supply		
Maintenance of wells	<u>37,868</u>	<u>134,540</u>
Total Source of Supply	<u>37,868</u>	<u>134,540</u>
Pumping		
Fuel or power purchased for pumping	491,904	501,259
Pumping labor	114,617	113,918
Maintenance of buildings and grounds	79,132	89,988
Maintenance of structures and improvements	1,409	29,535
Maintenance of pumping equipment	<u>137,826</u>	<u>98,852</u>
Total Pumping	<u>824,888</u>	<u>833,552</u>
Water Treatment		
Chemicals	25,828	19,257
Operation labor	<u>39,038</u>	<u>34,290</u>
Total Water Treatment	<u>64,866</u>	<u>53,547</u>
Transmission and Distribution		
Transmission and distribution line expenses	207,840	381,626
Meter expenses	48,013	67,664
Maintenance of distribution reservoirs	28,246	303
Maintenance of mains	357,345	465,029
Maintenance of services	180,753	175,530
Maintenance of meters	15,753	21,593
Maintenance of hydrants	<u>105,562</u>	<u>103,180</u>
Total Transmission and Distribution	<u>943,512</u>	<u>1,214,925</u>

JANESVILLE WATER UTILITY

OPERATING REVENUES AND EXPENSES (cont.) Years Ended December 31, 2020 and 2019

	2020	2019
OPERATING EXPENSES (cont.)		
Operation and Maintenance (cont.)		
Customer Accounts		
Supervision	\$ 44,737	\$ 46,158
Meter reading expense	9,568	11,770
Customer records and collection	155,251	143,505
Customer service and information	50,832	53,312
Total Customer Accounts	260,388	254,745
Administrative and General		
Administrative and general salaries	435,816	414,158
Office supplies	18,466	29,353
Outside services employed	5,600	4,311
Property insurance	23,668	17,604
Injuries and damages	47,204	47,100
Employees pensions and benefits	951,850	710,249
Regulatory commission	1,942	133
Rents	25,246	24,779
Maintenance of general plant	15,032	13,487
Total Administrative and General	1,524,824	1,261,174
Total Operation and Maintenance	3,656,346	3,752,483
Depreciation	2,182,588	1,949,650
Taxes *	1,640,730	1,647,867
Total Operating Expenses	7,479,664	7,350,000
Taxes reported as transfers out	1,560,004	1,534,817
OPERATING INCOME	\$ 8,032,040	\$ 2,873,448

* Amount includes the payment in lieu of tax (PILOT) of \$1,560,004 which is shown as a transfer out on the statement of revenues, expenses, and changes in net position.

JANESVILLE WATER UTILITY

RATE OF RETURN - REGULATORY BASIS December 31, 2020 and 2019

	2020	2019
Utility Plant in Service		
Beginning of year	\$ 72,789,937	\$ 68,993,019
End of year	77,949,115	72,789,937
Average	75,369,525	70,891,477
Accumulated Depreciation		
Beginning of year	(23,345,312)	(22,092,176)
End of year	(28,340,845)	(23,345,312)
Average	(25,843,079)	(22,718,744)
Materials and Supplies		
Beginning of year	309,700	316,676
End of year	282,778	309,700
Average	296,239	313,188
Average Balance - Regulatory Liability	503,124	646,874
AVERAGE NET RATE BASE	\$ 49,319,561	\$ 47,839,047
REGULATORY OPERATING INCOME	\$ 3,775,310	\$ 1,874,704
RATE OF RETURN (PERCENT)	7.65	3.92

This schedule is computed based on Public Service Commission of Wisconsin regulatory accounting which differs from accounting principles generally accepted in the United States of America due to GASB No. 33 as well as PSC Order 05-US-105, which was effective January 1, 2003.

Operating income per PSC reporting requirements excludes \$458,959 depreciation expense on contributed capital, Other Post Employment Benefits of \$(282,116), WRS Pension expense of \$(26,039) and includes a tax equivalent payment of \$1,560,004 reported as a transfer out. Operating income per PSC reporting requirements includes \$3,255,685 of accelerated depreciation expense on replacement mains.

JANESVILLE WASTEWATER UTILITY

UTILITY PLANT
December 31, 2020

	Balance 1-1-20	Additions	Retirements	Balance 12-31-20
COLLECTION SYSTEM				
Collecting mains	\$ 58,742,610	\$ 1,411,678	\$ 353	\$ 60,153,935
Collection system equipment	1,636,035	-	-	1,636,035
Total Collection System	<u>60,378,645</u>	<u>1,411,678</u>	<u>353</u>	<u>61,789,970</u>
TREATMENT AND DISPOSAL				
Land	18,000	-	-	18,000
Buildings and structures	21,223,466	-	-	21,223,466
Preliminary treatment equipment	2,950,312	-	-	2,950,312
Primary treatment equipment	1,728,539	-	-	1,728,539
Secondary treatment equipment	4,628,825	24,350	-	4,653,175
Disinfection equipment	391,753	-	-	391,753
Sludge treatment and disposal equipment	7,893,023	261,387	-	8,154,410
Plant sitework and piping	8,113,184	-	-	8,113,184
Metering, sampling and testing equipment	181,477	18,492	19,260	180,709
Other treatment and disposal equipment	1,590,525	-	-	1,590,525
Electrical and HVAC	5,339,530	-	-	5,339,530
Total Treatment and Disposal	<u>54,058,634</u>	<u>304,229</u>	<u>19,260</u>	<u>54,343,603</u>
GENERAL				
Leasehold improvements	86,017	-	-	86,017
Transportation equipment	286,371	-	-	286,371
Office equipment	65,646	4,350	4,867	65,129
Miscellaneous equipment	343,305	27,353	-	370,658
Computer equipment	1,345,749	285,683	57,168	1,574,264
Total General	<u>2,127,088</u>	<u>317,386</u>	<u>62,035</u>	<u>2,382,439</u>
TOTAL UTILITY PLANT	<u>\$ 116,564,367</u>	<u>\$ 2,033,293</u>	<u>\$ 81,648</u>	<u>\$ 118,516,012</u>

JANESVILLE WASTEWATER UTILITY

OPERATING REVENUES AND EXPENSES Years Ended December 31, 2020 and 2019

	2020	2019
OPERATING REVENUES		
Wastewater Revenues		
Residential	\$ 7,045,880	\$ 6,747,613
Commercial	1,531,061	1,784,301
Industrial	442,101	513,116
Public authority	260,389	267,063
Industrial pollution charge	387,566	466,277
Pretreatment program	26,232	57,599
Total Wastewater Revenues	9,693,229	9,835,969
Other Operating Revenues		
Forfeited discounts	34,113	97,790
Miscellaneous revenues	434,113	474,686
Total Other Operating Revenues	468,226	572,476
Total Operating Revenues	10,161,455	10,408,445
OPERATING EXPENSES		
Operation and Maintenance		
Operation		
Treatment plant	1,398,786	1,375,380
Laboratory	255,873	244,721
Pretreatment	86,923	87,051
Sludge disposal	515,048	532,973
Utilities	76,067	75,444
Total Operation	2,332,697	2,315,569
Maintenance		
Collecting sewers	1,737,194	1,410,790
Treatment plant	346,796	474,692
Wastewater lift stations	10,248	13,812
Meters	409,147	436,332
Total Maintenance	2,503,385	2,335,626
Administrative		
General administration	1,175,915	1,027,214
Customer accounts	223,642	208,248
City service charges	50,000	50,000
Total Administrative	1,449,557	1,285,462
Total Operation and Maintenance	6,285,639	5,936,657
Depreciation	3,467,313	3,397,354
Total Operating Expenses	9,752,952	9,334,011
OPERATING INCOME	\$ 408,503	\$ 1,074,434

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 municipality, or to other governmental units, on a cost-reimbursement basis.

Vehicle Operation & Maintenance Fund – To account for the maintenance, repair, replacement, and operating services for City-owned vehicles and equipment utilized in the delivery of services to the citizens of Janesville.

Insurance Fund – To account for the City resources required to provide a cost-effective means of transferring risk by utilizing insurance and limiting the loss of City resources resulting from accidents, catastrophes, and health care costs.

Benefits Funding – To provide funds for the payment of the non-General Fund portion of debt service on the 2005 taxable note issue. Notes were issued to pay off the Wisconsin Retirement Service (WRS) unfunded prior service liability at a lower interest rate; 4.7% versus 7.8% charged by WRS.

CITY OF JANESVILLE

COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS As of December 31, 2020

	Vehicle Operation & Maintenance	Insurance	Totals
ASSETS			
Current Assets			
Cash and investments	\$ 127,399	\$ 4,371,741	\$ 4,499,140
Accounts receivable	19,353	164,792	184,145
Inventories	367,928	-	367,928
Prepaid items	-	10,000	10,000
Total Current Assets	<u>514,680</u>	<u>4,546,533</u>	<u>5,061,213</u>
Noncurrent Assets			
Restricted Assets			
Deposits with risk pool	-	1,604,120	1,604,120
Total Assets	<u>514,680</u>	<u>6,150,653</u>	<u>6,665,333</u>
LIABILITIES			
Current Liabilities			
Accounts payable	52,676	100,273	152,949
Claims payable	-	2,267,756	2,267,756
Accrued salaries and wages	88,991	12,159	101,150
Total Liabilities	<u>141,667</u>	<u>2,380,188</u>	<u>2,521,855</u>
NET POSITION			
Unrestricted	<u>373,013</u>	<u>3,770,465</u>	<u>4,143,478</u>
TOTAL NET POSITION	<u>\$ 373,013</u>	<u>\$ 3,770,465</u>	<u>\$ 4,143,478</u>

CITY OF JANESVILLE

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2020

	Vehicle Operation & Maintenance	Insurance	Benefits Funding	Totals
OPERATING REVENUES				
Charges for services	\$ 4,440,266	\$ 11,842,528	\$ 58,688	\$ 16,341,482
OPERATING EXPENSES				
Operation and maintenance	2,959,048	10,646,401	-	13,605,449
Operating Income	1,481,218	1,196,127	58,688	2,736,033
OTHER FINANCING (USES)				
Transfers out	(1,477,538)	-	(58,688)	(1,536,226)
Total Other Financing Sources (Uses)	(1,477,538)	-	(58,688)	(1,536,226)
Net Change in Net Position	3,680	1,196,127	-	1,199,807
NET POSITION - Beginning of Year	369,333	2,574,338	-	2,943,671
NET POSITION - END OF YEAR	\$ 373,013	\$ 3,770,465	\$ -	\$ 4,143,478

CITY OF JANESVILLE

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2020

	Vehicle Operation & Maintenance	Insurance	Benefits Funding	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from other funds for services	\$ 4,441,467	\$ 11,947,568	\$ 58,688	\$ 16,447,723
Cash paid to suppliers for goods and services	(2,017,821)	(10,189,676)	-	(12,207,497)
Cash payments to employees for services	(981,517)	(128,429)	-	(1,109,946)
Net Cash Flows From Operating Activities	<u>1,442,129</u>	<u>1,629,463</u>	<u>58,688</u>	<u>3,130,280</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers	(1,477,538)	-	(58,688)	(1,536,226)
Net Cash Flows From Noncapital Financing Activities	<u>(1,477,538)</u>	<u>-</u>	<u>(58,688)</u>	<u>(1,536,226)</u>
Net Change in Cash and Cash Equivalents	(35,409)	1,629,463	-	1,594,054
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>162,808</u>	<u>2,742,278</u>	<u>-</u>	<u>2,905,086</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 127,399</u>	<u>\$ 4,371,741</u>	<u>\$ -</u>	<u>\$ 4,499,140</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 1,481,218	\$ 1,196,127	\$ 58,688	\$ 2,736,033
Change in Assets and Liabilities				
Accounts receivable	1,200	105,040	-	106,240
Inventories	(12,552)	-	-	(12,552)
Accounts payable	(37,188)	13,771	-	(23,417)
Accrued liabilities	9,451	314,525	-	323,976
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 1,442,129</u>	<u>\$ 1,629,463</u>	<u>\$ 58,688</u>	<u>\$ 3,130,280</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
None				

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COMPONENT UNIT

City of Janesville Community Development Authority – The Community Development Authority (CDA) is a legally separate organization. The CDA administers the Section 8 Rental Voucher Housing Program funded by the United States Department of Housing and Urban Development, which pays a portion of monthly rent and utilities for low-income families, elderly and handicapped individuals.

CITY OF JANESVILLE

STATEMENT OF CASH FLOWS COMPONENT UNIT

For the Year Ended December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers and granting agencies	\$ 3,483,358
Cash paid to suppliers for goods and services	(2,918,890)
Cash payments to employees for services	<u>(265,517)</u>
Net Cash Flows From Operating Activities	<u>298,951</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment income	<u>269</u>
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Net Change in Cash and Cash Equivalents 299,220

CASH AND CASH EQUIVALENTS - Beginning of Year 4,134

CASH AND CASH EQUIVALENTS - END OF YEAR \$ 303,354

RECONCILIATION OF OPERATING INCOME TO NET

CASH FLOWS FROM OPERATING ACTIVITIES

Operating income	\$ 290,285
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Income	
Depreciation	2,807
Change in Assets and Liabilities	
Accounts receivable	2,647
Other current liabilities	<u>3,212</u>

NET CASH FLOWS FROM OPERATING ACTIVITIES \$ 298,951

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STATISTICAL SECTION

This section of the City of Janesville's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes to the financial statements, and required supplementary information says about the City's overall financial condition.

<u>Contents</u>	<u>Schedule</u>
Financial Trends: These schedules contain trend information to help the reader understand how the City's financial performance and condition has changed over time.	1 - 4
Revenue Capacity: These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	5 - 8
Debt Capacity: These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	9 - 13
Demographic and Economic Information: These schedules present demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	14 - 15
Operating Information: These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	16 - 18
Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report reports for the relevant year.	

CITY OF JANESVILLE, WISCONSIN

Schedule 1
 Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018*	2019	2020
Governmental activities										
Net investment in capital assets	\$ 157,671,125	\$ 160,445,022	\$ 162,078,352	\$ 160,797,187	\$ 166,599,500	\$ 165,651,458	\$ 167,011,926	\$ 171,638,380	\$ 180,995,422	\$ 185,634,962
Restricted	11,506,652	12,579,140	12,698,813	13,599,327	20,037,322	13,556,068	15,754,928	27,517,272	18,487,197	26,619,055
Unrestricted (deficit)	<u>(1,735,225)</u>	<u>(6,091,774)</u>	<u>(7,608,103)</u>	<u>(12,967,948)</u>	<u>(8,009,828)</u>	<u>(3,456,053)</u>	<u>(8,391,870)</u>	<u>(32,472,555)</u>	<u>(31,454,750)</u>	<u>(42,906,762)</u>
Total governmental activities net position	<u>\$ 167,442,552</u>	<u>\$ 166,932,388</u>	<u>\$ 167,169,062</u>	<u>\$ 161,428,566</u>	<u>\$ 178,626,994</u>	<u>\$ 175,751,473</u>	<u>\$ 174,374,984</u>	<u>\$ 166,683,097</u>	<u>\$ 168,027,869</u>	<u>\$ 169,347,255</u>
Business-type activities										
Net investment in capital assets	\$ 91,220,876	\$ 92,313,711	\$ 91,214,006	\$ 99,851,686	\$ 99,568,760	\$ 101,129,446	\$ 102,001,949	\$ 104,105,334	\$ 108,602,546	\$ 117,868,784
Restricted	5,684,352	6,560,819	7,076,333	7,605,754	8,823,186	8,665,188	9,248,989	10,667,625	10,978,631	13,149,566
Unrestricted	<u>3,402,388</u>	<u>2,746,934</u>	<u>5,170,461</u>	<u>6,254,942</u>	<u>7,240,593</u>	<u>7,865,742</u>	<u>9,010,742</u>	<u>7,075,871</u>	<u>6,727,012</u>	<u>7,276,383</u>
Total business-type activities net position	<u>\$ 100,307,616</u>	<u>\$ 101,621,464</u>	<u>\$ 103,460,800</u>	<u>\$ 113,712,382</u>	<u>\$ 115,632,539</u>	<u>\$ 117,660,376</u>	<u>\$ 120,261,680</u>	<u>\$ 121,848,830</u>	<u>\$ 126,308,189</u>	<u>\$ 138,294,733</u>
Primary Government										
Net investment in capital assets	\$ 248,580,858	\$ 252,638,733	\$ 253,172,358	259,755,873	265,371,260	266,213,904	268,567,875	275,359,714	289,332,968	303,358,746
Restricted	17,191,004	19,139,959	19,775,146	21,205,081	28,860,508	22,221,256	25,003,917	38,184,897	29,465,828	39,768,621
Unrestricted (deficit)	<u>1,978,306</u>	<u>(3,224,840)</u>	<u>(2,317,642)</u>	<u>(5,820,006)</u>	<u>27,765</u>	<u>4,976,689</u>	<u>1,064,872</u>	<u>(25,012,684)</u>	<u>(24,462,738)</u>	<u>(35,485,379)</u>
Total primary government net position	<u>\$ 267,750,168</u>	<u>\$ 268,553,852</u>	<u>\$ 270,629,862</u>	<u>\$ 275,140,948</u>	<u>\$ 294,259,533</u>	<u>\$ 293,411,849</u>	<u>\$ 294,636,664</u>	<u>\$ 288,531,927</u>	<u>\$ 294,336,058</u>	<u>\$ 307,641,988</u>

* Net position as of January 1, 2018 was restated due to the implementation of GASB Statement No. 75.

CITY OF JANESVILLE, WISCONSIN

Schedule 2
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General Government	\$ 4,186,293	\$ 4,572,485	\$ 4,092,977	\$ 4,477,733	\$ 4,151,408	\$ 4,993,527	\$ 4,959,538	\$ 4,736,517	\$ 5,276,138	\$ 5,122,223
Public Safety	25,466,279	27,928,051	26,449,707	25,081,688	25,738,815	27,177,668	30,184,659	28,724,964	32,499,009	30,411,791
Public Works	16,781,023	16,038,880	19,368,381	23,938,994	17,457,921	19,462,880	18,612,387	16,644,640	18,979,099	19,558,230
Recreation and Parks	4,759,187	4,978,467	4,787,017	4,935,058	4,897,505	5,064,956	5,100,992	4,151,107	4,593,900	4,289,031
Community/Economic Development	5,595,106	5,047,406	4,553,738	8,130,524	8,332,330	8,912,887	8,282,763	10,368,971	11,482,642	14,797,174
Library	4,405,358	3,962,324	3,651,388	3,927,977	4,115,305	4,426,420	4,661,471	4,594,893	4,736,450	4,499,415
Interest and Fiscal Charges	1,566,299	1,450,484	1,469,979	1,315,738	1,436,450	1,388,302	1,294,272	1,465,467	1,674,295	1,727,256
Total governmental activities expenses	<u>62,759,545</u>	<u>63,978,097</u>	<u>64,373,187</u>	<u>71,807,712</u>	<u>66,129,734</u>	<u>71,426,640</u>	<u>73,096,082</u>	<u>70,686,559</u>	<u>79,241,533</u>	<u>80,405,120</u>
Business-type activities:										
Water Utility	5,360,990	5,287,441	5,484,483	5,516,981	5,374,045	5,491,647	5,416,823	5,562,801	6,244,772	6,209,575
Wastewater Utility	7,773,308	8,719,761	8,487,523	8,580,826	8,618,650	9,395,932	9,202,044	9,623,026	9,880,251	10,193,641
Stormwater Utility	1,580,309	1,546,949	1,662,098	1,536,882	1,788,628	2,785,314	3,165,055	3,281,193	3,780,201	4,953,754
Transit	3,482,774	3,617,960	3,771,678	4,142,045	4,076,201	4,078,184	4,212,285	4,009,808	4,351,839	4,162,717
Total business-type activities	<u>18,197,381</u>	<u>19,172,111</u>	<u>19,405,782</u>	<u>19,776,734</u>	<u>19,857,524</u>	<u>21,751,077</u>	<u>21,996,207</u>	<u>22,476,828</u>	<u>24,257,063</u>	<u>25,519,687</u>
Total primary government expenses	<u>\$ 80,956,926</u>	<u>\$ 83,150,208</u>	<u>\$ 83,778,969</u>	<u>\$ 91,584,446</u>	<u>\$ 85,987,258</u>	<u>\$ 93,177,717</u>	<u>\$ 95,092,289</u>	<u>\$ 93,163,387</u>	<u>\$ 103,498,596</u>	<u>\$ 105,924,807</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	392,965	408,798	457,224	363,891	528,918	730,285	661,384	631,400	589,933	581,999
Public Safety	2,904,044	2,878,891	2,960,269	3,181,322	3,401,160	3,465,100	3,961,556	4,562,417	4,128,347	3,884,731
Public Works	8,428,099	6,727,157	6,110,879	6,369,542	7,542,621	9,187,124	9,735,725	11,836,535	9,553,718	10,974,474
Recreation and Parks	2,119,722	2,179,915	2,183,098	2,221,913	2,262,083	2,312,029	2,262,955	2,139,502	2,199,420	1,884,304
Community/Economic Development	1,299,796	2,565,475	960,053	815,156	1,345,080	1,579,793	695,989	482,571	721,083	1,125,241
Library	995,230	957,961	876,648	938,732	906,286	850,676	859,263	1,000,945	1,763,786	785,956
Operating grants and contributions	5,175,981	4,650,278	4,227,501	4,761,005	4,424,256	4,976,353	4,414,390	4,657,543	4,780,586	6,288,677
Capital grants and contributions	2,002,304	2,619,764	5,957,771	5,750,467	6,890,533	878,645	1,317,123	2,400,182	2,328,727	2,194,078
Total governmental activities program revenues	<u>23,318,141</u>	<u>22,988,239</u>	<u>23,733,443</u>	<u>24,402,028</u>	<u>27,300,937</u>	<u>23,980,005</u>	<u>23,908,385</u>	<u>27,711,095</u>	<u>26,065,600</u>	<u>27,719,460</u>
Business-type activities:										
Charges for services:										
Water Utility	5,924,663	6,490,726	7,455,349	7,199,949	6,995,301	7,904,672	8,147,310	8,547,308	8,688,631	13,951,700
Wastewater Utility	9,450,506	9,474,307	9,184,305	9,187,862	9,126,999	9,353,624	9,941,257	9,895,116	10,408,445	10,161,454
Stormwater Utility	2,172,210	2,065,056	2,050,407	2,077,929	2,038,788	3,226,320	3,870,328	3,991,027	4,369,865	5,980,735
Transit	439,180	465,647	547,846	573,394	547,033	460,284	452,941	435,715	464,146	293,761
Operating grants and contributions	1,764,936	1,860,366	2,183,845	2,245,852	2,124,992	2,076,668	2,057,853	2,049,077	2,070,475	2,289,893
Capital grants and contributions	395,169	584,516	446,217	7,918,959	7,937	1,276,126	388,327	1,512,136	2,380,940	4,636,800
Total business-type activities program revenues	<u>20,146,664</u>	<u>20,940,618</u>	<u>21,867,969</u>	<u>29,203,945</u>	<u>20,841,050</u>	<u>24,297,694</u>	<u>24,858,016</u>	<u>26,430,379</u>	<u>28,382,502</u>	<u>37,314,343</u>
Total primary government program revenues	<u>\$ 43,464,805</u>	<u>\$ 43,928,857</u>	<u>\$ 45,601,412</u>	<u>\$ 53,605,973</u>	<u>\$ 48,141,987</u>	<u>\$ 48,277,699</u>	<u>\$ 48,766,401</u>	<u>\$ 54,141,474</u>	<u>\$ 54,448,102</u>	<u>\$ 65,033,803</u>

CITY OF JANESVILLE, WISCONSIN

Schedule 3
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Nonspendable:										
Long-term receivables / advances	\$ 477,324	\$ 484,749	\$ 897,474	\$ 665,851	\$ 1,909,411	\$ 1,541,511	\$ 1,253,394	\$ 1,345,700	\$ 425,120	\$ 206,080
Inventories and prepaid items	22,539	3,998	3,924	5,324	73,671	3,220	3,220	3,220	-	-
Assigned	825,000	926,435	675,000	635,649	564,250	536,757	537,395	509,789	473,531	466,654
Unassigned	<u>7,747,001</u>	<u>7,622,953</u>	<u>7,977,243</u>	<u>8,051,182</u>	<u>7,372,013</u>	<u>7,180,180</u>	<u>6,478,899</u>	<u>7,513,563</u>	<u>8,617,899</u>	<u>9,544,725</u>
Total General Fund	<u>\$ 9,071,864</u>	<u>\$ 9,038,135</u>	<u>\$ 9,553,641</u>	<u>\$ 9,358,006</u>	<u>\$ 9,919,345</u>	<u>\$ 9,261,668</u>	<u>\$ 8,272,908</u>	<u>\$ 9,372,272</u>	<u>\$ 9,516,550</u>	<u>\$ 10,217,459</u>
All Other Governmental Funds										
Nonspendable:										
Inventories and prepaid items	\$ 280,810	\$ 292,275	\$ 279,116	\$ 307,255	\$ 336,257	\$ 269,868	\$ 258,701	\$ 273,963	\$ 273,641	\$ 309,190
Restricted reported in:										
Debt service fund	1,277,855	594,456	628,760	996,012	2,682,108	2,949,448	3,261,709	3,824,838	4,883,568	5,320,391
Capital projects fund	9,575,388	7,138,340	5,593,500	7,730,977	3,057,045	3,660,835	3,247,894	3,059,670	6,172,705	6,000,018
Special revenue funds	4,426,799	5,027,057	6,609,164	7,485,418	6,496,619	6,230,468	8,000,557	11,527,320	10,489,068	7,837,659
Committed reported in:										
Sanitation fund	2,103,725	1,199,147	285,043	(259,812)	-	1,829,606	3,264,357	3,024,514	2,997,162	3,343,276
Special revenue funds	832,191	956,123	868,257	903,922	1,000,817	1,014,279	1,036,695	841,386	859,793	989,447
Assigned reported in:										
Sanitation fund	-	-	-	-	708,912	-	-	-	-	-
Capital projects fund	1,938,042	3,626,875	4,370,324	3,115,756	1,755,855	3,319,233	2,012,378	4,501,033	3,344,926	2,671,883
Unassigned (deficit) reported in:										
Special revenue funds	<u>(1,383,868)</u>	<u>(3,731,165)</u>	<u>(1,292,048)</u>	<u>(1,745,254)</u>	<u>(3,253,023)</u>	<u>(3,273,425)</u>	<u>(3,738,447)</u>	<u>(4,334,367)</u>	<u>(1,857,208)</u>	<u>(1,205,755)</u>
Total All Other Governmental Funds	<u>\$ 19,050,942</u>	<u>\$ 15,103,108</u>	<u>\$ 17,342,116</u>	<u>\$ 18,534,274</u>	<u>\$ 12,784,590</u>	<u>\$ 16,000,312</u>	<u>\$ 17,343,844</u>	<u>\$ 22,718,357</u>	<u>\$ 27,163,655</u>	<u>\$ 25,266,109</u>

CITY OF JANESVILLE, WISCONSIN

Schedule 4
Changes in Fund Balances Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue										
Taxes	\$ 32,472,722	\$ 34,122,674	\$ 33,801,567	\$ 35,021,613	\$ 36,235,147	\$ 37,144,590	\$ 40,096,357	\$ 44,001,302	\$ 45,438,378	\$ 45,089,434
Licenses and permits	1,209,307	1,132,445	1,391,212	1,386,431	1,676,409	1,771,467	1,707,474	1,651,471	1,890,166	1,778,103
Investment income, rents and fines	1,156,004	1,078,636	1,204,362	974,095	1,148,232	1,097,251	1,382,745	1,973,424	2,105,368	1,579,372
State and federal aid	12,335,185	10,501,029	13,816,294	13,932,166	10,404,266	10,142,710	9,647,915	11,403,810	11,877,994	13,467,468
Special assessments	1,141,772	975,738	911,669	1,106,737	1,680,746	149,268	824,389	992,390	1,481,757	766,677
Service charges and other	15,411,002	13,231,319	12,790,362	13,165,018	14,675,945	16,980,221	17,804,778	18,479,956	17,425,495	17,885,600
Miscellaneous	74,047	36,029	22,842	35,566	15,062	80,838	623,787	1,953,452	1,027,455	202,254
Total revenues	63,800,039	61,077,870	63,938,308	65,621,626	65,835,807	67,366,345	72,087,445	80,455,805	81,246,613	80,768,908
Expenditures										
General government	4,067,662	3,872,629	3,760,368	4,369,122	3,995,694	4,045,408	4,031,973	4,427,156	4,379,737	4,659,848
Public safety	23,612,281	24,793,414	24,222,579	25,204,382	24,637,256	24,934,196	26,022,932	26,986,797	27,758,385	29,125,803
Public works	13,337,435	13,495,489	16,016,740	21,573,865	9,805,387	10,251,539	10,883,047	11,993,540	12,688,996	12,691,146
Recreation and parks	4,292,982	4,258,796	4,279,823	4,396,073	4,329,438	4,361,289	4,380,885	4,308,921	4,334,515	3,944,687
Community and economic devel.	6,038,294	4,605,947	4,410,631	8,079,053	8,837,146	8,658,009	8,453,363	10,416,749	11,359,007	15,672,665
Library	3,485,239	3,237,462	3,477,582	3,590,194	3,760,640	3,774,427	3,957,472	4,069,755	3,937,532	3,828,666
Capital outlay	7,037,844	12,260,920	8,583,430	2,003,926	16,382,587	12,582,033	16,301,460	14,660,246	18,008,561	19,544,803
Debt service										
Principal	10,120,021	10,394,441	11,890,000	9,650,000	9,725,000	17,618,000	10,665,000	12,126,000	13,027,000	16,756,000
Interest	1,669,146	1,518,157	1,451,190	1,320,429	1,426,693	1,559,414	1,372,038	1,385,220	1,607,135	1,754,034
Total expenditures	73,660,904	78,437,255	78,092,343	80,187,044	82,899,841	87,784,315	86,068,170	90,374,384	97,100,868	107,977,652
Excess of revenues over (under) expenditures	(9,860,865)	(17,359,385)	(14,154,035)	(14,565,418)	(17,064,034)	(20,417,970)	(13,980,725)	(9,918,579)	(15,854,255)	(27,208,744)
Other financing sources (uses)										
Long-term debt issued	8,880,000	11,500,000	14,333,000	13,400,000	9,497,000	16,521,000	13,736,000	14,039,000	18,119,000	20,681,000
Refunding debt Issued	-	-	-	-	1,045,000	4,035,000	-	-	-	3,040,000
Payment on refunded debt	-	-	-	-	-	-	-	-	-	-
Premium on long-term debt	-	93,149	166,399	96,759	482,490	550,202	523,573	391,168	565,268	852,162
Sale of City property	638,477	-	-	-	-	-	-	-	-	-
Transfers in	11,047,314	11,633,579	12,101,368	12,079,874	11,945,565	18,938,018	14,673,799	18,864,304	19,673,261	20,708,233
Transfers out	(9,062,090)	(9,848,906)	(9,692,218)	(10,014,692)	(11,094,366)	(17,379,581)	(14,286,499)	(16,902,016)	(17,913,698)	(19,269,288)
Total other financing sources (uses)	11,503,701	13,377,822	16,908,549	15,561,941	11,875,689	22,664,639	14,646,873	16,392,456	20,443,831	26,012,107
Net change in fund balances	\$ 1,642,836	\$ (3,981,563)	\$ 2,754,514	\$ 996,523	\$ (5,188,345)	\$ 2,246,669	\$ 666,148	\$ 6,473,877	\$ 4,589,576	\$ (1,196,637)
Debt service as a percentage of noncapital expenditures	17.7%	18.0%	19.2%	16.2%	16.8%	25.6%	17.3%	17.8%	18.5%	20.6%

CITY OF JANESVILLE, WISCONSIN

Schedule 5
Assessed Value and Estimated Actual Value (Equalized Value) of Taxable Property
Last Ten Fiscal Years

<u>Levy Year</u>	<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Manufacturing Property</u>	<u>Agricultural⁽¹⁾ Property</u>	<u>Personal Property</u>	<u>Total Taxable Assessed Value⁽²⁾</u>	<u>Total Direct Tax Rate⁽³⁾</u>	<u>Total Taxable Equalized Value⁽⁴⁾</u>	<u>Ratio of Assessed to Equalized Value</u>
2011	2012	2,538,559,400	1,036,108,100	132,858,200	1,762,000	138,539,030	3,847,826,730	7.9014	3,940,763,600	97.45%
2012	2013	2,541,718,200	1,061,486,400	141,437,500	1,744,900	147,735,220	3,894,122,220	7.8746	3,895,706,200	99.72%
2013	2014	2,545,961,300	1,056,681,400	147,126,500	1,711,900	152,420,880	3,903,901,980	8.0425	3,793,359,600	102.83%
2014	2015	2,557,899,700	1,059,040,000	144,554,800	1,664,400	151,726,450	3,914,885,350	8.3401	4,005,876,500	97.81%
2015	2016	2,572,595,600	1,061,158,600	160,881,500	1,654,700	151,663,660	3,947,954,060	8.4521	3,987,273,400	99.14%
2016	2017	2,590,135,400	1,081,263,800	155,024,900	1,635,600	155,694,630	3,983,754,330	8.8216	4,165,074,300	95.52%
2017	2018	2,612,827,400	1,146,538,400	146,930,200	1,620,800	158,450,500	4,066,367,300	9.2365	4,605,798,000	88.23%
2018	2019	2,637,980,700	1,160,033,400	142,360,200	1,621,700	125,119,510	4,067,115,510	9.5391	4,910,020,700	82.81%
2019	2020	3,457,026,500	1,274,706,000	172,044,600	1,570,700	147,924,600	5,053,272,400	7.7756	5,315,922,100	96.05%
2020	2021	3,492,040,300	1,294,819,600	169,049,000	1,532,500	136,912,600	5,094,354,000	7.8296	5,591,259,700	90.27%

Note: Total Taxable Assessed Value does not include tax exempt properties; tax exempt properties are not assigned values.

⁽¹⁾ Includes Agricultural, Undeveloped, Ag Forest, Forest & Other categories.

⁽²⁾ Source: Statement of Assessments - Bureau of Equalization, WI Dept of Revenue, Assessor Report

⁽³⁾ The City of Janesville Direct Rate includes the City Rate and the Library Rate.

⁽⁴⁾ Source: Statement of Changes in Equalized Values - Bureau of Equalization, WI Dept of Revenue, Website

CITY OF JANESVILLE, WISCONSIN

Schedule 6
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

JANESVILLE SCHOOL DISTRICT

Per \$1,000 of Assessed Value

<u>Levy Year</u>	<u>Fiscal Year</u>	<u>City Rate</u>	<u>Library Rate</u>	<u>City of Janesville Direct Rate⁽¹⁾</u>	<u>Janesville School District</u>	<u>Blackhawk Technical</u>	<u>County of Rock</u>	<u>State of Wisconsin</u>	<u>Gross Tax Rate</u>	<u>State Tax Credits</u>	<u>Net Tax Rate</u>
2011	2012	7.0402	0.8612	7.9014	10.1902	1.8275	6.4427	0.1738	26.5356	1.5208	25.0148
2012	2013	7.0318	0.8428	7.8746	9.8001	1.8492	6.5219	0.1698	26.2156	1.5018	24.7138
2013	2014	7.1970	0.8455	8.0425	9.7841	1.8703	6.6809	0.1649	26.5427	1.5041	25.0386
2014	2015	7.4889	0.8512	8.3401	9.5788	1.1375	6.8271	0.1737	26.0572	1.5052	24.5520
2015	2016	7.6069	0.8452	8.4521	9.6883	1.2110	6.7241	0.1714	26.2469	1.6684	24.5785
2016	2017	7.9632	0.8584	8.8216	10.0638	1.2679	6.8770	0.1774	27.2077	1.6286	25.5791
2017	2018	8.3691	0.8674	9.2365	9.8467	1.3632	7.2342	-	27.6806	1.7640	25.9166
2018	2019	8.6498	0.8893	9.5391	10.2723	1.3798	7.3233	-	28.5145	1.7674	26.7471
2019	2020	7.0432	0.7324	7.7756	8.9546	1.1705	6.1658	-	24.0665	1.4407	22.6258
2020	2021	7.0915	0.7381	7.8296	9.3129	1.1901	6.2769	-	24.6095	1.4612	23.1483

MILTON SCHOOL DISTRICT

Per \$1,000 of Assessed Value

<u>Levy Year</u>	<u>Collection Year</u>	<u>City Rate</u>	<u>Library Rate</u>	<u>City of Janesville Direct Rate⁽¹⁾</u>	<u>Milton School District</u>	<u>Blackhawk Technical</u>	<u>County of Rock</u>	<u>State of Wisconsin</u>	<u>Gross Tax Rate</u>	<u>State Tax Credits</u>	<u>Net Tax Rate</u>
2011	2012	7.0402	0.8612	7.9014	9.0327	1.8275	6.4427	0.1738	25.3781	1.5208	23.8573
2012	2013	7.0318	0.8428	7.8746	8.6310	1.8492	6.5219	0.1698	25.0465	1.5018	23.5447
2013	2014	7.1970	0.8455	8.0425	8.8149	1.8703	6.6809	0.1649	25.5735	1.5041	24.0694
2014	2015	7.4889	0.8512	8.3401	8.7458	1.1375	6.8271	0.1737	25.2242	1.5052	23.7190
2015	2016	7.6069	0.8452	8.4521	8.2682	1.2110	6.7241	0.1714	24.8268	1.6684	23.1584
2016	2017	7.9632	0.8584	8.8216	9.5731	1.2679	6.8770	0.1774	26.7170	1.6286	25.0884
2017	2018	8.3691	0.8674	9.2365	9.5514	1.3632	7.2342	-	27.3853	1.7640	25.6213
2018	2019	8.6498	0.8893	9.5391	9.4307	1.3798	7.3233	-	27.6729	1.7674	25.9055
2019	2020	7.0432	0.7324	7.7756	9.5300	1.1705	6.1658	-	24.6419	1.4407	23.2012
2020	2021	7.0915	0.7381	7.8296	10.0634	1.1901	6.2769	-	25.3600	1.4612	23.8988

Source: City of Janesville Clerk-Treasurer Records

Note: Residents are assessed only the school tax rate for the district they reside in.

⁽¹⁾ The City of Janesville Direct Rate includes the City Rate and the Library Rate.

CITY OF JANESVILLE, WISCONSIN

Schedule 7
Principal Taxpayers
2020 and Nine Years Prior

Taxpayer	2020			2011		
	Taxable Assessed Value ⁽¹⁾	Rank	Percentage of Total Assessed Value	Taxable Assessed Value ⁽¹⁾	Rank	Percentage of Total Assessed Value
Mercy Health System Corp	\$ 56,051,100	1	1.10%	\$ 32,460,180	3	0.84%
Dollar General	50,182,300	2	0.99%			
Dean/St Mary's/Riverview	30,835,400	3	0.61%	43,586,400	1	1.13%
Blain Supply Inc.	26,429,800	4	0.52%	28,609,320	5	0.74%
Wal-Mart and Sam's Club	26,423,300	5	0.52%	22,684,430	6	0.59%
Stag Janesville LLC	24,249,900	6	0.48%			
RockStep Janesville LLC/Janesville Mall	21,927,900	7	0.43%	34,594,700	2	0.90%
GHC Specialty Brands (Lab Safety)	21,572,100	8	0.42%	30,471,540	4	0.79%
Woodsvew LLC	20,581,600	9	0.40%			
Woodman's Food Market	20,577,900	10	0.40%	18,906,540	10	0.49%
Helgesen Family Partnership				20,251,300	7	0.53%
Menards Inc				19,373,960	8	0.50%
Lemans Corp				19,220,650	9	0.50%
Total	\$ 298,831,300		5.87%	\$ 270,159,020		7.02%

Source: City of Janesville Clerk Treasurer Office
(1) Includes real property and personal property

CITY OF JANESVILLE, WISCONSIN

Schedule 8
Property Tax Levies and Collections
Last Ten Fiscal Years

<u>Levy Year</u>	<u>Fiscal Year</u>	<u>Total City Tax Levy</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Total Collections to Date</u>		<u>Outstanding Delinquent PP Taxes 12/31/2020</u>
			<u>Amount</u>	<u>Percentage of Levy</u>	<u>Amount</u>	<u>Percentage of Levy</u>	
2010	2011	31,493,963	31,416,545	99.75%	31,493,963	100.00%	-
2011	2012	32,799,590	32,729,830	99.79%	32,764,005	99.89%	35,585
2012	2013	32,388,284	32,326,387	99.81%	32,346,230	99.87%	42,054
2013	2014	33,539,003	33,479,841	99.82%	33,487,374	99.85%	51,630
2014	2015	34,731,875	34,670,099	99.82%	34,671,987	99.83%	59,888
2015	2016	35,201,846	35,161,704	99.89%	35,162,638	99.89%	40,142
2016	2017	38,261,082	38,207,010	99.86%	38,207,010	99.86%	54,072
2017	2018	41,616,192	41,559,015	99.86%	41,574,424	99.90%	57,177
2018	2019	43,102,776	43,071,715	99.93%	43,060,364	99.90%	31,061
2019	2020	43,239,989	43,157,297	99.81%	43,197,602	99.90%	82,692

Note: Delinquent real estate taxes are paid in full by Rock County with the August settlement. Outstanding delinquent taxes represent personal property taxes outstanding at the end of the year. After one year, the delinquent personal property taxes of businesses that are closed, declared bankruptcy, or changed ownership are charged back to each taxing jurisdiction in proportion to the amount levied. After five years, personal property taxes not collected are written off as uncollectible.

CITY OF JANESVILLE, WISCONSIN

Schedule 9
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt Limit	\$ 197,038,180	\$ 194,785,310	\$ 189,667,980	\$ 200,293,825	\$ 199,363,670	\$ 208,253,715	\$ 230,289,900	\$ 245,501,035	\$ 265,796,105	\$ 279,562,985
Total Net Debt Applicable to Limit	<u>74,814,441</u>	<u>74,190,000</u>	<u>75,155,000</u>	<u>80,425,000</u>	<u>82,210,000</u>	<u>88,045,000</u>	<u>91,895,000</u>	<u>97,195,000</u>	<u>102,255,000</u>	<u>108,700,000</u>
Legal Debt Margin	<u>\$ 122,223,739</u>	<u>\$ 120,595,310</u>	<u>\$ 114,512,980</u>	<u>\$ 119,868,825</u>	<u>\$ 117,153,670</u>	<u>\$ 120,208,715</u>	<u>\$ 138,394,900</u>	<u>\$ 148,306,035</u>	<u>\$ 163,541,105</u>	<u>\$ 170,862,985</u>
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	37.97%	38.09%	39.62%	40.15%	41.24%	42.28%	39.90%	39.59%	38.47%	38.88%

Legal Debt Margin Calculation for Fiscal Year 2020

Equalized Value of Taxable Property	\$ 5,591,259,700
Legal Debt Limit (5% of Total Equalized Value)	279,562,985
Less : General Obligation Debt	<u>108,700,000</u>
Legal Debt Margin	<u>\$ 170,862,985</u>

Note: In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the equalized value of the taxable property within the City's jurisdiction.

CITY OF JANESVILLE, WISCONSIN

Schedule 10
Ratio of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		Net Total Primary Government	Percentage Personal Income ⁽²⁾	Debt Per Capita ⁽²⁾
	General Obligation Debt ⁽¹⁾	Capital Leases	General Obligation Debt ⁽¹⁾	Revenue Bonds			
2011	51,226,943	-	23,619,967	32,058,342	106,905,252	5.05%	1,683
2012	52,417,532	-	21,915,644	30,442,245	104,775,421	4.60%	1,651
2013	55,005,834	-	20,474,511	30,065,522	105,545,867	4.36%	1,660
2014	58,818,338	-	22,027,632	28,245,050	109,091,020	4.44%	1,717
2015	60,054,611	-	23,170,861	26,383,312	109,608,784	4.31%	1,726
2016	63,427,961	-	26,222,099	24,479,363	114,129,423	4.44%	1,798
2017	66,853,993	-	27,117,868	22,567,392	116,539,253	4.39%	1,844
2018	68,945,615	-	30,628,480	20,688,769	120,262,864	4.28%	1,892
2019	74,356,146	-	30,662,379	18,768,104	123,786,629	4.22%	1,951
2020	81,842,546	-	30,234,890	16,824,384	128,901,820	N/A ⁽³⁾	2,033

Notes: Details of the City's outstanding debt can be found in the notes to the financial statements.

(1) General obligation debt includes premium.

(2) See Schedule 14 for personal income and population data.

(3) Information is not available.

CITY OF JANESVILLE, WISCONSIN

Schedule 11
Ratio of Net General Obligation Debt Outstanding
Last Ten Fiscal Years

<u>Year</u>	Governmental General Obligation Debt (1)	Proprietary General Obligation Debt (1)	Total General Obligation Debt (1)	Less: Amounts Restricted For Debt Service	Net General Obligation Debt	Percentage Debt to Equalized Valuation⁽²⁾	Net General Obligation Debt Per Capita⁽³⁾
2011	51,226,943	23,619,967	74,846,910	(1,277,855)	73,569,055	1.87%	1,158
2012	52,417,532	21,915,644	74,333,176	(594,456)	73,738,720	1.89%	1,162
2013	55,005,834	20,474,511	75,480,345	(628,759)	74,851,586	1.97%	1,177
2014	58,818,338	22,027,632	80,845,970	(996,012)	79,849,958	1.99%	1,257
2015	60,054,611	23,160,861	83,215,472	(2,682,108)	80,533,364	2.02%	1,268
2016	63,427,961	26,222,099	89,650,060	(2,638,072)	87,011,988	2.09%	1,371
2017	66,853,993	27,117,868	93,971,861	(3,261,709)	90,710,152	1.97%	1,435
2018	68,945,615	30,628,480	99,574,095	(3,824,839)	95,749,256	1.95%	1,506
2019	74,356,146	30,662,379	105,018,525	(4,883,568)	100,134,957	1.88%	1,579
2020	81,842,546	30,234,890	112,077,436	(5,320,391)	106,757,045	1.91%	1,684

Notes: Details of the City's outstanding debt can be found in the notes to the financial statements.

(1) General Obligation Debt includes premium.

(2) See Schedule 5 for property value data.

(3) See Schedule 14 for population data.

CITY OF JANESVILLE, WISCONSIN

Schedule 12
Direct and Overlapping General Obligation Debt
As of December 31, 2020

<u>Governmental Unit</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable To City</u>	<u>Amount Applicable To City</u>
City of Janesville	\$ 108,700,000 (1)	100.00%	\$ 108,700,000
Rock County	42,205,000	42.37%	17,882,259
School Districts			
Janesville	46,740,000	90.66%	42,374,484
Milton	56,180,000	35.11%	19,724,798
Blackhawk Technical College	39,990,000	35.58%	14,228,442
	<u>185,115,000</u>		<u>94,209,983</u>
	Total Direct and Overlapping Debt <u>\$ 293,815,000</u>		<u>\$ 202,909,983</u>

Source: Debt information supplied by each taxing jurisdiction and applicable percentages from the State Department of Revenue.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates that portion of the outstanding debt of these overlapping governments that is borne by the taxpayers of the City through the taxes levied by these government agencies.

(1) General obligation debt includes premium and excludes debt related to business-type activities.

CITY OF JANESVILLE, WISCONSIN

Schedule 13
Pledged-Revenue Coverage
Last Ten Fiscal Years

<u>Year</u>	<u>Water Revenue Bonds</u>						<u>Wastewater Revenue Bonds</u>					
	<u>Water Gross Revenue</u>	<u>Less: Operating Expense⁽¹⁾</u>	<u>Net Available Revenue</u>	<u>Debt Service</u>		<u>Coverage</u>	<u>Wastewater Gross Revenue</u>	<u>Less: Operating Expense⁽¹⁾</u>	<u>Net Available Revenue</u>	<u>Debt Service</u>		<u>Coverage</u>
			<u>Principal</u>	<u>Interest</u>					<u>Principal</u>	<u>Interest</u>		
2011	5,943,221	3,387,695	2,555,526	167,062	64,170	11.05	9,489,103	4,816,726	4,672,377	288,143	582,300	5.37
2012	6,505,870	3,265,729	3,240,141	171,260	59,901	14.02	9,531,919	4,473,955	5,057,964	1,523,141	633,828	2.34
2013	7,475,202	3,254,360	4,220,842	175,564	55,525	18.27	9,249,792	4,336,475	4,913,317	1,561,759	607,633	2.26
2014	7,213,226	3,566,969	3,646,257	179,977	51,037	15.78	9,199,059	4,567,634	4,631,425	1,640,495	586,800	2.08
2015	7,021,916	3,324,545	3,697,371	184,502	46,437	16.01	9,142,747	4,541,523	4,601,224	1,677,236	549,506	2.07
2016	7,922,761	3,263,308	4,659,453	189,140	41,720	20.18	9,403,645	5,375,926	4,027,719	1,714,808	511,368	1.81
2017	8,169,239	3,270,685	4,898,554	193,896	36,884	21.23	10,167,825	5,296,966	4,870,859	1,718,076	473,091	2.22
2018	8,544,274	3,366,322	5,177,952	198,773	31,925	22.44	10,112,702	5,678,538	4,434,164	1,679,850	435,660	2.10
2019	8,657,454	3,865,533	4,791,921	203,772	26,841	20.78	10,688,494	5,936,657	4,751,837	1,716,893	398,070	2.25
2020	13,965,543	3,737,072	10,228,471	208,898	23,749	43.97	10,232,086	6,285,639	3,946,447	1,734,821	360,041	1.88

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾ Excludes Depreciation Expense and Tax Equivalent

CITY OF JANESVILLE, WISCONSIN

Schedule 14
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population⁽¹⁾	Personal Income	Per Capita Income⁽²⁾	School System Enrollment⁽³⁾	Unemployment Rate⁽⁴⁾
2011	63,515	2,115,367,075	33,305	10,429	10.1%
2012	63,480	2,276,075,400	35,855	10,308	9.0%
2013	63,600	2,420,234,400	38,054	10,360	8.5%
2014	63,525	2,459,243,325	38,713	10,395	6.2%
2015	63,510	2,542,051,260	40,026	10,298	5.2%
2016	63,470	2,569,075,190	40,477	10,273	4.5%
2017	63,215	2,656,673,590	42,026	10,182	3.6%
2018	63,570	2,810,048,280	44,204	10,069	3.2%
2019	63,433	2,932,888,188	46,236	9,899	3.7%
2020	63,403	N/A ⁽⁵⁾	N/A	9,574	7.5%

(1) From the WI Dept of Administration as of January 1 the following year, 2010 is Census

(2) From the US Bureau of Economic Analysis for the Janesville Metropolitan Statistical Area

(3) School enrollment is for academic school beginning with year shown

(4) Information from the Department of Workforce Development; not seasonally adjusted

(5) Information is not available.

CITY OF JANESVILLE, WISCONSIN

Schedule 15
Principal Employers
2020 and Nine Years Prior

Employer	2020			2011		
	Approximate Number of Employees	Rank	Percentage of Total City Employment	Approximate Number of Employees	Rank	Percentage of Total City Employment
Mercy Health System	2,855	1	9.15%	3,835	1	13.31%
Janesville School District	1,498	2	4.80%	1,368	2	4.75%
Rock County	1,252	3	4.01%	1,171	3	4.06%
GHC Specialty Brands (Lab Safety Supply Inc / Grainger)	1,127	4	3.61%	843	4	2.93%
Prent Corporation (GOEX)	814	5	2.61%			
Blain's Supply (Farm & Fleet)	643	6	2.06%	510	6	1.77%
City of Janesville	565	7	1.81%	502	7	1.74%
Data Dimensions	520	8	1.67%			
Seneca	513	9	1.64%			0.00%
J.P. Cullen & Sons, Inc.	511	10	1.64%			
Dean Health System (Dean Clinic-Janesville East)				421	9	1.46%
St. Mary's Janesville Hospital				415	10	1.44%
Wal-Mart Supercenter / Sam's Club				525	5	1.82%
Lemans Corp				450	8	1.56%
Total	10,298		33.01%	10,040		34.85%
Total City Employment	31,198			28,811		

Source: Official Statement for the City of Janesville

Total City Employment from Wisconsin Department of Workforce Development, Local Area Unemployment Statistics.

CITY OF JANESVILLE, WISCONSIN

Schedule 16
Full-time Equivalent Employee By Function/Program
Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013 (1)</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government										
City Manager	2.34	2.34	2.84	2.97	4.79	4.74	4.69	4.75	4.75	4.75
Assessor	6.50	6.00	6.00	6.00	6.00	5.99	5.99	5.99	5.99	5.99
Attorney	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Clerk Treasurer	7.00	10.00	7.90	8.20	7.26	6.67	7.13	8.36	5.97	5.85
Finance	6.22	5.37	5.63	5.82	5.43	5.76	5.68	5.78	5.88	5.88
Human Resources	2.05	2.05	2.05	2.55	2.05	2.05	2.05	2.05	2.55	3.05
Information Technology	2.25	<u>2.25</u>	<u>2.25</u>	<u>2.47</u>	<u>2.45</u>	<u>2.45</u>	<u>2.45</u>	<u>2.45</u>	<u>3.45</u>	<u>3.45</u>
Total General Government	<u>30.36</u>	<u>32.01</u>	<u>30.67</u>	<u>32.01</u>	<u>31.98</u>	<u>31.66</u>	<u>31.99</u>	<u>33.38</u>	<u>32.59</u>	<u>32.97</u>
Public Safety										
Police	118.50	117.50	120.42	120.36	120.69	120.67	120.77	122.21	123.21	122.39
Fire	<u>93.25</u>	<u>92.25</u>	<u>93.00</u>	<u>93.89</u>	<u>92.87</u>	<u>93.36</u>	<u>94.36</u>	<u>97.30</u>	<u>97.37</u>	<u>97.35</u>
Total Public Safety	<u>211.75</u>	<u>209.75</u>	<u>213.42</u>	<u>214.25</u>	<u>213.56</u>	<u>214.03</u>	<u>215.13</u>	<u>219.51</u>	<u>220.58</u>	<u>219.74</u>
Public Works										
Engineering	18.35	18.34	18.53	14.71	11.19	12.84	14.35	15.43	15.83	17.09
DPW/Technical Services	27.18	26.49	27.03	26.61	26.03	27.16	26.09	26.43	25.59	25.74
Sanitation/Landfill	<u>21.88</u>	<u>21.07</u>	<u>23.99</u>	<u>21.10</u>	<u>20.82</u>	<u>21.46</u>	<u>22.49</u>	<u>23.28</u>	<u>22.56</u>	<u>22.53</u>
Total Public Works	<u>67.41</u>	<u>65.90</u>	<u>69.55</u>	<u>62.42</u>	<u>58.04</u>	<u>61.46</u>	<u>62.93</u>	<u>65.14</u>	<u>63.98</u>	<u>65.36</u>
Recreation & Parks										
Leisure Services	21.37	20.26	22.33	21.51	21.45	22.12	21.59	22.72	20.19	20.50
Parks	<u>18.81</u>	<u>17.01</u>	<u>18.25</u>	<u>18.02</u>	<u>17.31</u>	<u>16.66</u>	<u>16.38</u>	<u>16.04</u>	<u>16.18</u>	<u>16.19</u>
Total Recreation & Parks	<u>40.18</u>	<u>37.27</u>	<u>40.58</u>	<u>39.53</u>	<u>38.76</u>	<u>38.78</u>	<u>37.97</u>	<u>38.76</u>	<u>36.37</u>	<u>36.69</u>
Community & Economic Development										
Community Development	15.32	14.73	15.12	16.29	16.92	16.82	16.82	16.90	16.76	15.50
Neighborhood Services	<u>6.91</u>	<u>5.85</u>	<u>6.97</u>	<u>6.77</u>	<u>6.55</u>	<u>6.78</u>	<u>6.78</u>	<u>8.08</u>	<u>8.28</u>	<u>8.28</u>
Total Community & Economic Development	<u>22.23</u>	<u>20.58</u>	<u>22.09</u>	<u>23.06</u>	<u>23.47</u>	<u>23.60</u>	<u>23.60</u>	<u>24.98</u>	<u>25.04</u>	<u>23.78</u>
Library	49.53	49.01	51.33	50.65	53.72	55.40	56.40	53.72	55.34	55.98
Water Utility	19.67	19.59	25.98	25.96	25.79	24.56	23.04	26.55	26.40	26.49
Wastewater Utility	26.22	26.17	28.99	28.57	26.89	28.06	28.33	28.43	28.28	28.53
Stormwater Utility	11.27	11.19	10.65	10.59	11.05	11.57	12.90	13.71	14.34	13.69
Transit	<u>30.57</u>	<u>31.39</u>	<u>34.29</u>	<u>34.29</u>	<u>33.31</u>	<u>34.90</u>	<u>32.22</u>	<u>32.22</u>	<u>31.81</u>	<u>31.81</u>
Total Employment	<u>509.19</u>	<u>502.86</u>	<u>527.55</u>	<u>521.33</u>	<u>516.57</u>	<u>524.02</u>	<u>524.51</u>	<u>536.40</u>	<u>534.73</u>	<u>535.04</u>

Source: City of Janesville Annual Budget

Note: (1) - With a change in the payroll and budgeting software; full time equivalents now include seasonal employees.

CITY OF JANESVILLE, WISCONSIN

Schedule 17
Operating Indicators by Function/Program
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Assessor										
Real Estate and Mobile Home Assessments	24,535	24,407	24,488	24,513	24,602	24,770	24,723	25,396	25,388	25,400
New Construction, Permits, Sale Reviews	2,005	2,514	2,548	2,604	2,415	2,514	2,606	2,627	2,360	2,691
Attorney										
Case Litigated	8,540	8,450	10,272	10,120	9,867	8,950	10,062	11,540	8,930	9,530
Public Safety										
Police										
Traffic Citations (#)	10,848	10,147	8,550	9,310	6,290	7,548	6,948	6,496	7,036	4,734
Violent Crime Incidents (#)	169	182	168	169	155	145	170	171	148	145
Property Crime Incidents (#)	2,412	2,474	1,962	2,088	1,898	1,770	1,952	1,801	1,581	1,399
Parking Tickets Processed (#)	2,823	2,555	2,484	1,949	1,537	1,419	903	1,620	2,676	1,191
Fire										
Fire and EMS Emergency Responses (#)	7,306	7,426	8,194	9,213	9,550	9,839	10,219	10,264	10,254	10,203
Inspections (#)	5,728	5,297	4,030	4,422	4,432	5,075	5,125	5,100	4,300	2,905
Public Works										
Street Maintenance										
Crack Sealing (feet)	65,472	29,251	18,480	-	17,819	20,695	65,155	64,355	56,162	49,122
Street Resurfacing (miles)	6.4	5.2	5.3	6.6	8.5	12.6	14.0	11.8	12.6	12.1
Street Cleaning - Leaf Collection (miles)	218	209	227	224	204	227	227	227	227	227
Street Cleaning - Leaf Collection (total miles swept)	-	-	-	743	1,177	1,509	1,506	1,486	1,517	1,322
Traffic Management										
Traffic Signs Installed/Repaired (#)	1,150	1,546	943	1,120	1,769	1,586	2,361	2,279	2,091	2,056
Line Striping (feet)	283,462	269,216	302,685	271,389	407,756	416,437	382,855	409,038	368,333	492,151
Sanitation										
Sanitary Landfill (tons)	185,065	156,804	128,192	90,178	114,300	161,578	181,750	188,009	169,711	185,650
Trash Collection(stops/week)	23,449	23,473	23,732	23,878	23,950	24,087	23,759	23,772	24,354	24,478
VOM - Vehicles Repaired (#)	2,699	2,561	2,806	2,606	2,614	2,467	2,230	2,737	3,141	2,871
Recreation and Parks										
Recreation Program Participants (#)	271,739	267,490	252,906	249,728	268,480	259,469	272,225	265,042	278,590	101,929
Special Events	109	114	100	146	133	126	117	123	144	42
Parks (acres)	2,595	2,595	2,595	2,595	2,595	2,595	2,595	2,595	2,611	2,611
Parks Mowing (acres)	666	666	666	666	666	666	666	666	666	666
Golf Course Rounds Played (#)	53,806	56,368	53,400	53,186	56,833	53,557	53,411	40,410	39,836	47,653
Community/Economic Development										
Permits Issued (#)	2,872	3,068	3,454	3,393	3,498	4,034	3,791	3,659	3,688	3,777
Inspections (#)	6,374	6,000	6,592	6,347	6,719	7,066	7,124	6,538	6,863	6,749
TIF Development Activity										
New Construction (square feet)	21,000	22,000	17,000	42,925	1,434,720	477,320	265,785	299,795	539,011	204,914
Value of Projects (dollars)	775,000	1,796,500	5,560,000	1,303,900	56,950,000	16,480,000	10,385,600	24,300,000	51,095,018	13,770,792
Neighborhood Services										
Complaints Received (#)	1,992	1,586	2,045	1,767	1,826	1,886	1,757	2,069	3,218	1,257
Housing/Nuisance Inspections (#)	7,159	5,356	4,812	4,696	5,627	4,099	3,867	4,120	4,492	3,629
Vacant Building Inspection (#)	-	-	-	-	-	-	-	456	191	260
Housing Rehab./Homeownership Loans (#)	70	87	49	53	69	52	48	46	33	37
Library										
Circulation (#)	1,153,991	1,131,907	1,098,377	1,059,057	950,768	896,973	870,086	758,488	718,420	409,778
Registered Patrons (#)	69,542	72,394	64,841	67,556	70,041	72,325	74,698	75,411	52,676	38,751
Water Utility										
Water Pumped (billions of gallons)	3.55	3.52	3.41	3.48	3.18	3.17	3.25	3.39	3.35	3.43
Water Tests (#)	4,611	4,525	4,650	4,525	4,525	4,525	4,525	4,525	4,525	4,525
Water Main Repairs (#)	108	82	114	143	80	66	80	96	102	111
Wastewater Utility										
Sewage Treatment (millions of gallons)	5,083	4,375	4,849	4,723	4,279	4,743	5,175	5,442	4,985	4,499
Laboratory Tests (#)	23,749	22,542	19,944	19,255	19,688	19,878	19,239	18,985	19,263	18,890
Stormwater Utility										
Street Sweeping (miles)	5,887	5,846	5,248	6,256	6,358	6,750	8,785	7,405	8,270	8,262
Street Sweeping (miles, excluding leaf collection)	-	-	-	5,513	5,181	5,241	7,279	5,919	6,753	6,940
Storm Sewer Maintenance										
Storm Sewer Cleaning (feet)	600	600	600	1,208	2,075	14,876	9,096	6,033	18,821	16,450
Catch Basin Cleaning (#)	200	589	319	122	307	468	207	146	420	509
Transit										
Total Route Miles	471,682	501,025	553,104	531,643	509,829	452,897	452,329	458,772	465,053	455,183
Ridership (#)	364,696	393,347	432,739	447,632	430,741	391,385	392,535	393,392	345,667	202,871

Sources: Various City Departments

CITY OF JANESVILLE, WISCONSIN

Schedule 18
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Vehicles	37	37	18	19	19	19	20	20	20	20
Police Squads			23	23	23	23	24	24	24	24
Police Electric Motorcycles					1	1	1	1	2	2
Police Speed Trailers						1	1	1	1	2
Police Cargo Trailers	1	2	2	2	3	3	3	4	4	4
Fire Stations	5	5	5	5	5	5	5	5	5	5
Training Center	1	1	1	1	1	1	1	1	1	1
Fire Vehicles	10	11	11	11	11	12	13	13	16	14
EMS Vehicles (ambulances)	6	6	6	6	6	8	6	6	7	7
Support Vehicles	11	12	12	12	13	15	18	18	12	14
Public Works:										
Streets (miles)	350	350	350	350	350	350	350	350	350	350
Street Lights (city owned)	2,267	2,286	2,265	2,317	2,322	2,445	2,460	2,460	2,489	2,489
Traffic Signals (intersections)	71	71	72	73	64	64	64	64	63	64
Parks and Recreation:										
Number of Parks	64	64	64	64	64	64	64	64	65	65
Acreage of Parkland	2,595	2,595	2,595	2,595	2,595	2,595	2,595	2,595	2,611	2,611
Number of Swimming Pools	3	3	3	3	3	3	3	4	4	4
Water Utility:										
Number of Wells	8	8	8	8	8	8	8	8	8	8
Number of Reservoirs	7	7	7	7	7	7	7	7	7	7
Miles of Water Main	368	368	369	370	370	370	372	389	390	393
Number of Hydrants	2,561	2,561	2,581	2,606	2,606	2,708	2,749	2,646	2,660	2,680
Storage Capacity (million gallons)	15.84	15.84	15.84	16	16	16	16	16	16	16
Production Capacity (million gallons/day)	35	35	35	35	35	35	35	35	35	35
Wastewater Utility:										
Miles of Sanitary Sewer	320	320	320	320	320	320	320	321	325	325
Treatment Capacity (million gallons/day)	17.75	17.75	17.75	17.75	17.75	17.75	17.75	17.75	17.75	17.75
Stormwater Utility:										
Miles of Storm Sewer	180	180	180	180	180	180	180	181	182	183
Transit										
Number of Buses	20	17	17	17	17	17	17	17	17	17

Sources: Various City Departments