

Popular Annual Financial Report



For Fiscal Year Ended
December 31, 2021



CITY OF JANESVILLE
Wisconsin's Park Place

ADAPTABILITY. SERVICE.
RESPECT. COMMUNICATION.



A Message from our City Manager

To the Citizens of the City of Janesville:

I am pleased to present to you the City of Janesville's Popular Annual Financial Report (PAFR) for the year ended December 31, 2021. The City has developed this report to communicate the financial operations and financial condition of the City in a user-friendly format. The PAFR is derived from the 2021 Annual Comprehensive Financial Report. The Annual Comprehensive Financial Report contains financial statements which are prepared according to Generally Accepted Accounting Principles and audited by an independent Certified Public Accountant in accordance with Generally Accepted Audit Standards. I am proud to say that the City of Janesville has been awarded a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for each of the past 28 years. Also, the City's 2018, 2019, and 2020 Popular Annual Financial Reports were awarded a Certificate for Outstanding Achievement in Popular Annual Financial Reporting.

In addition to providing financial information, this report demonstrates what makes Janesville a great place for people to plant their roots. The City is home to over 20 thriving primary and secondary schools, two colleges, and a wide variety of diverse businesses. This report demonstrates the importance of City government supporting these activities.

I welcome any feedback, comments, or concerns regarding the information included in this report.

Sincerely,



Mark A. Freitag
City Manager



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Janesville at a Glance

The City of Janesville was incorporated in 1853 and is located in south central Wisconsin. The City operates under the Council-Manager form of government - the City Council provides policy direction and the City Manager oversees the day-to-day operations of the organization. Janesville is known as Wisconsin's Park Place and strives to be the community of choice to realize life's opportunities!

Municipal Services

Assessor's Office
 Attorney's Office
 City Manager's Office
 Clerk-Treasurer's Office
 Economic Development Office
 Finance Office
 Fire/EMS Department
 Hedberg Public Library
 Human Resources Office
 Information Technology Office
 Neighborhood and Community Services Department
 Police Department
 Public Works Department



Largest Employers

Mercy Health System
 Janesville School District
 Rock County
 GHC Specialty Brands
 Prent Corporation (GOEX)
 Blaine's Supply (Farm & Fleet)
 City of Janesville
 Seneca

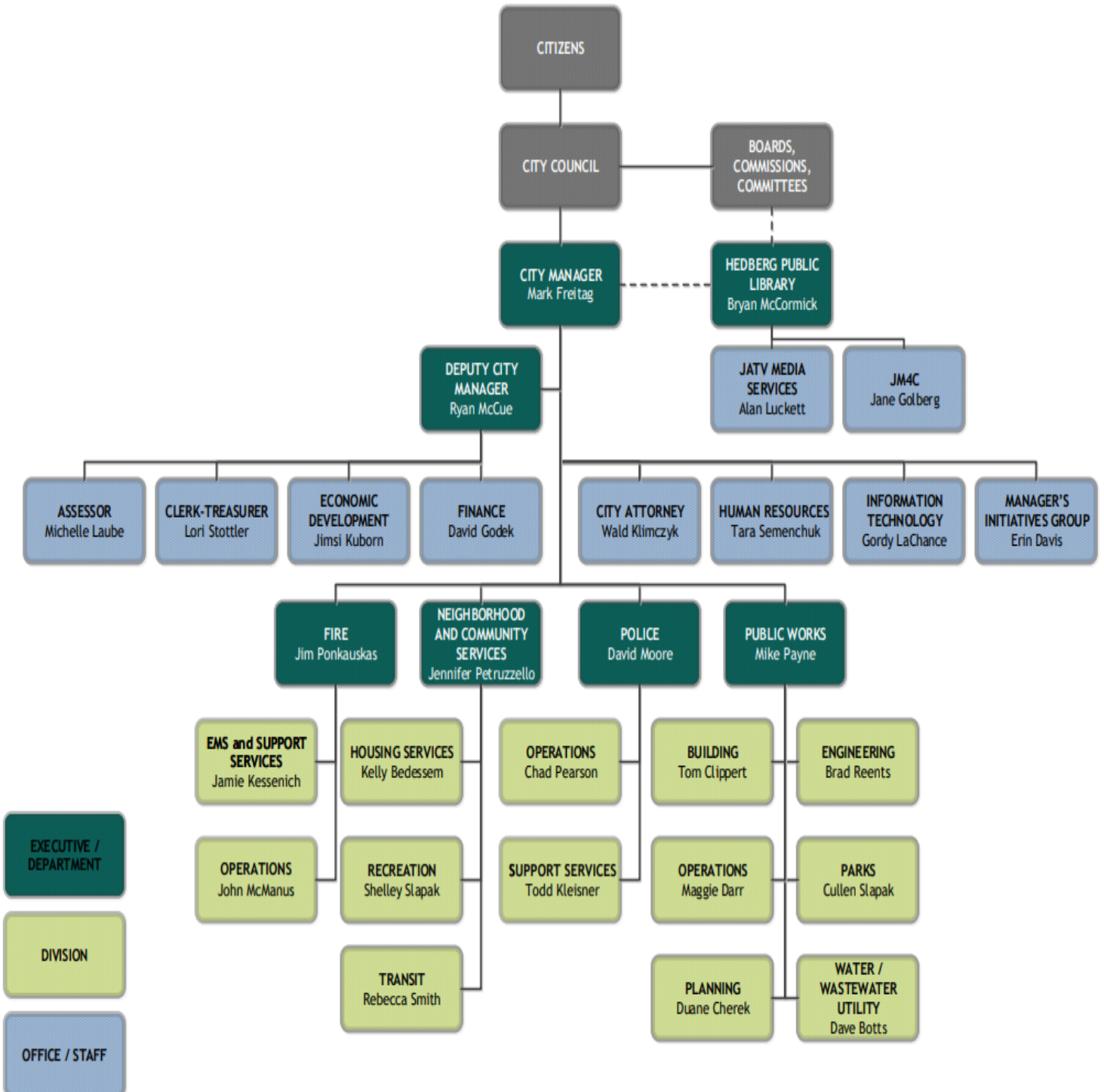
Community Profile

Population ¹	65,615
Median Income ¹	\$55,914
Median Age (Years) ¹	39
Unemployment Rate (March 2022) ²	3.6%
Poverty Rate ¹	11.3%
Total Number of Households ³	28,996
Median Home Value ¹	\$151,400
Equalized Value (Levy Year 2021) ⁴	\$6,069,240,100
City of Janesville Full-Time Equivalent Employees ⁵	526.14

Sources

- ¹ U.S. Census Bureau Estimates
- ² WI Department of Workforce Development
- ³ City of Janesville Building Division, January 1, 2022
- ⁴ 2021 Annual Comprehensive Financial Report
- ⁵ 2021 Annual City Budget

Organizational Chart



2021 City Stats

17,723 Fire Department
 total unit
 responses

500 Families assisted
 monthly through
 Rental Assistance
 Program

60,425 Police
 Department
 activities

12 Miles of streets
 rehabilitated

163,569 Recreation program
 participants

118 New hires &
 promotions
 (including
 seasonal)

15,439 Hedberg Public
 Library programs
 and events

2,290 Signs repaired
 and installed

20,698 Feet of storm
 sewer cleaned

770,100 Square feet of new or
 rehabilitated space

146 New home building
 permits issued

280,299 Rides provided
 by JTS

1,961 Water meters
 installed

140 Water main
 breaks repaired

Awards and Accomplishments

Certificate of Achievement for Excellence in Financial Reporting Program: The City of Janesville received this award for fiscal year 2020. This marks the 28th consecutive year the City has received this award.

Award for Outstanding Achievement in Popular Annual Financial Reporting: The City of Janesville received this award for fiscal year 2020. This was the third consecutive year the City received the award, which is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.



2021 Community Improvement Award: Forward Janesville, Inc. selected the City of Janesville as one of four co-recipients of the 2021 Community Improvement Awards. The City received this award for its efforts during the Interstate 39/90 Expansion Project.

HPL Named 2021 Educator of the Year: The Hedberg Public Library received a community honor when Forward Janesville, Inc. announced they had selected the library as their 2021 Educator of the Year. In 2021, over 15,000 people of all ages attended library classes and programs.



Statewide Project of the Year: The American Public Works Association-Wisconsin Chapter announced that the City's West Milwaukee Street Bridge project had been awarded its 2021 Small Cities/Rural Communities Project of the Year. This honor is given to a public works project in a city or county with a population of 75,000 or less that demonstrates creativity, ingenuity, and efficiency in the delivery of public works projects that have a profound impact on the community.

Tree City USA: Wisconsin's Park Place was named a 2021 Tree City USA by the Arbor Day Foundation for the eighteenth year running. Janesville, which prides itself on its parks, has received this special designation every year since 2004.



JTS Receives Perfect Federal Review: The Janesville Transit System received zero findings from their Federal Transit Administration's Triennial Review of the agency. A deficiency-free review is considered a rare and exceptional achievement. The review examined 21 key review areas, including financial capacity and management, technical capacity, ADA and Title VI compliance, among other categories.

Senior Center Reaccreditation: The Janesville Senior Center received reaccreditation status through the Wisconsin Association of Senior Centers (WASC). The WASC first accredited the Janesville Senior Center in 2011 and reaccredited it in 2017.

Wisconsin's Park Place

Wisconsin's Park Place offers diverse opportunities with its 2,609-acre park system, which includes 64 improved parks. Janesville's parks are divided into categories that include regional parks, community parks, neighborhood parks, greenbelts, and open spaces. Regional parks are designed to provide recreational opportunities to all local residents and those from surrounding communities. Community parks are designed to serve residents within a radius of a few miles. Lastly, neighborhood parks are designed for the individual neighborhoods in which they are located. The various parks provide an arboretum, Lion's Beach, outdoor swimming at Rockport Pool and the Palmer Park Wading Pool, the Riverside Park Splash Pad, tennis courts, four lighted softball fields, sledding hills, ten miles of cross-country ski trails, 31 miles of paved bike trails, and picnic pavilions.



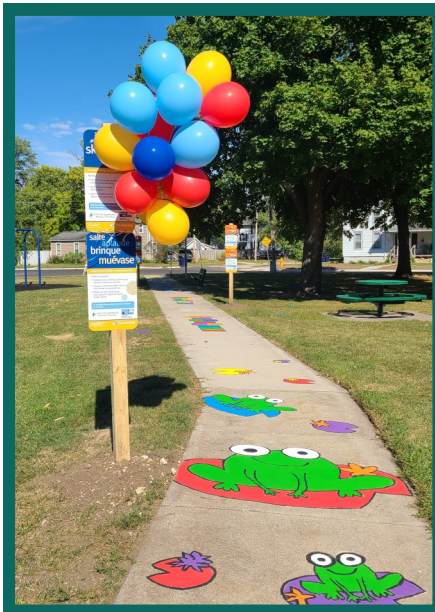
2021 Major Park Accomplishments



Installed playgrounds at Vista Park and the Youth Sports Complex.



Re-surfaced the park road, boat launch, and splashpad parking lots at Riverside Park.





2022 - 2026 Strategic Plan

The 2022-2026 Strategic Plan serves as the road map over the next five years to guide the community's vision to be **THE COMMUNITY OF CHOICE TO REALIZE LIFE'S OPPORTUNITIES**. The Plan outlines goals coupled with objectives and strategies to help the City make significant, measurable improvements.

VISION: WISCONSIN'S PARK PLACE: Discover the community of choice to realize life's opportunities.

MISSION: To innovatively provide effective municipal services that are responsive to the needs of residents, businesses, and visitors and delivered in a reliable, efficient manner in order to sustain Janesville as the community of choice.

STRATEGIC GOALS:

DOWNTOWN

To position our downtown as a vibrant neighborhood where commerce, culture, entertainment, and history intersect.

FINANCIAL SUSTAINABILITY

To remain a responsible and forward-thinking steward of financial resources.

INFRASTRUCTURE

To build upon the community's foundation of well-planned, maintained, dependable, and sustainable infrastructure.

PERFORMANCE CULTURE

To cultivate an organizational environment that empowers an engaged, innovative, and diverse municipal employee base.

SAFE & HEALTHY COMMUNITY

To advance safety and overall well-being of residents and neighborhoods through cooperation and encouraging an active lifestyle.

ECONOMY

To facilitate continued growth and diversification of our local economy.

IMAGE & ENGAGEMENT

To strategically communicate the City's strengths, priorities, and initiatives while maintaining trust and confidence through effective engagement.

PARTNERSHIPS

To embrace and enhance collaboration with local, regional, national, and global stakeholders to realize shared success.

ROCK RIVER CORRIDOR

To promote, enhance, and respect the unifying feature of our community.



Park Place Performs! is an online dashboard enabling the community to track progress of the City's strategic goals. Explore today by visiting <https://performance.ci.janesville.wi.us/>.

Visit www.janesvillewi.gov/strategicplan to view the full 2022-2026 Strategic Plan.

What's Happening Around the City



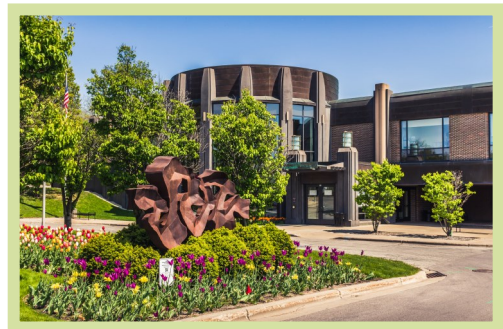
Economic Development facilitated Tax Increment Financing in 2021 to spur \$6.9M in investment, guaranteeing \$436,000 in annual property tax increment and \$19.2M in new property value.



JPD and the community experienced a 40-year low crime rate in 2021. 2021 also allowed the Department to revisit community outreach in an ongoing commitment to build community trust.



The Assessor's Office completed a maintenance assessment roll in 2021. The next citywide revaluation of residential and commercial property is scheduled for 2023.



The Hedberg Public Library provided resources and services to the community through a main library, an Express Branch at the Uptown Janesville mall, and in neighborhoods via a Bookmobile.



The Janesville Transit System will receive two replacement buses in July 2022 and has applied for funds for an electric bus pilot program.



The Housing Services Division and HUD initiated a Foster Youth to Independence Voucher Program to support local youth aging out of Foster Care.



City Funds

The City utilizes five main fund types to account for governmental services. These funds are grouped into two separate categories: governmental activities and business-type activities. Governmental activities are the basic services provided by the City and include services such as public safety (police and fire); public works; parks and recreation; library; and general administration. Business-type activities include stormwater, water, sewer, and transit services. These are considered business-type activities because fees are charged to customers to cover the cost of providing these services.

General Fund

The chief operating fund of the City, includes general government; public safety; public works; parks and recreation; neighborhood and community services; and economic development expenditures.

Special Revenue Funds

Account for activities where dollars are restricted to specific purposes such as Hedberg Public Library, Tax Increment Financing (TIF) Districts, the landfill, and grants.

Capital Projects Funds

Account for construction and acquisition of major capital assets including vehicles and equipment.

Debt Service Fund

Account providing for the repayment of long-term debt associated with capital projects.

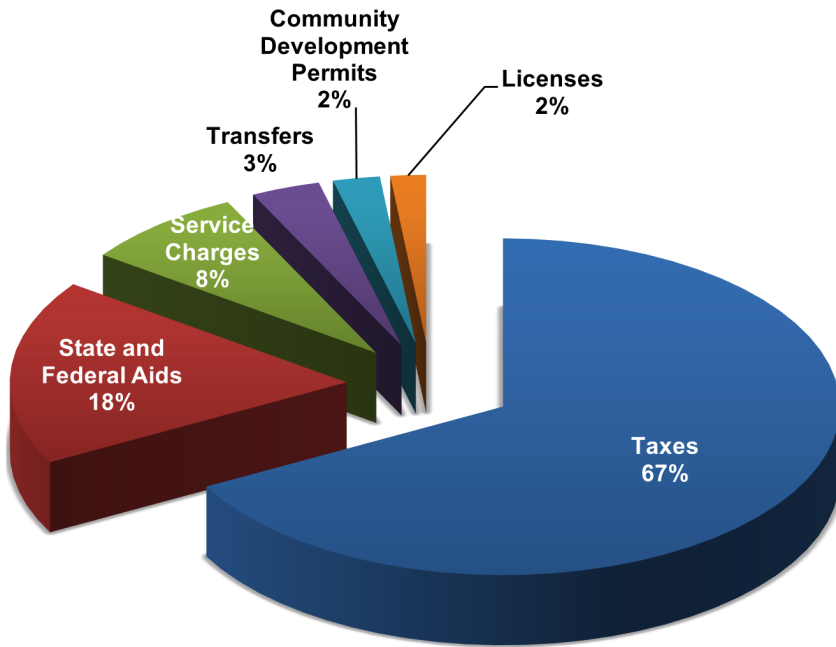
Enterprise Funds

Account for the activities that operate much like a business in that services are supported by user fees such as the Water and Wastewater Funds.

This is a summarized report presented to citizens to better understand the City of Janesville's 2021 Annual Comprehensive Financial Report. This report is largely derived from the 2021 Annual Comprehensive Financial Report and utilizes the same measurement focus and basis of accounting. However, it is not prepared in accordance with generally accepted accounting principles (GAAP). The 2021 Annual Comprehensive Financial Report can be found on the City's website at www.janesvillewi.gov/annualreport.

General Fund

The General Fund is the chief operating fund of the City and provides for municipal services that are primarily funded by property taxes.



Revenues

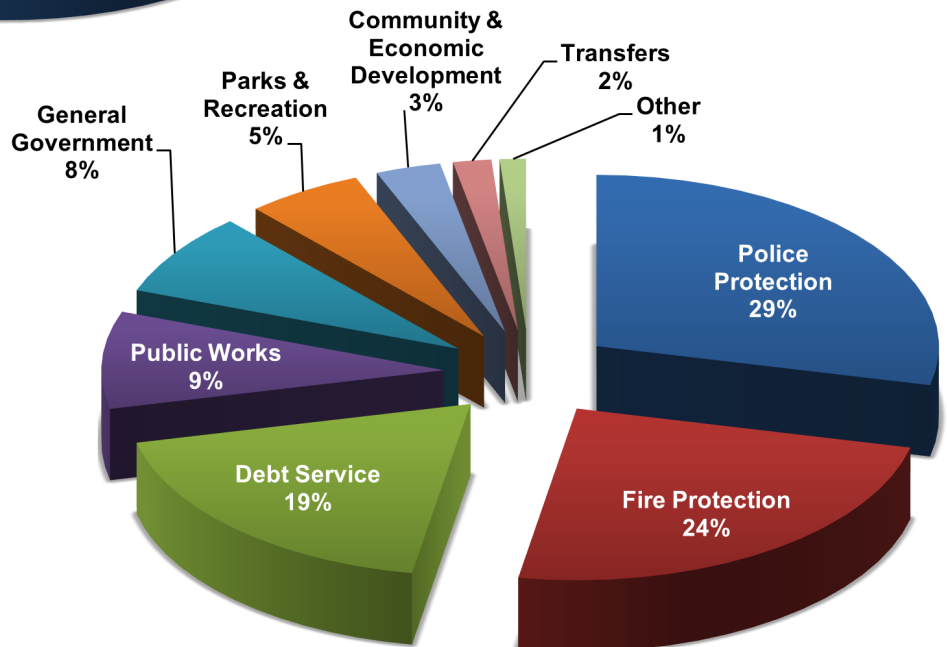
In 2021, the General Fund received \$52,238,983 in revenue.

The chart to the left depicts the variety of revenue sources collected in the General Fund. The General Fund's largest source of revenue is from taxes at \$34,736,256, or 67%, followed by state and federal aids at \$9,200,713, or 18%.

Expenditures

In 2021, the General Fund had \$51,324,102 in expenditures.

The chart to the right depicts the variety of programs funded by the General Fund. The General Fund's largest expenditures were for public safety (Police and Fire Protection) at \$27,062,521 or 53%. The next largest expenditure was for Debt Service, at \$9,571,360, or 19%.



In 2021, the difference between actual General Fund revenues and expenditures resulted in a \$914,881 increase in fund balance. The General Fund ended the year with a fund balance of \$11,132,340.

Property Taxes

Property taxes are the City's largest source of revenue, used to pay for library and city-provided services such as police protection, fire protection, parks and recreation, snow removal, and much more. About two-thirds of the costs to administer City government and library services are funded through property taxes. The remaining non-property tax revenue comes from financial aid from the State of Wisconsin, user fees, permit fees, non-property taxes, interest, rents, or fines.

2021 MONTHLY TAX BILL FOR AVERAGE HOME*

Service	Amount	%
Police Protection	\$26.49	29%
Fire Protection	\$19.78	22%
Public Works	\$17.49	19%
General Government	\$9.58	11%
Library	\$8.52	9%
Parks and Recreation	\$5.17	6%
Janesville Transit System	\$1.52	2%
Community & Economic Development	\$0.73	1%
Other	\$1.13	1%
TOTAL	\$90.41	100%

To the left is the average home's 2021 City tax bill broken down by cost per service per month. The property taxes by service percentages differ from page 10 as transfers, subsidies, and debt service are allocated to the corresponding services and each service is credited for program revenue. Once complete, the remainder is an allocation of the tax levy for each service.

The average home's \$90.41 monthly bill covers municipal government services, but does not provide state and county services. The property tax bill adds together the tax levy of four different taxing jurisdictions, not just the City of Janesville. Instead of requiring that separate bills be paid to each governmental unit, the levies from all four are combined into one bill. After the property tax bill is paid, the money is divided and each taxing jurisdiction receives its share. The distribution of property taxes by jurisdiction can be found below:

- City of Janesville = 33%
- School District of Janesville = 36%
 - Rock County = 26%
- Blackhawk Technical College = 5%

* assessed value of \$148,900 (2021)

- Police Protection
- Fire Protection
- Public Works
- General Government
- Library
- Parks and Recreation
- Janesville Transit System
- Community & Economic Development
- Other



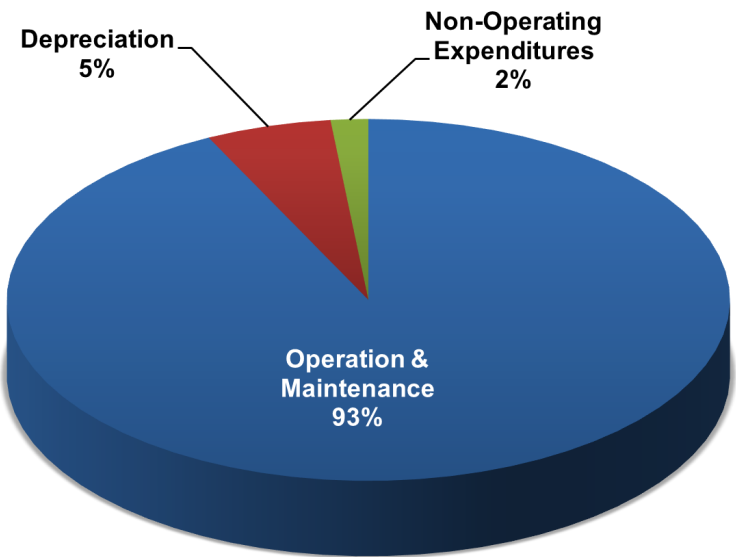
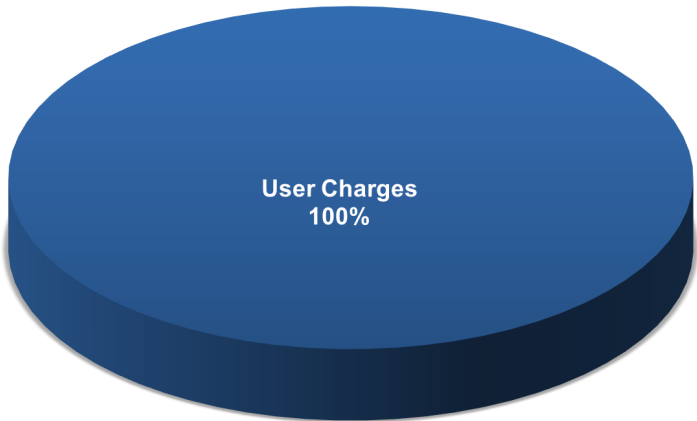


The Stormwater Utility, created in 2003, collects and conveys stormwater through the use of public streets, catch basins, storm sewers, detention/retention basins, and greenbelts. The system includes over 161 miles of storm sewers, 15 miles of drainage ways (including greenbelts), and 27 detention/retention basins.

Revenues

In 2021, the Stormwater Utility Fund received \$5,895,967 in operating revenue.

The chart to the right depicts the revenue sources collected in the Stormwater Utility Fund. The Stormwater Utility's largest source of revenue is from User Charges at \$5,895,967, or 100%.



Expenditures

The Stormwater Utility Fund had \$4,524,859 in operating expenditures in 2021.

The chart to the left depicts the expenditures of the Stormwater Utility Fund. The Stormwater Utility's Operating & Maintenance expenditures were \$4,266,635, or 93%, followed by Depreciation at \$258,224, or 5%.

In 2021, the difference between actual Stormwater Utility Fund revenues and expenditures resulted in operating income of \$1,371,108. The Stormwater Utility Fund ended the year with net position, which represents total assets less total liabilities, of \$10,730,645. This is a \$1,310,276 increase in net position from 2020.

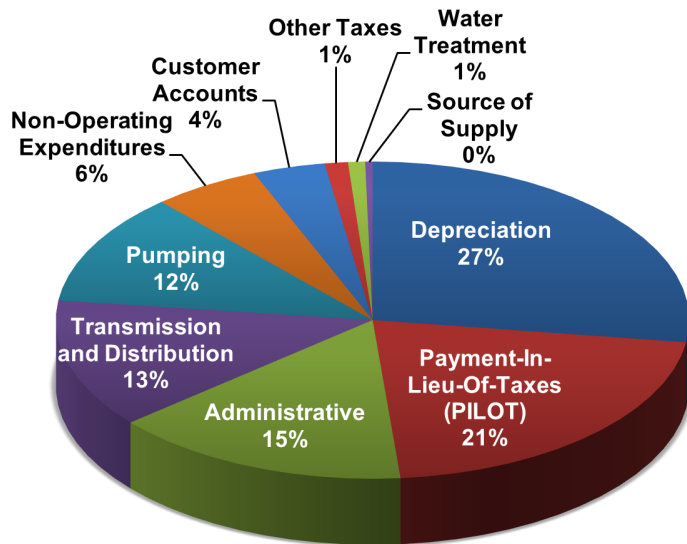
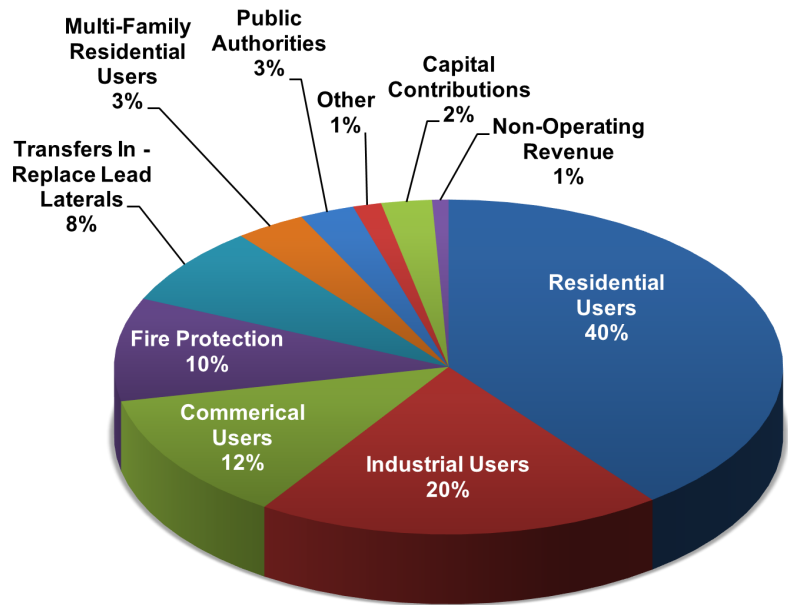


The Water Utility manages the water distribution system, which consists of a network of over 372 miles of water mains. The water supply for the City of Janesville includes the operation and maintenance of eight wells, three booster stations, two water storage reservoirs, and one elevated tower.

Revenues

In 2021, the Water Utility Fund received \$14,175,292 in operating revenue.

The chart to the right depicts the variety of revenue sources collected in the Water Utility Fund. The Water Utility's largest source of revenue is from Residential Users at \$6,296,170, or 40%, followed by Industrial Users at \$3,131,770, or 20%.



Expenditures

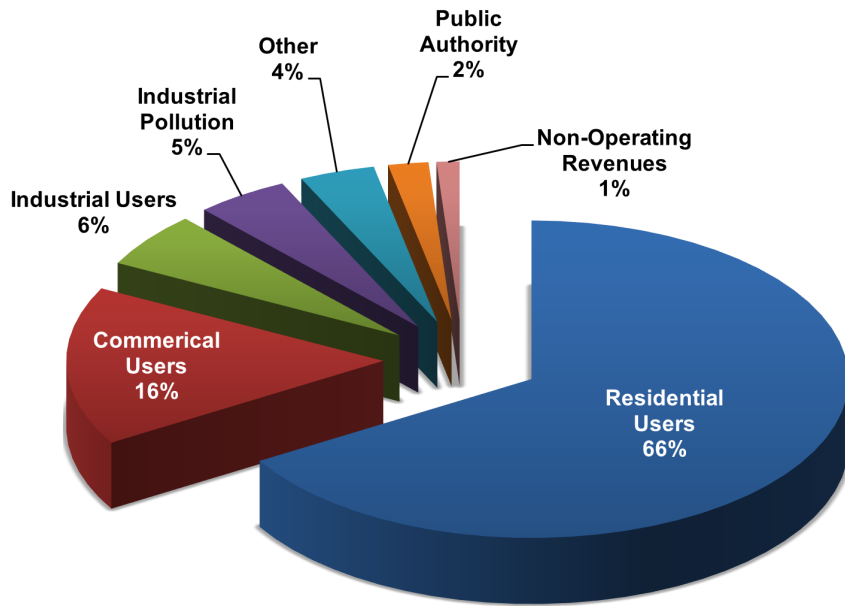
The Water Utility Fund had \$5,603,547 in operating expenditures in 2021.

The chart to the left depicts the variety of programs funded by the Water Utility Fund. The Water Utility's largest expenditures were for Depreciation at \$2,087,395, or 27%, and Payment-in-Lieu-of-Taxes (PILOT) at \$1,636,149, or 21%.

In 2021, the difference between actual Water Utility Fund revenues and expenditures resulted in operating income of \$8,571,745. The Water Utility Fund ended the year with net position, which represents total assets less total liabilities, of \$61,630,487. This is an \$8,244,203 increase in net position from 2020.

Wastewater Utility

The Wastewater Utility manages the sewage collection system, which consists of approximately 350 miles of sewer main. Additionally, the wastewater treatment plant, located off Afton Road, tests and treats sewage in a manner that complies with all state and federal environmental regulations.



Revenues

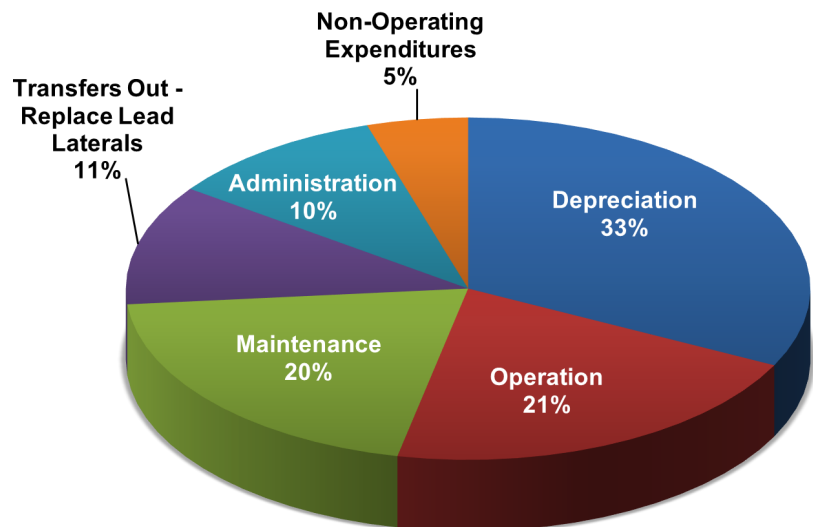
In 2021, the Wastewater Utility Fund received \$11,105,352 in operating revenue.

The chart to the left depicts the variety of revenue sources collected in the Wastewater Utility Fund. The Wastewater Utility's largest source of revenue is from Residential Users at \$7,459,384, or 66%. This is followed by Commercial Users at \$1,817,143, or 16%.

Expenditures

The Wastewater Utility Fund had \$8,962,662 in operating expenditures for 2021.

The chart to the left illustrates the variety of programs funded through the Wastewater Utility Fund. The Wastewater Utility's largest expenditures were for Depreciation at \$3,462,912, or 33%, and Operation at \$2,235,703, or 21%.



In 2021, the difference between actual Wastewater Utility Fund revenues and expenditures resulted in an operating income of \$2,142,690. The Wastewater Utility Fund ended the year with net position, which represents total assets less total liabilities, of \$59,122,185. This is a \$607,342 increase in net position from 2020.

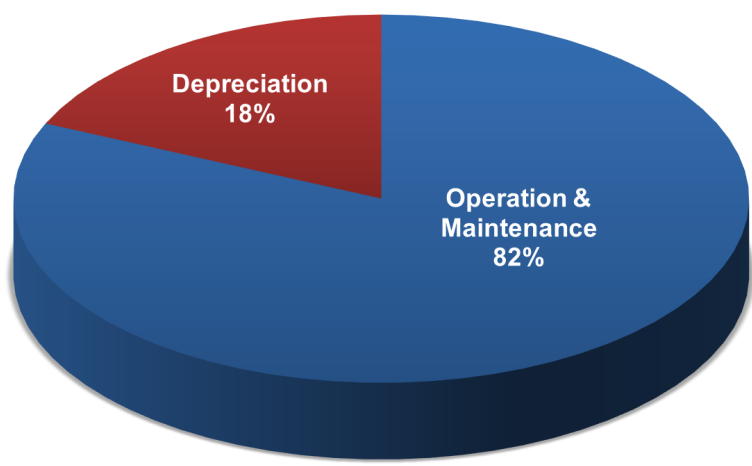
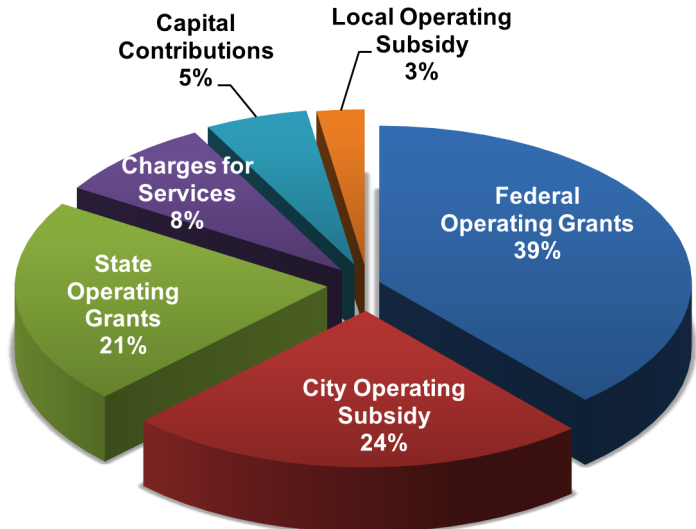


The Janesville Transit System (JTS) offers bus service Monday through Saturday on six routes in Janesville, and operates the Beloit-Janesville Express on weekdays. "Dial-A-Ride" paratransit service is available for persons with disabilities who are unable to use the city buses.

Revenues

In 2021, the Transit Fund received \$332,099 in operating revenue.

The chart to the right depicts the revenue sources collected in the Transit Fund. Transit's largest source of revenue is from Federal Operating Grants at \$1,536,879 or 39%, followed by City Operating Subsidy at \$957,411, or 24%.



Expenditures

The Transit Fund had \$4,354,905 in operating expenditures in 2021.

The chart to the left depicts the expenditures of the Transit Fund. Transit's Operating and Maintenance expenditures were \$3,557,515 or 82%, followed by Depreciation at \$797,390, or 18%.

In 2021, the difference between actual Transit Fund operating revenues and expenditures resulted in operating loss of \$4,022,806. The Transit Fund ended the year with net position, which represents total assets less total liabilities, of \$13,251,553. This is a \$369,026 decrease in net position from 2021.

Other Funds

Sanitation Fund

The Sanitation Fund received \$11,216,198 in revenue and had \$9,467,764 in expenditures, resulting in a \$1,748,434 increase in fund balance.



Hedberg Public Library

The Library received \$4,167,719 in revenue and had \$3,966,201 in expenditures, resulting in a \$201,518 increase in fund balance.



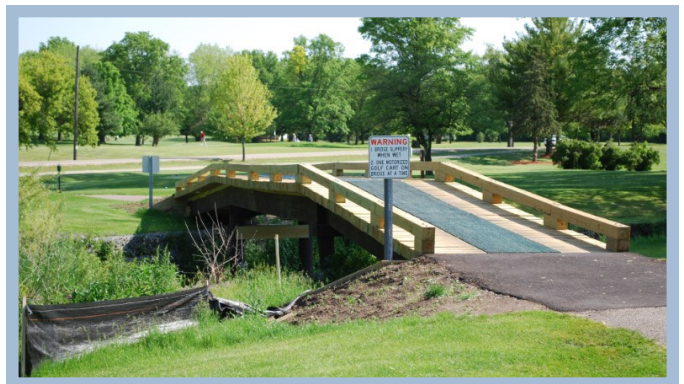
Oak Hill Cemetery

Oak Hill Cemetery received \$197,230 in revenue and had \$231,838 in expenditures, resulting in a \$34,608 decrease in fund balance.



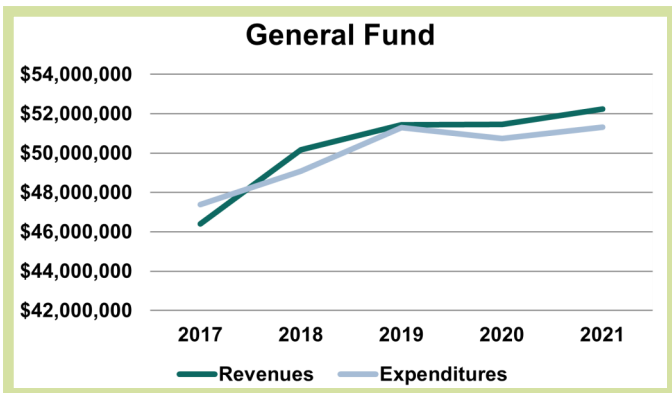
Golf Course

The Golf Courses received \$1,466,134 in revenue and had \$1,400,393 in expenditures, resulting in a \$65,741 increase in fund balance.



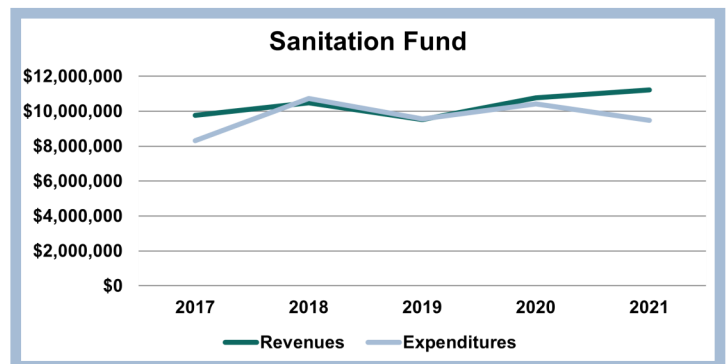
Five-Year Trend for Major Funds

The charts below illustrate revenue and expenditure trends for the City's major operating funds: General Fund, Sanitation Fund, and Stormwater Utility Fund. The analyses provide comparative data for the past five years.

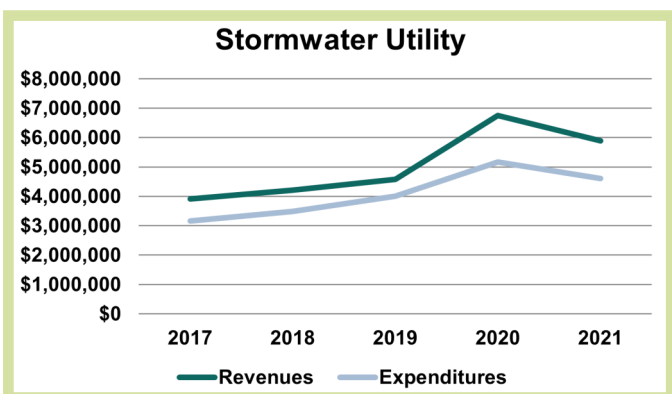


The General Fund experienced an end-of-year, positive net change in fund balance four of the last five years. The General Fund ended the year with a positive net change in fund balance of \$1,099,364 in 2018, \$144,278 in 2019, \$700,909 in 2020, and \$914,881 in 2021. 2017 experienced negative net changes to fund balance.

The Sanitation Fund experienced a positive net change in fund balance in three of the last five years. The Sanitation Fund ended the year with a positive net change in fund balance of \$1,434,751 in 2017, \$346,114 in 2020, and \$1,748,434 in 2021.



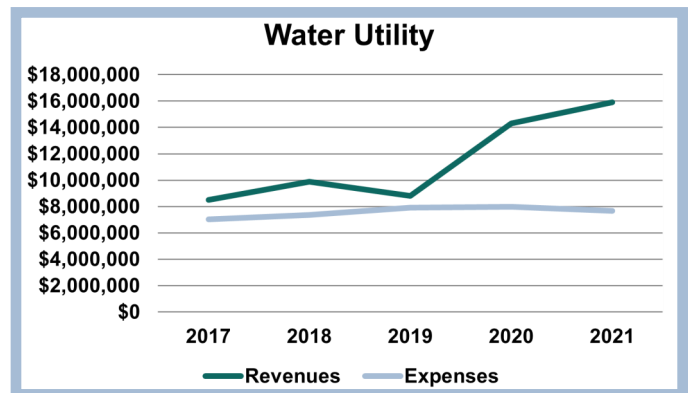
The Stormwater Utility Fund experienced an end-of-year, positive net change in net position from 2017 to 2021. The Stormwater Utility Fund ended the year with a positive net change in net position of \$742,649 in 2017, \$716,146 in 2018, \$574,188 in 2019, \$1,588,434 in 2020, and \$1,310,276 in 2021.



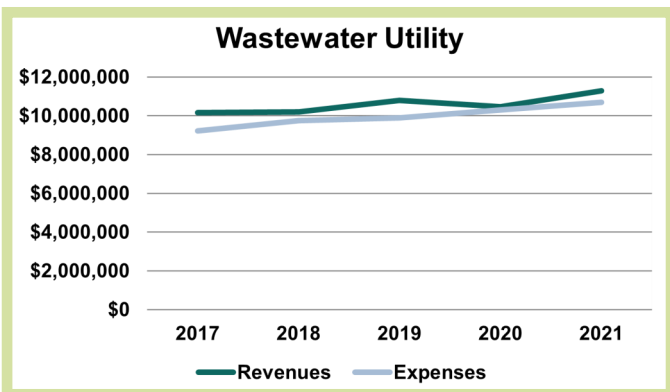
Five-Year Trend for Major Funds

The charts below illustrate revenue and expenditure trends for the City's major operating funds: Water Utility Fund, Wastewater Utility Fund, and Transit Fund. The analyses provide comparative data for the past five years.

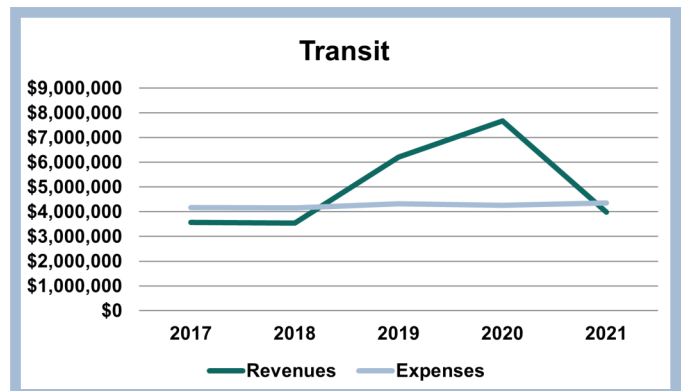
The Water Utility Fund experienced an end-of-year, positive net change in net position from 2017 to 2020. The Water Utility Fund ended the year with a positive net change in net position of \$1,491,317 in 2017, \$2,521,079 in 2018, \$894,881 in 2019, \$6,349,266 in 2020, and \$8,244,203 in 2021.



The Wastewater Utility Fund experienced an end-of-year, positive net change in net position from 2017 to 2021. The Wastewater Utility Fund ended the year with a positive net change in net position of \$933,103 in 2017, \$456,806 in 2018, \$900,046 in 2019, \$151,313 in 2020, and \$607,342 in 2021.



The Transit Fund experienced an end-of-year, positive net change in fund balance in two of the last five years. The Transit Fund ended the year with a positive net change in fund balance of \$1,889,918 in 2019 and \$3,408,795 in 2020. The years 2017, 2018, and 2021 experienced negative net changes to fund balance.



Financial Transparency

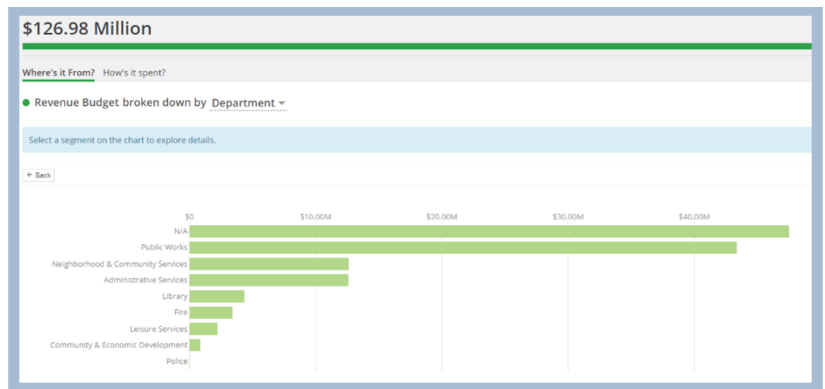
The City of Janesville provides two financial transparency websites, Open Budget and Open Expenditures. The websites represent an ongoing coordinated effort by the City of Janesville to cultivate an open and transparent local government for the community.

Open Budget offers a guided view through the financial complexities of the City of Janesville annual budget and includes data for 2008 through the current year. Open Expenditures contains all City expenditures including payments made to vendors and other obligated parties by the City of Janesville for 2010 and beyond. Users can search to find information about certain vendors or accounts, or drill down to see the budget and expenditures of specific programs such as snow removal or fire prevention.

The entire suite of open government websites, including a performance dashboard, Park Place Performs!, are available through the City's website at www.janesvillewi.gov/openjanesville. Users can explore the Open Budget and Open Expenditure website by visiting the following websites:

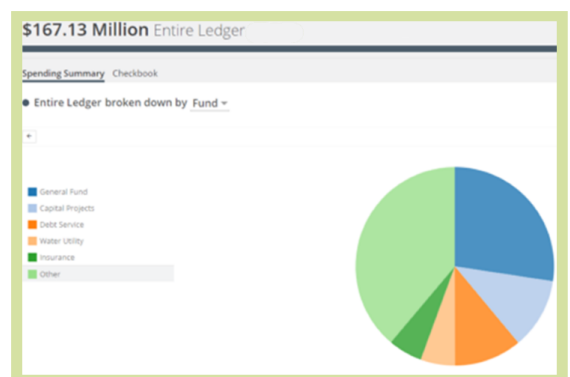
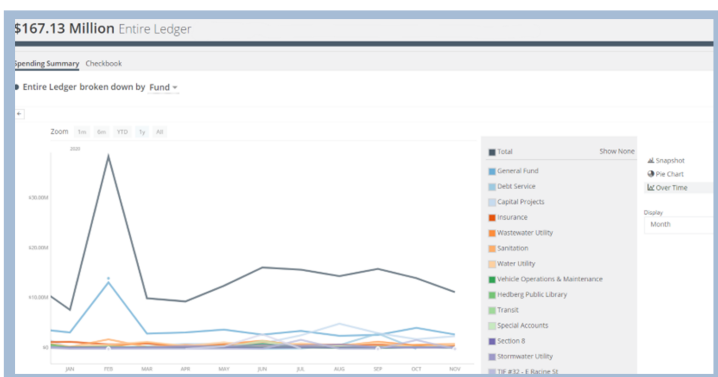
Open Budget

budget.ci.janesville.wi.us



Open Expenditures

expenditures.ci.janesville.wi.us





The City of Janesville’s website (www.janesvillewi.gov) provides visitors with a wealth of information about City news, services, current projects, and upcoming events.

To receive weekly press releases and notifications about snow emergencies, newsletters, and more via email, follow this link (www.janesvillewi.gov/emailists).



Click to visit our Facebook page



Click to visit our LinkedIn page



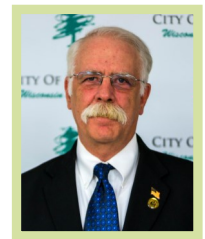
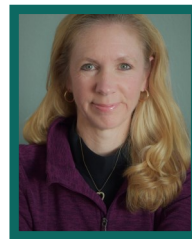
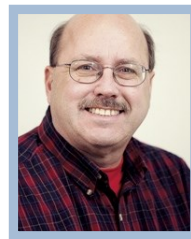
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Emergency Alerts and Updates



2022-2023 City Council

Left to Right: Council President Paul Benson, Council Vice President David Marshick, Councilmembers Aaron Burdick, Michael Jackson, Doug Marklein, Heather Miller, and Paul Williams.

Councilmembers are elected at large, representing residents in the whole city. To send a letter to one or all of the Councilmembers, you may send it to City Council, City Hall, P.O. Box 5005, Janesville, WI, 53547-5005 or via email at CityCouncil@ci.janesville.wi.us.

COUNCILMEMBER	VOICEMAIL	CELL PHONE	E-MAIL
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David Marshick, Council Vice President	608-373-6015		marshickd@ci.janesville.wi.us
Aaron Burdick, Councilmember	608-373-6014		burdicka@ci.janesville.wi.us
Michael Jackson, Councilmember	608-373-6017	608-921-6453	jacksonm@ci.janesville.wi.us
Doug Marklein, Councilmember	608-373-6016	608-436-1428	markleind@ci.janesville.wi.us
Heather Miller, Councilmember	608-373-6013		millerh@ci.janesville.wi.us
Paul Williams, Councilmember	608-373-6011	608-751-6979	williamsp@ci.janesville.wi.us