

City of Janesville
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR ENDING
DECEMBER 31, 2011



Pictured is the recently constructed Harmony Grove Playground.



The Janesville Police Department was recently recognized for their efforts in reducing domestic violence. Pictured is the Domestic Violence Intervention Team receiving the Governor's Council Award from Senator Tim Cullen.



Janesville recently began producing compressed natural gas for use in wastewater treatment plant vehicles.

Janesville, Wisconsin

CITY OF JANESVILLE, WISCONSIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2011



Prepared By:

Departments of Administrative Services and Accounting

Jacob Winzenz, Director of Administrative Services/Assistant City
Manager
Patty Lynch, CPA, Comptroller
Amanda Price, CPA, Senior Accountant
Steve Wanninger, CPA, Accountant
Marti Lauer, Customer Service Representative

CITY OF JANESVILLE, WISCONSIN
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2011

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CITY OF JANESVILLE

Wisconsin's Park Place

June 27, 2012

CITIZENS OF JANESVILLE MEMBERS OF THE CITY COUNCIL

It is our pleasure to submit to you the *Comprehensive Annual Financial Report (CAFR)* of the City of Janesville for the year ended December 31, 2011.

This report was prepared by the City's Accounting Division 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 Virchow Krause, LLP, Certified Public Accountants have concluded, based upon its audit procedures, that the City's financial statements for the year ended December 31, 2011 are presented fairly in accordance with audited 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

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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 provides 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-90. Other major population/industrial centers in the area include Beloit, Wisconsin and Rockford, Illinois, which are ten miles and thirty miles, respectively, to the south via Interstate-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 509 full-time and part-time employees.

Major Initiatives

The City Assessor's office completed a city-wide revaluation of all real property located within Janesville. The last city-wide revaluation was completed in 2002 and since that time property increased substantially in value from 2002 through 2008, and then began to decline in value. Because of this increase and subsequent decrease in value, this was a particularly challenging revaluation. Special attention at the onset was devoted to public relations and community information. A citizens committee reviewed the informational materials and made recommendations for communicating with the public.

The website for the City of Janesville was completely redesigned and went live in October, 2011. Vision Internet was selected to redesign the website after evaluating proposals from numerous national firms. The new site is much more user friendly and incorporates a much more robust data-centric economic development component. In addition, the new website incorporates links to social media including Facebook and Twitter.

The application of technology to our daily work has received increased emphasis as we are forced to do more with less. In 2007, the City began the first phase of a multi-phase Enterprise Resource Planning (ERP) project. The first phase involved the replacement of our property records and computer-aided mass appraisal (CAMA) software. Phase II of this project included the replacement of building permit, code enforcement, planning, and complaint tracking software. Phase III, replacing utility billing, receivables, and cash receipts, will be completed in October, 2012. The last phase which includes replacement of the human resources/payroll and general ledger software, which will integrate the new modules and is scheduled to be complete by the end of June, 2012. Many of these applications are not currently integrated and on disparate hardware platforms, so the new software will eliminate redundant data entry and simplify maintenance.

In conjunction with Administrative Services, the City Manager's office continued the city's Budget Advice Scorecard. This was a significant effort to engage the community in priority-setting leading up to the preparation of the 2012 budget. The 2012 Scorecard was modified from 2011 and focused more on the budget gap and alternatives to help close that shortfall. Residents were able to express their preferences for service reductions, revenue enhancements, or a combination of both through a web-based survey. The information received through the Budget Advice Scorecard was one factor used in the preparation of the 2012 budget.

The Janesville Police Department and the Janesville Domestic Violence Intervention Team were recognized for their work to reduce incidences of domestic violence through the receipt of a Governor's Council Award. The department was also re-accredited by the Wisconsin Law Enforcement Accreditation Group (WILEAG). Accreditation by WILEAG is a significant accomplishment that assures the community that the Janesville Police Department has not only updated policies and procedures, but that the department is able to document their regulations in an organized manner to an outside agency.

Janesville Fire Department average door-to-balloon time is well below the gold standard. Door-to-balloon time refers to the time from when paramedics arrive alongside a patient to the time proper

blood flow is restored to the heart. The national benchmark for door-to-balloon time is 120 minutes, while Janesville's 2011 average was 75.8 minutes, or 37% faster than the standard. This increases the likelihood that cardiac patients will have a positive outcome. This achievement is the result of a donation of 12-lead EKG monitors by Mercy Health System in 2009.

South Pearl Street from Court Street to Rockport Road was reconstructed at a cost of approximately \$502,000. Funding for this project was partially provided through the State of Wisconsin Local Roads Improvement Program (\$152,000) with the remainder coming from local funds.

The City of Janesville owns two (2) public golf courses – Riverside (18 holes) and Blackhawk (9 holes). In 1990 these courses were leased to a private company who operated them through December 31, 2010. Effective January 1, 2011, Janesville entered into a management contract for the golf courses with KemperSports. KemperSports was selected after responding to a Request for Qualifications (RQ) mailed to regional and national golf management companies.

The City is invested \$32.1 million to renovate and expand the current Wastewater Treatment Facility to meet the City's needs through 2030. This project is complete and emphasizes energy saving improvements including a green approach for the HVAC system used in the administrative/laboratory building which results in energy savings of 24.5% over a conventional system and the replacement of two aging biogas generators with microturbines which produce enough energy to eliminate the need to purchase natural gas for the heating phase of the digester process.

Related to the renovation and expansion of the Wastewater Treatment Facility the City was awarded a grant in the amount of \$125,000 from the State of Wisconsin for a biogas to compressed natural gas vehicle project. This project converts biogas generated from the treatment of wastewater into compressed natural gas (CNG) that can be used to fuel motor vehicles at a cost of less than \$1 per gallon. As a part of this project five (5) vehicles were modified to use CNG.

The City continued to undertake significant neighborhood revitalization efforts through housing improvement programs and blight elimination. Approximately \$1.2 million in funding was awarded through the federal Neighborhood Stabilization Program (NSP) Grant to purchase foreclosed or abandoned residential properties for rehabilitation or blight elimination purposes. In 2011, the City completed the rehabilitation of three homes and resold one of these homes to a low to moderate income household. Rehabilitation of 3 additional homes is anticipated to be completed in 2012. The City received an additional allocation of over \$600,000 through the federal Neighborhood Stabilization 3 Program (NSP3). Under the NSP 3 program, we entered into an agreement with the Wisconsin Partnership for Housing Development to acquire and rehabilitate five vacant, foreclosed properties and construct one new home. In 2011, three homes were purchased and plans were underway for the design of one new home. An additional seven blighted properties were purchased for demolition. The City received over \$500,000 from the Lead Hazard Reduction Demonstration program grant to address lead hazards in conjunction with the City's Home Improvement Program and Rental Rehabilitation Program.

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 2007 retail sales represented 43% of the \$2.4 billion in retail sales reported for Rock County.

The national recession has hit Janesville hard primarily due to the closing of the General Motors plant in December 2008 and related businesses. The City of Janesville unemployment rate averaged 13.8% in 2009, however, the average 2010 rate improved to 11.4%, and as of December 2011, the unemployment rate had fallen to 8.3%.

Janesville has invested in modernization of its educational infrastructure. Expansion and remodeling projects have continued to be implemented at Janesville's Craig and Parker high schools. In addition, there have been recent expansion projects at Blackhawk Technical College and the University of Wisconsin-Rock County campus, as well as enrollment surges at these colleges from displaced workers. Blackhawk Technical College for the school year 2010-2011 has seen a 54% increase in enrollment. UW-Rock County has recently approved a Bachelors Degree program of Applied Arts and Science that will go along with its Bachelor Degree programs in Nursing and Engineering.

The continued diversification of the local economy is evidenced by regional medical facilities, lead by Mercy Health Care System, taking over as the City's largest employer. In 2011 SSM Health care and Dean Health System open a new medical campus on Janesville's east side. The campus includes the \$90 million St. Mary's Janesville Hospital and the \$60 million Dean Clinic. The new St. Mary's Janesville Hospital is expected to create 350 new health care professional jobs in Janesville. In addition, Mercy Health System completed renovations at their downtown medical campus and completed the construction of a new \$6 million, 24,000 square foot emergency room/clinic on Janesville's northeast side.

Industrial attraction has always been an important element in Janesville's economic development program. The City is currently implementing a "Speed to Market" marketing strategy as a way of differentiating itself from other communities. "Speed to Market" means that Janesville has the infrastructure and processes in place that will allow a company to begin its construction activities in as little time as possible. Components of this include pre-developed preliminary site designs and drawings of industrial buildings, the Highway 11 Business Park; a 224 acre business park certified as "shovel ready" by Ady International and Austin Consulting, and expedited permitting procedures. Our certified site is one of three sites so designated in the state of Wisconsin.

Janesville was awarded a \$1.2 million grant from the U.S. Department of Commerce. The grant, combined with a 46% match from TIF funds and industrial land will construct a 22,000 square foot business innovation incubator with a construction cost of \$2,016,500. The Janesville Innovation Center will provide tenants with the physical space and technical expertise in development and growth strategies by organizations such as the UW-Whitewater Small Business Development Center. Construction is underway with completion in November 2012.

Other signs of recovery have been seen in Janesville. In 2011 several companies committed to relocate to or expand in Janesville including United Alloy which constructed a 21,000 square foot addition valued at \$800,000 and committed to create an additional 32 jobs; Miniature precision Components relocated from Walworth and occupied 250,000 square feet in an existing building and committed to create 90 new jobs; and SHINE Medical Technologies which announced their decision to locate in Janesville. SHINE creates isotopes used in medical imaging and will construct a 35,000 square foot facility with a value of \$25 million and will employ 125 persons.

The City retained a consultant to help in the identification and evaluation of brownfield redevelopment sites in the central city. This project is being funded through a \$400,000 grant from the USEPA Brownfield Grant program. The funding will provide for Phase I and Phase II test for petroleum and hazardous materials at sites within the city. This assessment grant is the first step towards identification, remediation, and redevelopment of portions of the Central City.


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 (CAFR)* for the fiscal year ended December 31, 2010. This was the seventeenth 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 CAFR 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.

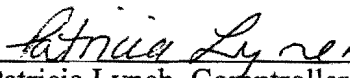
A *Certificate of Achievement* is valid for a period of one year only. We believe that our current *Comprehensive Annual Financial Report* continues to meet the Certificate of Achievement Program’s requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this *Comprehensive Annual Financial Report* was made possible by the dedicated commitment and hard work of each member of the Administrative Services and Accounting staff.


Eric J. Levitt, City Manager


Jacob J. Winzenz, Director of Administrative Services/Assistant City Manager


Patricia Lynch, Comptroller

DIRECTORY OF OFFICIALS

CITY OF JANESVILLE, WISCONSIN
General Information
June 1, 2012

ELECTED OFFICIALS

CITY COUNCIL

TERM EXPIRES

Kathleen A. Voskuil, Council President	April 2014
Deb Dongarra-Adams, Council Vice President	April 2013
Jim Farrell	April 2014
Matthew J. Kealy	April 2014
Samuel E. Liebert	April 2013
DuWayne Severson	April 2013
Russ Steeber	April 2013

CERTIFIED PUBLIC ACCOUNTANTS

Baker Tilly Virchow Krause, LLP
Madison, Wisconsin

BOND COUNSEL

Kutak Rock
Chicago, Illinois

FINANCIAL CONSULTANTS

Wisconsin Public Finance Professionals LLC
Milwaukee, Wisconsin

CITY OF JANESVILLE, WISCONSIN
General Information
June 1, 2012

APPOINTED OFFICIALS

City Manager – Eric J. Levitt

Department Heads

Jim Jensen, Fire Chief

David Moore, Chief of Police

Bryan McCormick, Library Director

Jennifer Petruzzello, Director of Neighborhood Services

Carl Weber, Director of Public Works

Jay Winzenz, Director of Administrative Services/Assistant City Manager

Division Heads

Shelley Slapak, Acting Recreation Director

Vic Grassman, Economic Development Director

Richard Haviza, City Assessor

Wald Klimczyk, City Attorney

Gordy LaChance, Information Technology Manager

Dave Botts, Utility Director

Patty Lynch, Comptroller

David Mumma, Transit Director

Susan Musick, Human Resources Director

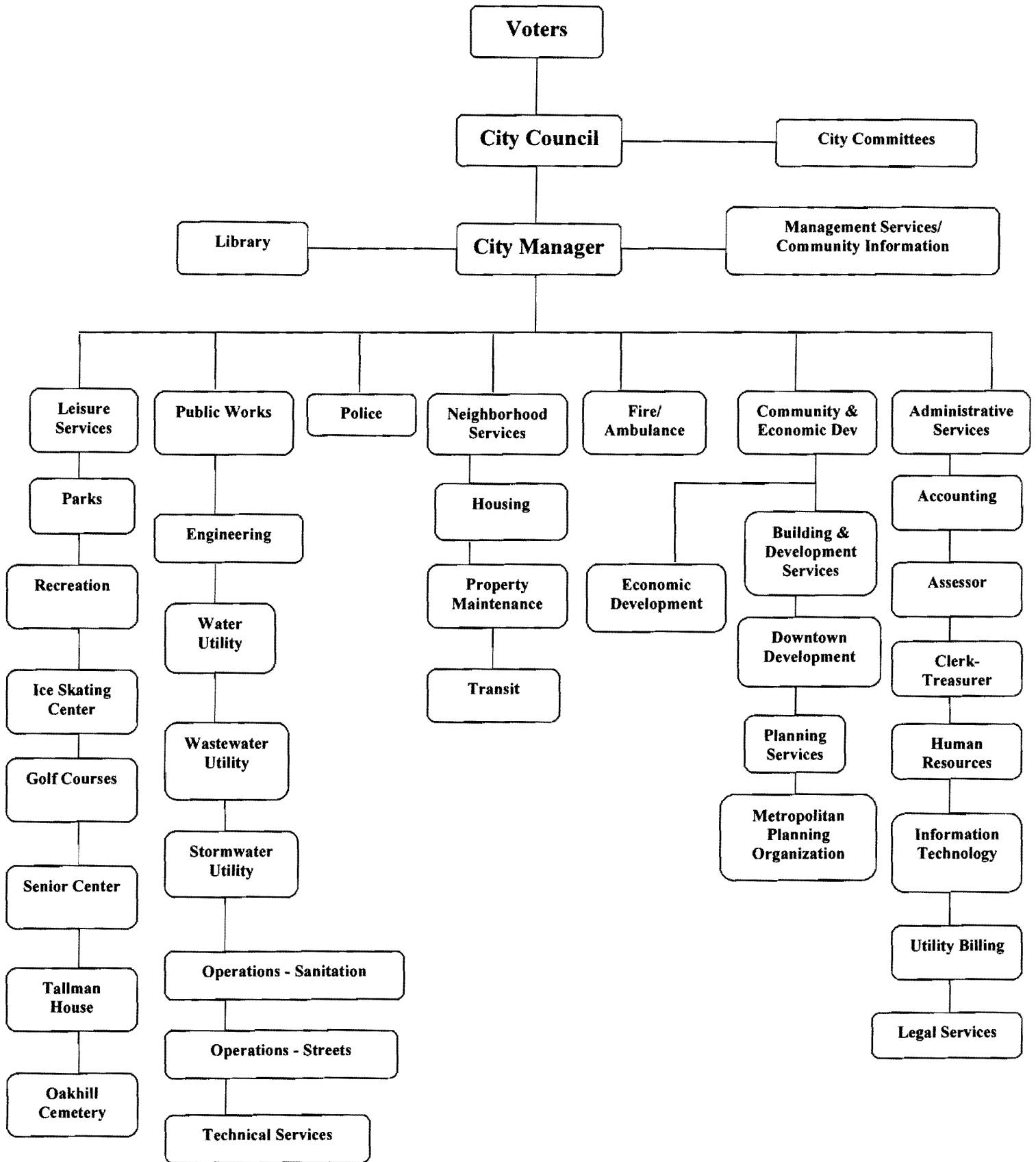
Michael Payne, Engineering Manager

Thomas Presny, Parks Director

John Whitcomb, Operations Director

Jean Wulf, City Clerk-Treasurer

CITY OF JANESVILLE Organizational Chart



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, 2010

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



Linda C. Danison

President

Jeffrey R. Emer

Executive Director

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Janesville
Janesville, Wisconsin

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, 2011, which collectively comprise the city's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Janesville's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note I, the city adopted the provisions of GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, effective January 1, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2012 on our consideration of the City of Janesville's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

To the City Council
City of Janesville

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, and schedule of funding progress 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, economical, 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.

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 combining and individual fund financial statements and schedules as listed in the table of contents 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Janesville's basic financial statements for the year ended December 31, 2010, which are not presented with the accompanying financial statements. In our report dated June 16, 2011, we expressed an opinion that the 2010 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements for the year ended December 31, 2010, taken as a whole.

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 "Letter of Transmittal" and "Statistical Section" listed in the accompanying table of contents 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.


Madison, Wisconsin
June 25, 2012

CITY OF JANESVILLE, WISCONSIN

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, 2011, with comparative data for fiscal year ended December 31, 2010. 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 of the City of Janesville exceeded its liabilities as of December 31, 2011 by \$267,750,168 (net assets). Of this amount, \$248,580,858 represented the City's investment in capital assets, net of related debt, \$17,191,004 was restricted, and \$1,978,306 was unrestricted. The unrestricted net assets may be used to meet the government's ongoing obligation to citizens and creditors.
- > During the year, the City's total net assets increased by \$3,154,151, or 1.2%. These increases indicated that the City's overall financial position improved during 2011. Of this increase, \$1,624,950 was related to governmental functions and \$1,529,201 was attributable to business-type activities.
- > As of December 31, 2011, the City of Janesville's Governmental Funds reported combined ending fund balances of \$28,122,806, an increase of \$1,642,836, or 6.2%, in comparison with the prior year. Approximately 43% of the fund balance, \$12,062,091 is available for spending at the government's discretion (Committed, Assigned, and Unassigned Fund Balance).
- > The General Fund is the main operating fund of the City, and the largest component of the Governmental Funds. As of December 31, 2011, the Assigned and Unassigned Fund Balance for the General Fund was \$8,572,001, or 20.4% of the 2012 budgeted General Fund total expenditures.
- > During 2011, actual General Fund revenues and other financing sources were \$1,481,434 greater than the amount budgeted. Expenditures and other financing uses were \$985,483 less than budgeted. The City's General Fund budget included usage of \$890,000 of Unassigned Fund Balance. Instead of the budgeted fund balance drawdown, the fund balance increased \$1,576,917 because of the favorable budget variances totaling \$2,466,917. Primary factors in this increase are one-time revenues from the dissolution of TIF 14 in the amount of \$427,121 and sale of land to the State of Wisconsin in the amount of \$523,800, as well as expenditure savings from holding vacant positions open due to budget uncertainty.
- > The City of Janesville's total notes, bonds, and capital leases outstanding increased by \$5.6 million to \$107 million. General Obligation debt decreased \$2.1 million from 2010 and revenue bonds increased \$7.7 million to provide partial funding for the Wastewater Utility Treatment Plant upgrade and expansion.

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 15 and 16 of this report.

The *Statement of Net Assets* presents information on all of the City of Janesville's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 a legally distinct entity for which the City has financial responsibility, known as a Component Unit. This Component Unit is the Janesville Community Development Authority (CDA). This entity is described in Note 1 following the Financial Statements. Separately issued financial statements and management discussion information are not published for this component unit.

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 *Fiduciary 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 33 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 29 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 17 - 20 of this report.

Proprietary Funds. Proprietary Funds are used to report the same functions presented as business-type activities in the Governmental-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 Water Utility and Wastewater Utility, which are considered to be major Enterprise Funds of the City of Janesville. Additional enterprise operations for Stormwater Utility and the Transit System are combined into a single aggregate presentation. 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 21 - 25 of this report.

Fiduciary Funds. Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. 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 Funds maintained by the City of Janesville is the Tax Collection Fund and the Disposal Site Study Fund. The Tax Collection Fund records the tax roll and tax collections for other taxing jurisdictions within the City of Janesville. The Disposal Site Study Fund holds funds deposited by industrial responsible parties and the City of Janesville to cover cost for the next year's Industrial Waste Disposal Fund Activity. The basic Fiduciary Fund Financial Statements can be found on page 26 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 27 - 75 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 76 and 77 of this report.

An addition required supplementary information schedule shows the City has not funded the actuarial value of the other postemployment benefits (OPEB). The *Schedule of Funding Progress- Other Postemployment Benefits* is found on page 78 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 80 - 117 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

The City of Janesville's statement of net assets at December 31, 2011 and 2010 are summarized in the table below.

As noted earlier, net assets 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 \$267.8 million at the close of 2011. This is an increase of \$3.2 million, or 1.2% over 2010.

City of Janesville's Summary Statement of Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current & Other Assets	\$78,150,958	\$75,853,992	\$15,472,486	\$18,753,937	\$93,623,444	\$94,607,929
Capital Assets (Net)	<u>192,904,410</u>	<u>192,038,404</u>	<u>143,668,273</u>	<u>132,806,073</u>	<u>336,572,683</u>	<u>324,844,477</u>
Total Assets	<u>\$271,055,368</u>	<u>\$267,892,396</u>	<u>\$159,140,759</u>	<u>\$151,560,010</u>	<u>\$430,196,127</u>	<u>\$419,452,406</u>
Current Liabilities	\$39,044,186	\$48,718,582	\$8,450,707	\$8,812,876	\$47,494,893	\$57,531,458
Long-term Liabilities	<u>64,568,630</u>	<u>53,356,212</u>	<u>50,382,436</u>	<u>43,968,719</u>	<u>114,951,066</u>	<u>97,324,931</u>
Total Liabilities	<u>\$103,612,816</u>	<u>\$102,074,794</u>	<u>\$58,833,143</u>	<u>\$52,781,595</u>	<u>\$162,445,959</u>	<u>\$154,856,389</u>
<u>Net Assets:</u>						
Invested in Capital Assets,						
Net of Related Debt	\$157,671,125	\$154,397,316	\$91,220,876	\$86,317,284	\$248,580,858	\$240,221,347
Restricted	11,506,652	9,585,005	5,684,352	6,549,521	17,191,004	16,134,526
Unrestricted (deficit)	<u>(1,735,225)</u>	<u>1,835,281</u>	<u>3,402,388</u>	<u>5,911,610</u>	<u>1,978,306</u>	<u>8,240,144</u>
Total Net Assets	<u>\$167,442,552</u>	<u>\$165,817,602</u>	<u>\$100,307,616</u>	<u>\$98,778,415</u>	<u>\$267,750,168</u>	<u>\$264,596,017</u>

The largest portion of the City of Janesville's net assets (approximately 92.8%) 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 assets (approximately 6.4%) represents resources that are subject to external restrictions, such as grants, on how they may be used. The remaining balance of Unrestricted Net Assets, \$2.0 million, may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of 2011, the City is able to report positive balances in net assets for both governmental and business-type activities. Net assets increased by \$1,624,950 (1.0%) for governmental activities and \$1,529,201 (1.5%) for business-type activities during the current year. These increases indicated that the City's overall financial position improved during 2011.

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

**City of Janesville
Changes in Net Assets**

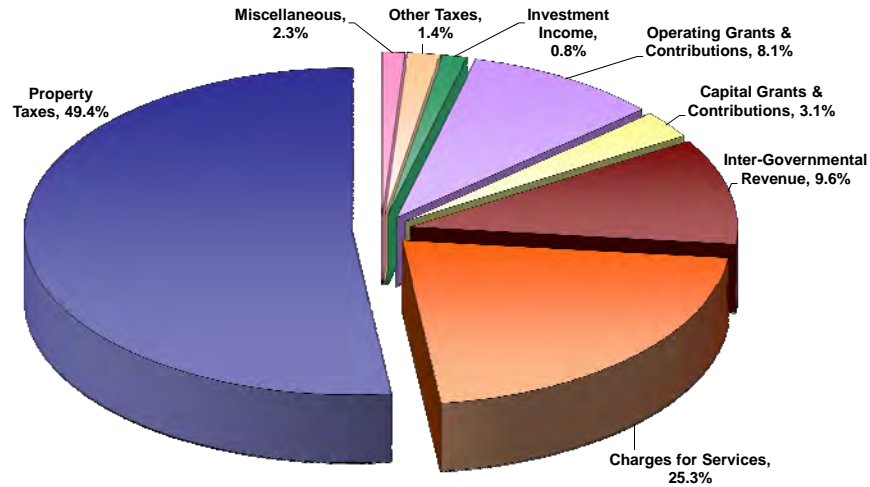
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
REVENUES						
<u>Program Revenues:</u>						
Charges for Services	\$ 16,139,856	\$ 12,638,621	\$ 17,986,559	\$ 17,907,040	\$ 34,126,415	\$ 30,545,661
Operating Grants & Contributions	5,175,981	5,656,639	1,764,936	1,687,653	6,940,917	7,344,292
Capital Grants & Contributions	2,002,304	1,587,045	395,169	975,820	2,397,473	2,562,865
<u>General Revenues:</u>						
Property Taxes	31,527,740	30,606,896	0	0	31,527,740	30,606,896
Other Taxes	914,183	947,001	0	0	914,183	947,001
<u>Inter-Governmental Revenues Not</u>						
Restricted to Specific Programs	6,116,411	6,195,752	0	0	6,116,411	6,195,752
Investment Income	538,926	692,506	58,663	92,331	597,589	784,837
Miscellaneous	<u>1,490,349</u>	<u>678,983</u>	<u>0</u>	<u>16,039</u>	<u>1,490,349</u>	<u>695,022</u>
Total Revenues	<u>63,905,750</u>	<u>59,003,443</u>	<u>20,205,327</u>	<u>20,678,883</u>	<u>84,111,077</u>	<u>79,682,326</u>
EXPENSES						
General Government	\$ 4,186,293	\$ 4,049,662	\$ 0	\$ 0	\$ 4,186,293	\$ 4,049,662
Public Safety	25,466,279	25,148,762	0	0	25,466,279	25,148,762
Public Works	16,781,023	16,192,666	0	0	16,781,023	16,192,666
Recreation & Parks	4,759,187	3,774,576	0	0	4,759,187	3,774,576
Community/Economic Dev.	5,595,106	3,535,983	0	0	5,595,106	3,535,983
Library	4,405,358	4,353,927	0	0	4,405,358	4,353,927
Interest and Fiscal Charges	1,566,299	1,764,420	0	0	1,566,299	1,764,420
Water Utility	0	0	5,360,990	5,343,100	5,360,990	5,343,100
Wastewater Utility	0	0	7,773,308	6,928,411	7,773,308	6,928,411
Stormwater Utility	0	0	1,580,309	1,326,800	1,580,309	1,326,800
Transit	<u>0</u>	<u>0</u>	<u>3,482,774</u>	<u>3,368,980</u>	<u>3,482,774</u>	<u>3,368,980</u>
Total Expenses	<u>62,759,545</u>	<u>58,819,996</u>	<u>18,197,381</u>	<u>16,967,291</u>	<u>80,956,926</u>	<u>75,787,287</u>
Increase in Net Assets Before Transfers	1,146,205	183,447	2,007,946	3,711,592	3,154,151	3,895,039
Transfers	<u>478,745</u>	<u>407,275</u>	<u>(478,745)</u>	<u>(407,275)</u>	<u>0</u>	<u>0</u>
Increase in Net Assets	1,624,950	590,722	1,529,201	3,304,317	3,154,151	3,895,039
Net Assets, beginning of year	<u>165,817,602</u>	<u>165,226,880</u>	<u>98,778,415</u>	<u>95,474,098</u>	<u>264,596,017</u>	<u>260,700,978</u>
Net Assets, end of year	<u>\$ 167,442,552</u>	<u>\$ 165,817,602</u>	<u>\$ 100,307,616</u>	<u>\$ 98,778,415</u>	<u>\$ 267,750,168</u>	<u>\$ 264,596,017</u>

The total revenues have increased by \$4,428,751, or 5.5%. This is primarily due to an increase in charges for services of \$3.6 million, of which \$1 million was from change in golf course operations to a management contract, \$940 thousand was due to new trash collection fee, and \$978 thousand was from Dean-St.Mary's to fund transportation improvements on State owned roads. Property taxes increased of \$0.9 million, a 3% increase. Miscellaneous revenues increased \$0.8 million due to the one-time revenues from TIF 14 dissolution and sale of land. Investment income continued its decline by \$0.2 million.

The total expenses on the statement of activities increased by \$5,169,639, or 6.8%, in 2011. Recreation and Parks increase of \$1 million due to managed operations at the Golf Courses. Public works included \$978 thousand for the transportation improvements to State owned roads funded by Dean- St.Mary's. and Community and Economic development increased \$2.1 million primarily due to the distribution of funds following closure of TIF #14. Wastewater Utility increased of \$1 million is primarily due to depreciation on the new treatment plant that was placed in service in 2011.

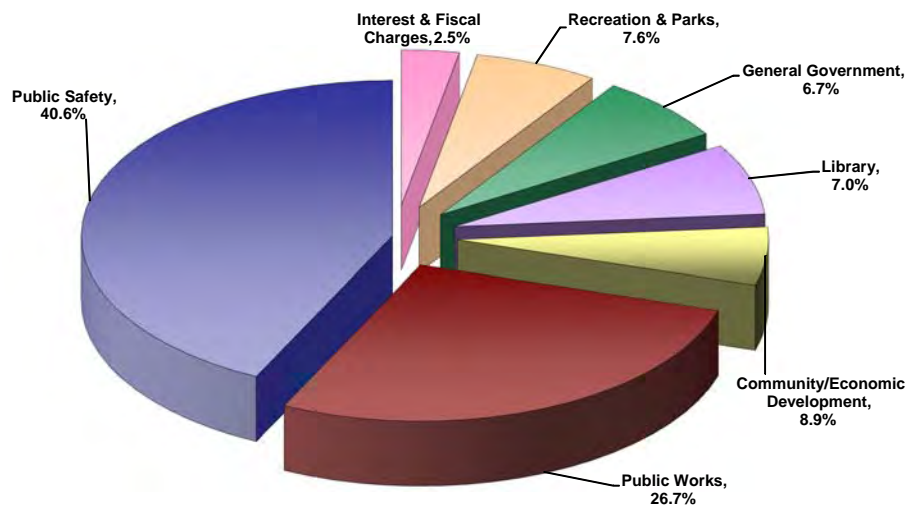
Governmental Activities. The pie chart below shows a picture of how governmental activities were funded in 2011. Property taxes are the primary source of funding for governmental services providing just under half (49.4%) of the City's total governmental revenues. Charges for Services contributed 25.3%, State Aids (Inter-Governmental Revenues) 9.6%, Operating Grants 8.1%, and Capital Grants and Contributions 3.1%. The inter-governmental dollar amount remained level at 9.6%. Capital grants and contributions vary depending upon the specific capital projects. The percentage in 2011 is lower than an average year.

Revenues by Source – Governmental Activities



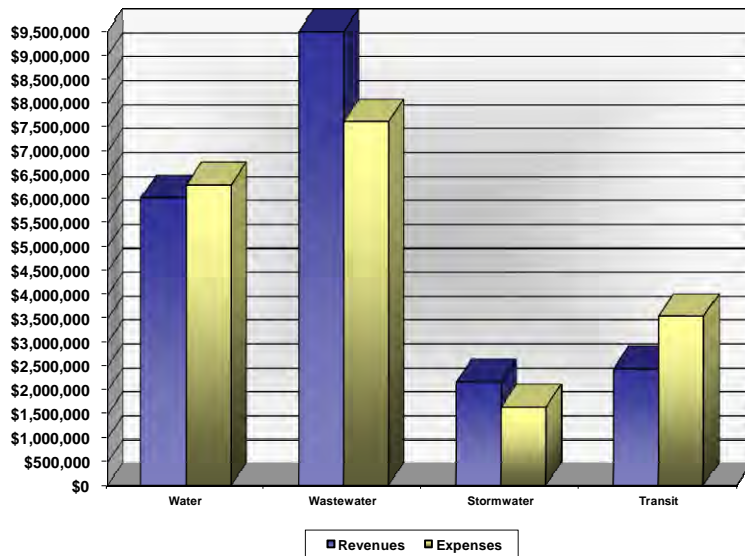
The graph below categorizes expenses by governmental functions. Public Safety was the largest category of expense at 40.6% of the total. Public Works was the next largest expense category with 26.7% of the total governmental activities.

Expenses by Function – Governmental Activities



Business-Type Activities. Business-type activities are shown comparing program revenues to costs of the City of Janesville's business-type activities. This chart shows the Wastewater and Stormwater Utilities were fully self-supporting in 2011. The Water Utility is in need of a rate increase to fund its operations and Transit requires annual transfers from the General Fund.

Program Revenues and Expenses – Business-Type Activities



Current water rates authorized by the Public Service Commission of Wisconsin became effective May 15, 2011. The rates were designed to provide a 5.35% return on rate base. The actual rate of return of the Water Utility for 2011 was 0.13%. The rate of return is used for debt service payments and funding of capital assets. The table above includes the water payment in lieu of property taxes to the General Fund (\$1,257,157), which are included in transfers on the statement of activities.

The Water Utility generated operating revenue of \$5,924,663, which is \$1,127,337 (16.0%) less than budgeted in 2011 due to declining water sales. Water operating expenses and payment in lieu of property tax transfer of \$6,294,284 were \$19,613 (0.31%) less than budgeted.

The Wastewater Utility produced a net operating income of \$1,832,268 in 2011 compared to \$3,223,335 in 2010. A 30.3% rate increase was implemented January 1, 2010 in order to maintain the financial integrity of the utility and fund a \$32.7 million treatment plant upgrade and expansion. The treatment plant improvements are funded by a Wisconsin Department of Natural Resources low interest Clean Water Revenue Bond. The loan required that rates sufficient to make debt service payments be in place with the 2010 rate increase. Interest payments on this revenue pledge began in 2011 and principal payments will start in 2012.

The Wastewater Utility generated operating revenue of \$9,450,506, or \$73,506 (0.8%) more than budgeted in 2011. This is primarily due to treating more high strength discharge than budgeted (\$53,857) and miscellaneous revenues from treating materials from an ethanol plant (\$381,501) partially offset by declining wastewater sales. Operating expenses of \$7,618,238 were 5.2% less than budgeted for 2011.

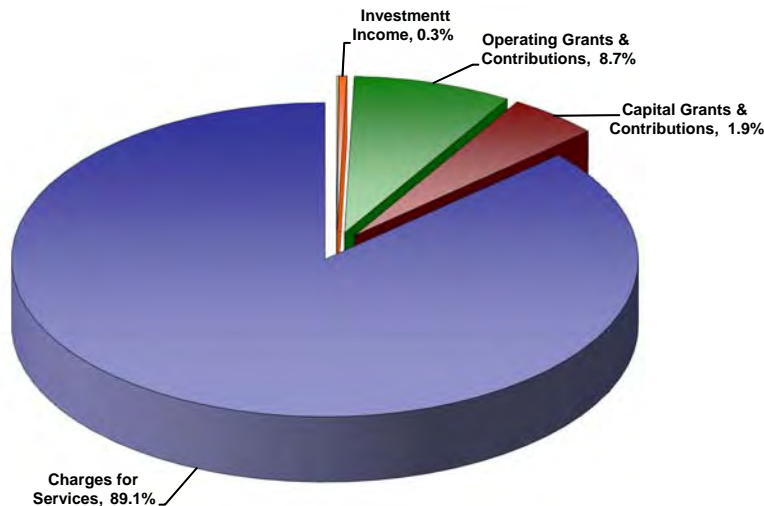
The Stormwater Utility is primarily funded by user charge rates per Equivalent Runoff Unit (ERU). The rate per ERU was designed to fund the 2011 budgeted expenditures. The utility generated net operating income of \$516,133. This revenue is used to pay its debt service requirements, which were \$563,692 in 2011.

Transit received approximately 57% of its operating budget from combined Federal and State operating grants. Historically, this funding has remained relatively constant near 60%. Transit operations are funded in part by General Fund transfers, 24% in 2011. The 2011 General Fund Subsidy for operation of the Transit system was \$722,218, which was \$6,737 less than budgeted.

As shown in the chart below, revenues from the business-type activities were generated primarily from Charges for Services (89.2%), Operating Grants were 8.7%, and Capital Grants and Contributions equate

to 1.9% of this year's revenues. Capital Contributions are primarily special assessments in Water and Wastewater Utilities for subdivision and new commercial growth. Operating grants and contributions are primarily State and Federal grants for the operation of the Transit System.

Revenues by Source – Business-Type Activities



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, 2011, the City of Janesville's Governmental Funds reported combined ending balances of \$28,122,806, an increase of \$1,642,836, or 6.2%, in comparison with the prior year. A portion of the Fund balance is nonspendable for long-term receivables (\$477,324) which are unavailable for spending; and prepaid items and inventories (\$22,539) that has already been spent. The Restricted fund balance of \$13.3 million is restricted by creditors, grantors, or property tax levies to pay: (1) debt service (\$1,277,855); (2) capital projects activities (\$9,575,388); and (3) special revenue activities (\$2,407,086). Approximately \$14.4 million, or 51% of the fund balance, constitutes Committed, Assigned, and Unassigned Fund Balance. These balances includes \$4,956,331 that has been committed to special revenue purposes by resolutions and ordinances, \$825,000 assigned to fund the 2012 budget, \$2,176,150 assigned to future capital projects, and unassigned funds of \$6,405,133.

The *General Fund* is the chief operating fund of the City of Janesville. As of December 31, 2011, the total fund balance of the General Fund was \$9,071,864, of which \$8,572,001 was unrestricted. This Unrestricted Fund Balance represents approximately 22% of total 2011 General Fund expenditures and transfers out, while the total fund balance represents approximately 23% of that same amount.

The City of Janesville's General Fund balance increased \$1,576,917 in 2011. This increase was came from one-time revenues from the dissolution of TIF 14 in the amount of \$427,121, and sale of land to the State of Wisconsin in the amount of \$523,800, as well as expenditure savings from holding vacant positions open due to budget uncertainty.

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, 2011 was \$2,104,249, a decrease of \$214,357 from 2010. The decrease was a result of a State Recycling grant reduction of \$111,167 and decreased volume at the landfill. The 2011 tonnage received at the landfill was 185,065 tons, 23.5% below the budget of 242,000 tons.

The *Debt Service Fund* has a total fund balance of \$1,277,855, all of which is reserved for the payment of debt service. The fund balance decreased by \$1,698,961. Special assessment debt service payments exceeded the revenue from special assessments and interest income on the assessments.

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, 2011 was \$11,751,538, an increase of \$1,133,657 from the previous year. The increase is primarily due to unexpended note proceeds for Fire Equipment and public safety radio systems.

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 increased by \$845,580 in 2011 primarily due to unexpended TIF increments.

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 assets of the City's Enterprise Funds increased by \$1.2 million to \$100 million as of December 31, 2011. Approximately \$0.2 million of this increase came from capital contributions, and operations of the Enterprise Funds provided an increase of \$0.9 million.

The net assets of the City's Vehicle Operations and Maintenance and Insurance Internal Service Funds increased by \$263,827 to \$4,969,091. The net asset of the Insurance Fund increased by \$528,839 due to favorable health and workers' compensation claims experience. There was a budgeted \$300,000 decrease in the insurance fund to rebate (transfer) health insurance premiums to contributing funds.

General Fund Budgetary Highlights

The Budgetary Comparison Schedule – General Fund indicates that the original 2011 budget for expenditures and transfers out was \$41,588,244, funded by anticipated revenues and property sales (\$39,218,244), transfers in from TIF 3 (\$150,000), Insurance Fund (\$200,000), and Water Utility-payment in lieu of taxes (\$1,130,000), and the application of available reserves (\$890,000).

Actual revenues and transfers resulted in a favorable revenue variance of \$1,481,434 or 3.6% more than the amount budgeted for 2011. The average favorable revenue variance since 2002 has been 2.3%.

The major revenue budgets to actual variances are as follows:

- Sale of City Property - \$613,477 from the sale of land to the State of Wisconsin
- Miscellaneous-\$432,050 includes the dissolution of TIF 14 of \$427,121
- Fire Department Service Charges - \$229,884 due to a 9% increase in number of ambulance runs
- Community Development Permits - \$95,218 with increases residential additions/remodeling permits with approximately \$29 million in improvements, and commercial permits related to the Rock Haven complex
- Water Utility Taxes - \$1,257,157 due to an increase in the net effective tax rate
- Cable TV Licenses - \$54,422 increased franchise fees collected from Charter and ATT
- Decrease in Investment income - \$138,257 with an interest rate decline from 0.85% to 0.71%

- Decrease in Advertising on City Property - \$80,000 revenue was not collected for this item

The expenditure and transfer budget results after the supplemental appropriation yielded a favorable variance of \$985,483, or 2.3% less than the final budget. The average amount returned from unexpended budget allocations has been 1.7% since 2002.

Budget savings were gained in salary and benefits related to the vacant positions as well as Police Department turnover savings.

Additional information on the General Fund budget performance can be found in the supplementary information schedules on pages 81 – 84.

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 as of December 31, 2011 of \$337 million.

City of Janesville						
Capital Assets, Net of Accumulated Depreciation						
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$33,349,096	\$33,216,334	\$679,998	\$679,998	\$34,029,094	\$33,896,332
Construction in Progress	1,454,315	928,061	1,279,879	23,879,465	2,734,194	24,807,526
Land Improvements	\$8,250,714	\$8,025,824	184,817	184,817	8,435,531	8,210,641
Buildings	30,530,478	28,899,634	40,472,009	20,128,869	71,002,487	49,028,503
Furniture and Fixtures	10,986,052	10,867,828	4,327,500	2,578,494	15,313,552	13,446,322
Vehicles and Equipment	20,873,443	20,293,051	35,832,951	26,896,047	56,706,394	47,189,098
Plant in Service	0	0	116,002,948	110,782,363	116,002,948	110,782,363
Infrastructure	<u>171,326,699</u>	<u>168,738,778</u>	<u>0</u>	<u>0</u>	<u>171,326,699</u>	<u>168,738,778</u>
Total Capital Assets	\$276,770,797	\$270,969,510	\$198,780,102	\$185,130,053	\$475,550,899	\$456,099,563
Less Accumulated						
Depreciation	<u>(83,866,387)</u>	<u>(78,931,106)</u>	<u>(55,111,829)</u>	<u>(52,323,980)</u>	<u>(138,978,216)</u>	<u>(131,255,086)</u>
Capital Assets Net of						
Depreciation	<u>\$192,904,410</u>	<u>\$192,038,404</u>	<u>\$143,668,273</u>	<u>\$132,806,073</u>	<u>\$336,572,683</u>	<u>\$324,844,477</u>

In 2011, capital asset additions were \$25,539,614, and retirements were \$6,088,279. Significant capital asset additions include the following:

Wastewater Utility	Collection System Construction/Additions	\$2,095,490
	Wastewater Treatment Plant (prior year's WIP not included)	\$11,686,435
Water Utility	Distribution System Construction/Additions	\$2,716,582
Stormwater Utility	Collection/Retention Infrastructure	\$441,366
Library	Collection	\$463,838
Infrastructure	Landfill Construction	\$82,449
	Street Additions/Reconstruction	1,239,298
	Sidewalk	761,463
	Dams	331,930
Building Improvements	Tallman House - Roof, Chimney repairs	\$744,804
	Municipal Building - Chiller replacement, entrances	280,729
	Youth Sports Complex - Restrooms, concessions	200,000
Capital Equipment	Public Safety Vehicles/Equipment	\$676,870
	Technology Related	132,779
	Public Work Vehicle/Equipment	1,135,742

Additional information of the City of Janesville's capital assets can be found in Note IV-D on pages 49 – 54.

Long-Term Debt. At the end of the current fiscal year, the City of Janesville has \$107 million of long-term notes, bonds and capital leases outstanding, as summarized in the following table.

**City of Janesville
Notes and Bonds Outstanding**

	<u>Governmental Activities</u>		<u>Business Type-Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
General Obligation Bonds and Notes	\$51,204,441	\$52,444,462	\$23,610,000	\$24,470,000	\$74,814,441	\$76,914,462
Revenue Bonds	<u>0</u>	<u>0</u>	<u>32,058,341</u>	<u>24,314,249</u>	<u>32,058,341</u>	<u>24,314,249</u>
Total	<u>\$51,204,441</u>	<u>\$52,444,462</u>	<u>\$55,668,341</u>	<u>\$48,784,249</u>	<u>\$106,872,782</u>	<u>\$101,228,711</u>

The 2011 rating for the City of Janesville from Standard and Poor's Investors Service for General Obligation Debt was "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 \$197,038,180, which

significantly exceeds the City of Janesville's current outstanding General Obligation Debt of \$74,814,441. As of December 31, 2011, the City of Janesville's outstanding general obligation debt equaled 38.0% of the State authorized debt.

Revenue Bonds have increased \$7.7 million to provide partial funding for the \$32.7 million Wastewater Treatment Plant Upgrade and Expansion, which is intended to meet the City's wastewater needs through 2030. These funds are issued through low interest Clean Water Fund Revenue bonds with the Wisconsin Department of Natural Resources at an interest rate of 2.15%. These revenue bonds are issued on a reimbursement basis. At December 31, 2011, the Utility has drawn \$25.9 of a maximum loan of \$27,212,000.

The City of Janesville issued \$12,015,000 in General Obligation Promissory Notes dated November 14, 2011. These notes were issued to fund capital projects, including street improvements and infrastructure (\$2,840,000); public buildings, parks, and public grounds (\$1,545,000); Water, Wastewater, and Stormwater Utility improvements (\$3,140,000); construct and close landfill; (\$200,000), capital equipment (\$3,440,000), and community redevelopment-TIF (\$850,000).

Additional information of the City of Janesville's long-term debt can be found in Note IV.F. on pages 58 – 62 and in the *Statistical Information* section of this report.

Economic Factors and Next Year's Budget and Rates

- > The 2011 annual average unemployment rate for the City of Janesville was 10.1%, a decrease from 11.4% in 2010. This compares to the 2011 unemployment rate of 7.5% for the State of Wisconsin and a national unemployment rate of 8.9%.
- > The City's total equalized property value at January 1, 2011 was \$3,940,763,600. This compares to the previous year's total of \$3,991,153,400, a 1.3% decrease.
- > The Janesville City Council adopted the 2012 general city budget (General Fund and Library) that included a 3.2% decrease in non-property tax revenue and applied fund balance and a 0.4% increase in total expenditures funded by a 3.0% increase in the property tax levy. When combined with a 9.2% increase in assessed property valuation following a citywide revaluation, the property tax rate decreased by 5.6%.
- > As a part of Wisconsin's Act 32 (2011), legislation was passed that 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 for the 2011 levy collected in 2012 and thereafter. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions.

Request for Information

This *Comprehensive Annual Financial Report* (CAFR) 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 to accounting division as follows:

City of Janesville
Accounting Division
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.ci.janesville.wi.us>.



GOVERNMENT-WIDE STATEMENTS

CITY OF JANESVILLE

STATEMENT OF NET ASSETS As of December 31, 2011

	Governmental Activities	Business- type Activities	Totals	Component Unit
ASSETS				
Cash and investments	\$ 30,695,100	\$ 265,372	\$ 30,960,472	\$ 456,664
Receivables (net)				
Taxes receivable	35,716,310	-	35,716,310	-
Accounts	2,839,466	2,694,922	5,534,388	-
Special assessments receivable	725,860	263,269	989,129	-
Other receivables	800,571	2,561,758	3,362,329	-
Prepaid items and inventories	662,243	475,578	1,137,821	221,316
Internal balances	(125,126)	125,126	-	-
Other assets	183,833	174,166	357,999	-
Restricted assets				
Cash and investments	-	8,912,295	8,912,295	-
Deposit with risk pool	1,604,120	-	1,604,120	-
Loans receivable (net)	5,048,581	-	5,048,581	-
Capital Assets				
Land	33,349,096	679,998	34,029,094	-
Construction in progress	1,454,315	1,279,879	2,734,194	-
Other capital assets, net of depreciation	<u>158,100,999</u>	<u>141,708,396</u>	<u>299,809,395</u>	<u>42,723</u>
Total Assets	<u>271,055,368</u>	<u>159,140,759</u>	<u>430,196,127</u>	<u>720,703</u>
LIABILITIES				
Accounts payable and accrued liabilities	6,092,726	1,205,467	7,298,193	25,520
Unearned revenues	32,951,460	-	32,951,460	-
Payable from restricted assets	-	860,839	860,839	-
Noncurrent liabilities				
Due within one year	10,359,196	6,384,401	16,743,597	-
Due in more than one year	<u>54,209,434</u>	<u>50,382,436</u>	<u>104,591,870</u>	<u>-</u>
Total Liabilities	<u>103,612,816</u>	<u>58,833,143</u>	<u>162,445,959</u>	<u>25,520</u>
NET ASSETS				
Invested in capital assets, net of related debt	157,671,125	91,220,876	248,580,858	42,723
Restricted per bond ordinances	-	5,684,352	5,684,352	-
Restricted for debt service	2,074,967	-	2,074,967	-
Restricted for grants	5,837,700	-	5,837,700	652,460
Restricted for library	430,258	-	430,258	-
Restricted for TIF districts	1,269,919	-	1,269,919	-
Restricted for landfill long-term care	1,893,808	-	1,893,808	-
Unrestricted (deficit)	<u>(1,735,225)</u>	<u>3,402,388</u>	<u>1,978,306</u>	<u>-</u>
TOTAL NET ASSETS	<u>\$ 167,442,552</u>	<u>\$ 100,307,616</u>	<u>\$ 267,750,168</u>	<u>\$ 695,183</u>

See accompanying notes to financial statements.

CITY OF JANESVILLE

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011

Functions/Programs	Program Revenues				Net Expenses (Revenues) and Changes in Net Assets			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Totals	
Primary Government								
Governmental Activities								
General government	\$ 4,186,293	\$ 392,965	\$ 17,293	\$ -	\$ (3,776,035)	\$ -	\$ (3,776,035)	
Public safety	25,466,279	2,904,044	243,812	39,109	(22,279,314)	-	(22,279,314)	
Public works	16,781,023	8,428,099	3,018,088	1,676,724	(3,658,112)	-	(3,658,112)	
Recreation and parks	4,759,187	2,119,722	685	148	(2,638,632)	-	(2,638,632)	
Community and economic development	5,595,106	1,299,796	1,880,841	286,323	(2,128,146)	-	(2,128,146)	
Library	4,405,358	995,230	15,262	-	(3,394,866)	-	(3,394,866)	
Interest and fiscal charges	1,566,299	-	-	-	(1,566,299)	-	(1,566,299)	
Total Governmental Activities	<u>62,759,545</u>	<u>16,139,856</u>	<u>5,175,981</u>	<u>2,002,304</u>	<u>(39,441,404)</u>	<u>-</u>	<u>(39,441,404)</u>	
Business-type Activities								
Water Utility	5,360,990	5,924,663	-	101,810	-	665,483	665,483	
Wastewater Utility	7,773,308	9,450,506	-	43,010	-	1,720,208	1,720,208	
Stormwater Utility	1,580,309	2,172,210	-	-	-	591,901	591,901	
Transit	3,482,774	439,180	1,764,936	250,349	-	(1,028,309)	(1,028,309)	
Total Business-type Activities	<u>18,197,381</u>	<u>17,986,559</u>	<u>1,764,936</u>	<u>395,169</u>	<u>-</u>	<u>1,949,283</u>	<u>1,949,283</u>	
Total Primary Government	<u>\$ 80,956,926</u>	<u>\$ 34,126,415</u>	<u>\$ 6,940,917</u>	<u>\$ 2,397,473</u>	<u>(39,441,404)</u>	<u>1,949,283</u>	<u>(37,492,121)</u>	
Component Unit- Community Development Authority	<u>\$ 2,905,000</u>	<u>\$ 17,330</u>	<u>\$ 3,142,958</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 255,288</u>
General Revenues								
Taxes								
Property taxes, levied for general purposes					25,471,421	-	25,471,421	-
Property taxes, levied for the library					3,207,919	-	3,207,919	-
Property taxes, levied for TIF Districts					2,848,400	-	2,848,400	-
Other taxes					914,183	-	914,183	-
Intergovernmental revenues not restricted to specific programs					6,116,411	-	6,116,411	-
Investment income					538,926	58,663	597,589	479
Miscellaneous					1,490,349	-	1,490,349	-
Total General Revenues					<u>40,587,609</u>	<u>58,663</u>	<u>40,646,272</u>	<u>479</u>
Transfers					<u>478,745</u>	<u>(478,745)</u>	<u>-</u>	<u>-</u>
Change in Net Assets					<u>1,624,950</u>	<u>1,529,201</u>	<u>3,154,151</u>	<u>255,767</u>
NET ASSETS - Beginning of Year					<u>165,817,602</u>	<u>98,778,415</u>	<u>264,596,017</u>	<u>439,416</u>
NET ASSETS - END OF YEAR					<u>\$ 167,442,552</u>	<u>\$ 100,307,616</u>	<u>\$ 267,750,168</u>	<u>\$ 695,183</u>

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.

CITY OF JANESVILLE

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2011

	General Fund	Sanitation	Debt Service	Capital Projects	Other Governmental Funds	Totals
ASSETS						
Cash and investments	\$ 7,627,901	\$ 1,671,941	\$ 1,843,487	\$ 11,684,938	\$ 4,928,506	\$ 27,756,773
Receivables						
Taxes	28,203,185	63,687	822,616	-	6,626,822	35,716,310
Accounts	518,810	809,696	-	823,218	687,756	2,839,480
Special assessments	-	-	370,191	-	-	370,191
Delinquent special assessments	-	-	355,669	-	-	355,669
Accrued investment income	119,498	-	-	-	-	119,498
Due from other funds	2,660,787	-	-	643,147	159,601	3,463,535
Inventories	979	-	-	238,108	-	239,087
Prepaid items	21,560	524	-	-	42,178	64,262
Loans receivable	-	-	-	-	5,048,581	5,048,581
TOTAL ASSETS	\$ 39,152,720	\$ 2,545,848	\$ 3,391,963	\$ 13,389,411	\$ 17,493,444	\$ 75,973,386

	General Fund	Sanitation	Debt Service	Capital Projects	Other Governmental Funds	Totals
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 789,866	\$ 381,150	\$ 435	\$ 832,203	\$ 198,881	\$ 2,202,535
Accrued liabilities	1,080,421	60,449	-	5,542	103,888	1,250,300
Due to other funds	1,731,677	-	678,221	-	1,403,630	3,813,528
Deferred revenues	26,478,892	-	1,435,452	800,128	11,869,745	40,584,217
Total Liabilities	<u>30,080,856</u>	<u>441,599</u>	<u>2,114,108</u>	<u>1,637,873</u>	<u>13,576,144</u>	<u>47,850,580</u>
Fund Balances						
Nonspendable	499,863	524	-	238,108	42,178	780,673
Restricted	-	-	1,277,855	9,575,388	4,426,799	15,280,042
Committed	-	2,103,725	-	-	832,191	2,935,916
Assigned	825,000	-	-	1,938,042	-	2,763,042
Unassigned	7,747,001	-	-	-	(1,383,868)	6,363,133
Total Fund Balances	<u>9,071,864</u>	<u>2,104,249</u>	<u>1,277,855</u>	<u>11,751,538</u>	<u>3,917,300</u>	<u>28,122,806</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 39,152,720</u>	<u>\$ 2,545,848</u>	<u>\$ 3,391,963</u>	<u>\$ 13,389,411</u>	<u>\$ 17,493,444</u>	

Amounts reported for governmental activities in the statement of net assets 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.	192,904,410
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. See Note IV. B.	7,632,757
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.	(65,023,135)
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>3,805,714</u>
TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES	<u>\$ 167,442,552</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, 2011

	General Fund	Sanitation	Debt Service	Capital Projects	Other Governmental Funds	Totals
REVENUES						
Taxes	\$ 26,156,569	\$ -	\$ -	\$ -	\$ 6,316,153	\$ 32,472,722
Licenses and permits	1,209,307	-	-	-	-	1,209,307
Investment income, rents and fines	817,265	-	199,223	76,973	62,543	1,156,004
State and federal aids	8,738,417	209,833	-	933,890	2,453,045	12,335,185
Special assessments	-	-	668,950	472,822	-	1,141,772
Service charges and other	2,987,925	6,952,652	-	1,121,861	4,348,564	15,411,002
Miscellaneous	-	-	-	-	74,047	74,047
Total Revenues	39,909,483	7,162,485	868,173	2,605,546	13,254,352	63,800,039
EXPENDITURES						
Current						
General government	3,950,650	-	-	117,012	-	4,067,662
Public safety	22,676,460	-	-	30,237	905,584	23,612,281
Public works	3,978,775	6,273,352	-	2,798,561	286,747	13,337,435
Recreation and parks	2,666,816	-	-	-	1,626,166	4,292,982
Community and economic development	1,339,958	-	-	-	4,698,336	6,038,294
Library	-	-	-	-	3,485,239	3,485,239
Capital Outlay	-	-	-	6,438,995	598,849	7,037,844
Debt Service						
Principal retirement	-	-	10,120,021	-	-	10,120,021
Interest and fiscal charges	-	-	1,667,340	-	1,806	1,669,146
Total Expenditures	34,612,659	6,273,352	11,787,361	9,384,805	11,602,727	73,660,904
Excess (deficiency) of revenues over expenditures	5,296,824	889,133	(10,919,188)	(6,779,259)	1,651,625	(9,860,865)
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	1,285,000	6,745,000	850,000	8,880,000
Sale of city property	638,477	-	-	-	-	638,477
Transfers in	1,631,718	14,970	7,935,227	1,176,859	288,540	11,047,314
Transfers out	(5,990,102)	(1,118,460)	-	(8,943)	(1,944,585)	(9,062,090)
Total Other Financing Sources (Uses)	(3,719,907)	(1,103,490)	9,220,227	7,912,916	(806,045)	11,503,701
Net Change in Fund Balance	1,576,917	(214,357)	(1,698,961)	1,133,657	845,580	1,642,836
FUND BALANCES - Beginning of Year	7,494,947	2,318,606	2,976,816	10,617,881	3,071,720	26,479,970
FUND BALANCES - END OF YEAR	\$ 9,071,864	\$ 2,104,249	\$ 1,277,855	\$ 11,751,538	\$ 3,917,300	\$ 28,122,806

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, 2011

Net change in fund balances - total governmental funds	\$ 1,642,836
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	7,037,844
Some items are capitalized that are reported as functional expenses in the fund financial statements	771,133
Some assets were contributed by donors or developers	1,474
Depreciation expense is reported in the government-wide statements	(6,598,605)
Net book value of assets retired	(345,840)
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	191,583
Special assessments receivable	(169,345)
Grants and other receivables	(212,421)
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	(8,880,000)
Principal paid	10,120,021
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.	
Other post employment benefits	(1,941,125)
Landfill liability	45,000
Compensated absences	(60,530)
Accrued interest on debt	101,534
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, these are deferred and reported as other assets or additions to/subtractions from long-term debt. These balances are amortized over the period the debt is	
Issuance costs on new debt	30,646
Amortization of issuance costs	(38,595)
Amortization of premium	3,462
The net revenues (expenses) of internal service fund activity is reported on the statement of activities.	(74,122)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,624,950</u>

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.

CITY OF JANESVILLE

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 As of December 31, 2011

	Water Utility	Wastewater Utility	Other Enterprise Funds	Totals	Governmental Activities Internal Service Funds
ASSETS					
Current Assets					
Cash and working funds	\$ -	\$ 135,090	\$ 130,282	\$ 265,372	\$ 2,938,327
Accounts receivable	839,216	1,222,363	633,343	2,694,922	681,073
Unbilled revenue	672,165	1,014,884	387,237	2,074,286	-
Other accounts receivable	2,621	469,737	-	472,358	-
Due from other funds	665,981	1,313,185	119,233	2,098,399	1,388,244
Inventories	275,435	-	192,165	467,600	347,846
Prepaid items	5,096	2,096	786	7,978	11,048
Restricted Assets					
Revenue bond redemption account	234,276	2,156,231	-	2,390,507	-
Total Current Assets	<u>2,694,790</u>	<u>6,313,586</u>	<u>1,463,046</u>	<u>10,471,422</u>	<u>5,366,538</u>
Non-current Assets					
Restricted Assets					
Construction account	605,391	1,820,810	684,349	3,110,550	-
Replacement account	-	3,411,238	-	3,411,238	-
Total Restricted Assets	<u>605,391</u>	<u>5,232,048</u>	<u>684,349</u>	<u>6,521,788</u>	<u>-</u>
Special assessments receivable	163,287	115,096	-	278,383	-
Deposit with risk pool	-	-	-	-	1,604,120
Deferred Assets					
Unamortized debt issuance expense	51,476	59,803	9,082	120,361	-
Preliminary engineering	-	53,805	-	53,805	-
Total Deferred Assets	<u>51,476</u>	<u>113,608</u>	<u>9,082</u>	<u>174,166</u>	<u>-</u>
Utility Plant					
Land	305,478	18,000	356,520	679,998	-
Utility plant in service (at cost)	72,585,484	109,445,265	14,789,476	196,820,225	-
Construction work in progress	310,237	833,250	136,392	1,279,879	-
Accumulated depreciation	(19,686,189)	(30,260,448)	(5,165,192)	(55,111,829)	-
Net Plant	<u>53,515,010</u>	<u>80,036,067</u>	<u>10,117,196</u>	<u>143,668,273</u>	<u>-</u>
Total Noncurrent Assets	<u>54,335,164</u>	<u>85,496,819</u>	<u>10,810,627</u>	<u>150,642,610</u>	<u>1,604,120</u>
Total Assets	<u>\$ 57,029,954</u>	<u>\$ 91,810,405</u>	<u>\$ 12,273,673</u>	<u>\$ 161,114,032</u>	<u>\$ 6,970,658</u>

	Water Utility	Wastewater Utility	Other Enterprise Funds	Totals	Governmental Activities Internal Service Funds
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 147,447	\$ 137,700	\$ 90,373	\$ 375,520	\$ 237,541
Claims payable	-	-	-	-	1,708,624
Accrued salaries and wages	118,471	229,154	230,911	578,536	55,402
Accrued interest	116,069	103,066	32,276	251,411	-
Due to other funds	2,805,002	-	331,648	3,136,650	-
Current portion of long-term debt	2,205,000	2,020,000	465,000	4,690,000	-
Current Liabilities Payable from Restricted Assets					
Construction payables	81,797	661,649	-	743,446	-
Current maturities of revenue bonds	171,260	1,523,141	-	1,694,401	-
Interest accrued on revenue bonds	10,462	106,931	-	117,393	-
Total Current Liabilities	<u>5,655,508</u>	<u>4,781,641</u>	<u>1,150,208</u>	<u>11,587,357</u>	<u>2,001,567</u>
Non-current Liabilities					
General obligation long-term debt payable	10,166,160	6,553,807	2,210,000	18,929,967	-
Revenue bonds	2,332,737	28,031,203	-	30,363,940	-
Other post employment benefits	570,171	119,824	398,534	1,088,529	-
Total Noncurrent Liabilities	<u>13,069,068</u>	<u>34,704,834</u>	<u>2,608,534</u>	<u>50,382,436</u>	<u>-</u>
Total Liabilities	<u>\$ 18,724,576</u>	<u>\$ 39,486,475</u>	<u>\$ 3,758,742</u>	<u>\$ 61,969,793</u>	<u>\$ 2,001,567</u>
NET ASSETS					
Invested in capital assets, net of related debt	\$ 39,296,720	\$ 43,788,529	\$ 8,135,627	\$ 91,220,876	\$ -
Restricted per bond ordinance	223,814	5,460,538	-	5,684,352	-
Unrestricted	(1,215,156)	3,074,863	379,304	2,239,011	4,969,091
TOTAL NET ASSETS	<u>\$ 38,305,378</u>	<u>\$ 52,323,930</u>	<u>\$ 8,514,931</u>	<u>99,144,239</u>	<u>\$ 4,969,091</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				<u>1,163,377</u>	
Net Assets of Business-type Activities				<u>\$ 100,307,616</u>	

CITY OF JANESVILLE

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET ASSETS - PROPRIETARY FUNDS
For the Year Ended December 31, 2011

	Water Utility	Wastewater Utility	Other Enterprise Funds	Totals	Governmental Activities Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 5,924,663	\$ 9,450,506	\$ 2,611,390	\$ 17,986,559	\$ 15,107,925
Total Operating Revenues	<u>5,924,663</u>	<u>9,450,506</u>	<u>2,611,390</u>	<u>17,986,559</u>	<u>15,107,925</u>
OPERATING EXPENSES					
Operation and maintenance	3,386,775	4,801,134	4,563,321	12,751,230	13,337,621
Depreciation	<u>1,650,352</u>	<u>2,817,104</u>	<u>642,278</u>	<u>5,109,734</u>	<u>-</u>
Total Operating Expenses	<u>5,037,127</u>	<u>7,618,238</u>	<u>5,205,599</u>	<u>17,860,964</u>	<u>13,337,621</u>
Operating Income (Loss)	<u>887,536</u>	<u>1,832,268</u>	<u>(2,594,209)</u>	<u>125,595</u>	<u>1,770,304</u>
NONOPERATING REVENUES (EXPENSES)					
Federal operating grants	-	-	905,837	905,837	-
State operating grants	-	-	781,815	781,815	-
Local operating subsidy	-	-	77,284	77,284	-
Investment income	18,558	38,597	1,508	58,663	-
Amortization expense	(11,165)	(10,900)	(1,988)	(24,053)	-
Amortization premium	1,026	634	-	1,660	-
Interest expense	(393,755)	(197,112)	(44,592)	(635,459)	-
Miscellaneous revenues (expenses)	(920)	(15,592)	-	(16,512)	-
Total Nonoperating Revenues (Expenses)	<u>(386,256)</u>	<u>(184,373)</u>	<u>1,719,864</u>	<u>1,149,235</u>	<u>-</u>
Income (Loss) Before Contributions and Transfers	501,280	1,647,895	(874,345)	1,274,830	1,770,304
CAPITAL CONTRIBUTIONS	101,810	43,010	250,349	395,169	-
TRANSFERS IN	14,129	16,590	747,691	778,410	8,670
TRANSFERS OUT	<u>(1,257,157)</u>	<u>-</u>	<u>-</u>	<u>(1,257,157)</u>	<u>(1,515,147)</u>
Net Change in Net Assets	(639,938)	1,707,495	123,695	1,191,252	263,827
NET ASSETS - Beginning of Year	<u>38,945,316</u>	<u>50,616,435</u>	<u>8,391,236</u>		<u>4,705,264</u>
NET ASSETS - END OF YEAR	<u>\$ 38,305,378</u>	<u>\$ 52,323,930</u>	<u>\$ 8,514,931</u>		<u>\$ 4,969,091</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.

337,949

Change in net assets of business-type activities

\$ 1,529,201

CITY OF JANESVILLE

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2011**

	Water Utility	Wastewater Utility	Other Enterprise Funds	Totals	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 6,020,780	\$ 9,829,415	\$ 2,561,077	\$ 18,411,272	\$ 13,216,792
Cash paid to suppliers for goods and services	(1,245,895)	(2,640,835)	(1,531,869)	(5,418,599)	(12,263,058)
Cash payments to employees for services	(1,964,529)	(2,199,337)	(2,910,141)	(7,074,007)	(1,016,586)
Net Cash Flows From Operating Activities	<u>2,810,356</u>	<u>4,989,243</u>	<u>(1,880,933)</u>	<u>5,918,666</u>	<u>(62,852)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Subsidies received - federal	-	-	1,246,495	1,246,495	-
Subsidies received - state	-	-	809,989	809,989	-
Subsidies received - local	-	-	77,284	77,284	-
Paid to municipality for tax equivalent	(1,121,795)	-	-	(1,121,795)	-
Negative cash balance implicitly financed for other utilities	-	-	(125,607)	(125,607)	-
Due to other funds	1,355,952	16,590	-	1,372,542	-
Transfers from (to) other funds	-	-	738,748	738,748	(298,319)
Transfer to debt service	-	-	-	-	(60,328)
Transfer to capital projects	-	-	-	-	(1,147,830)
Net Cash Flows From Noncapital Financing Activities	<u>234,157</u>	<u>16,590</u>	<u>2,746,909</u>	<u>2,997,656</u>	<u>(1,506,477)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Cash used to retire debt	(2,992,063)	(2,823,143)	(540,000)	(6,355,206)	-
Interest paid	(454,865)	(838,782)	(78,588)	(1,372,235)	-
Contributions and assessments for construction	186,984	179,418	16,030	382,432	-
Acquisition and construction of capital assets	(2,637,395)	(12,904,971)	(837,417)	(16,379,783)	-
Long term debt issued	2,820,000	10,359,298	60,000	13,239,298	-
Issuance cost of new debt	(9,668)	(12,407)	(205)	(22,280)	-
Net Cash Flows From Capital and Related Financing Activities	<u>(3,087,007)</u>	<u>(6,040,587)</u>	<u>(1,380,180)</u>	<u>(10,507,774)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	18,558	38,597	-	57,155	-
Net Change in Cash and Cash Equivalents	(23,936)	(996,157)	(514,204)	(1,534,297)	(1,569,329)
CASH AND CASH EQUIVALENTS - Beginning of Year	863,603	8,519,526	1,328,835	10,711,964	4,507,656
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 839,667</u>	<u>\$ 7,523,369</u>	<u>\$ 814,631</u>	<u>\$ 9,177,667</u>	<u>\$ 2,938,327</u>

	Water Utility	Wastewater Utility	Other Enterprise Funds	Totals	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ 887,536	\$ 1,832,268	\$ (2,594,209)	\$ 125,595	\$ 1,770,304
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities					
Nonoperating income (expense)	(920)	(15,592)	-	(16,512)	-
Depreciation	1,650,352	2,817,104	642,278	5,109,734	-
Depreciation charged to other accounts	82,790	-	24,696	107,486	-
Change in Noncash Components of Working Capital					
Accounts receivable	23,694	157,776	(35,151)	146,319	(502,889)
Other accounts receivable	1,752	187,834	-	189,586	-
Due from other funds	(11,199)	48,893	(9,592)	28,102	(1,388,244)
Inventories	5,469	-	(16,757)	(11,288)	30,499
Prepaid items	2,096	2,096	786	4,978	4,655
Accounts payable	48,557	(61,410)	35,541	22,688	(62,294)
Other current liabilities	(304)	22,522	9,279	31,497	85,117
Other post employment benefits	120,533	(2,248)	62,196	180,481	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 2,810,356	\$ 4,989,243	\$ (1,880,933)	\$ 5,918,666	\$ (62,852)
Cash and investments - statement of net assets	\$ -	\$ 135,090	\$ 130,282	\$ 265,372	\$ 2,938,327
Revenue bond redemption account - statement of net assets	234,276	2,156,231	-	2,390,507	-
Restricted cash and investments - statement of net assets	605,391	5,232,048	684,349	6,521,788	-
CASH AND CASH EQUIVALENTS - COMBINED STATEMENT OF CASH FLOWS	\$ 839,667	\$ 7,523,369	\$ 814,631	\$ 9,177,667	\$ 2,938,327

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

During 2011, \$101,810 and \$43,010 of capital additions were contributed to the water and wastewater utilities, respectively, by customers. In addition, \$36,601, \$649,677, and \$35,760 of capital interest was charged due to construction in the water, wastewater, and stormwater utilities, respectively.

FIDUCIARY FUNDS

AGENCY FUNDS

Agency Funds are used to account for assets held by the Municipality as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CITY OF JANESVILLE

**STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
As of December 31, 2011**

	<u>Agency</u>
ASSETS	
Cash and investments	\$ 23,948,961
Taxes receivable	44,788,389
Delinquent taxes	<u>158,872</u>
TOTAL ASSETS	<u>\$ 68,896,222</u>
LIABILITIES	
Due to other taxing units	\$ 68,747,191
Accounts payable	3,369
Due to landfill users	<u>145,662</u>
TOTAL LIABILITIES	<u>\$ 68,896,222</u>

See accompanying notes to financial statements.

CITY OF JANESVILLE

INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Janesville, Wisconsin 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 (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity 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 is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from 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. Wisconsin Statutes provide for circumstances whereby the city can impose its will on the CDA, and also create a potential financial benefit to or burden on the city. 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, 2011. The CDA does not issue separate financial statements.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In February 2009, the GASB issued Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications based primarily on the extent to which the government is bound to honor constraints on the use of the resources reported in each governmental fund as well as establishes additional note disclosures regarding fund balance classification policies and procedures. The city implemented this standard effective January 1, 2011.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

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

Government-Wide Financial Statements

The statement of net assets 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.

Fund Financial Statements

Financial statements of the reporting entity 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, liabilities, net assets/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 non-major 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, liabilities, 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.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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 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 revenues legally restricted 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:

- Water Utility – accounts for operations of the water system.
- Wastewater Utility– accounts for operations of the wastewater system.

The city reports the following non-major governmental and enterprise 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	TIF No. 22	TIF No. 32
JATV-12	TIF No. 23	TIF No. 33
Oak Hill Cemetery	TIF No. 24	TIF No. 34
Special Accounts	TIF No. 25	TIF No. 35
TIF No. 3	TIF No. 26	Golf Courses
TIF No. 9	TIF No. 27	Other Housing Grants
TIF No. 14	TIF No. 28	Community Development
TIF No. 16	TIF No. 29	Block Grant
TIF No. 17	TIF No. 30	Industrial Waste Disposal
TIF No. 21	TIF No. 31	

Enterprise Funds – may be used to report any activity for which a fee is charged to external users for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

- Stormwater Utility
- Transit System

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

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

Fund Financial Statements (cont.)

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

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

- Tax Collection Fund
- Disposal Site Study Fund

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

Government-Wide Financial Statements

The government-wide statement of net assets 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 revenue. 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.

The business-type activities follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board guidance issued after November 30, 1989.

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 water utility, wastewater utility, stormwater 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.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

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

Government-Wide Financial Statements (cont.)

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 revenues. 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 deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

Fund Financial Statements

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred revenues. Delinquent special assessments being held for collection by the county are reported as receivables and reserved fund balance in the debt service fund.

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.

The city reports deferred revenues on its governmental funds balance sheet. Deferred revenues arise from taxes levied in the current year which are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the city has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the city has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

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

Fund Financial Statements (cont.)

The enterprise funds follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board guidance issued after November 30, 1989. 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 water utility, wastewater utility, stormwater 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. ASSETS, LIABILITIES, AND NET ASSETS 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 maturing in three years or less.
- 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.
- 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.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

1. Deposits and Investments (cont.)

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 quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on 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, 2011, 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 agency fund statement of fiduciary net assets.

Property tax calendar – 2011 tax roll:

Lien date and levy date	December 2011
Tax bills mailed	December 2011
Payment in full, or	January 31, 2012
First installment due	January 31, 2012
Second installment due	July 31, 2012
Personal property taxes in full	January 31, 2012
Tax sale – 2011 delinquent real estate taxes	October 2014

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 water, wastewater, and stormwater 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.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

2. Receivables (cont.)

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 assets. 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 \$97,650.

It is the city’s policy to record deferred revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as 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.

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 assets.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

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 \$1,000 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 are recorded at their estimated fair value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. \$686,278 of net interest was capitalized during the current year. 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 assets. 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.

6. Other Assets

In governmental funds, debt issuance costs are recognized as expenditures in the current period. For the government-wide and the proprietary fund type financial statements, debt issuance costs are deferred and amortized over the term of the debt issue. The preliminary engineering balance represents initial project engineering costs that will be capitalized when and if construction commences on the project.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

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 considered due to employees effective January 1, 2012. This vacation balance is not available for employees to use until January 1, 2012 and for most employee groups this vacation balance must be used by December 31, 2012. The balance is \$1,679,755 as of December 31, 2011.

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, 2011 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.

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 deferred and amortized over the life of the issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the statement of net assets.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

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

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 \$17,410,000, made up of two issues.

9. Claims and Judgments

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 is 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. There were no significant claims or judgments at year end.

10. Equity Classifications

Government-Wide Statements

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

- a. Invested in capital assets, net of related debt – 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 assets – Consists of net assets 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 assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The net assets 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 “invested in capital assets, net of related debt,” and an increase in “unrestricted” net assets, shown only in the total column.

	Governmental Activities	Business-type Activities	Adjustment	Total
Invested in capital assets, net of related debt	\$ 157,671,125	\$ 91,220,876	\$ (311,143)	\$ 248,580,858
Unrestricted (deficit)	(1,735,225)	3,402,388	311,143	1,978,306

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (cont.)

10. Equity Classifications (cont.)

Government-Wide Statements (cont.)

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 equity is classified as fund balance. In accordance with Governmental Accounting Standards Board Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*, the city classifies governmental fund balance 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 formal action (ordinance, resolution, motion) of the city. 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. Fund balance may be assigned through the following; 1) The city has adopted a financial policy authorizing the finance committee to assign amounts for a specific purpose. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. 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, 2011

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

D. ASSETS, LIABILITIES, AND NET ASSETS 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.

See Note III. H. for further information.

11. Basis for Existing Rates

Water Utility

Current water rates authorized by the Public Service Commission of Wisconsin became effective May 15, 2011.

Wastewater Utility

Current wastewater rates were approved by the City Council on January 1, 2010.

Stormwater Utility

The current stormwater utility rates were approved by the City Council on January 1, 2011. New stormwater rates were approved by the City Council to become effective January 1, 2012.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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 ASSETS

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. 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	\$ 51,204,441
Premium on debt	22,502
Post retirement benefits	10,748,932
Landfill super fund care	913,000
Accrued vacation	1,679,755
Accrued interest	638,338
Unamortized debt issue costs	<u>(183,833)</u>
Combined Adjustment for Long-Term Liabilities	<u>\$ 65,023,135</u>

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. 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.

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, Industrial Waste Disposal, and Sanitation. 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.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

A. BUDGETARY INFORMATION (cont.)

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, housing services – property maintenance, and EDA departments.

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.

<u>Fund</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess</u>
Golf Courses	\$ 1,207,000	\$ 1,309,485	\$ 102,485
Oak Hill Cemetery	214,240	232,668	18,428
Debt service	10,478,533	10,502,361	23,828

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, 2011

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, 2011, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Golf Courses	\$ 104,789	Unfunded costs
TIF No. 9	108,175	Unfunded costs
TIF No. 17	106,534	Unfunded costs
TIF No. 21	32,570	Unfunded costs
TIF No. 24	2,636	Unfunded costs
TIF No. 25	394,792	Unfunded costs
TIF No. 28	99,462	Unfunded costs
TIF No. 31	21,851	Unfunded costs
TIF No. 32	393,751	Unfunded costs
TIF No. 35	77,308	Unfunded costs

The Golf Courses deficit is anticipated to be funded by the General Fund.

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.

D. LIMITATIONS ON THE CITY'S TAX LEVY

As part of Wisconsin's Act 32 (2011), legislation was passed that 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 for the 2011 levy collected in 2012 and thereafter. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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	\$ 35,715,928	\$ 36,300,031	Custodial credit
LGIP	20,530,975	20,530,975	Credit, interest rate
U.S. agencies explicitly guaranteed	629,090	629,090	Custodial credit, interest rate
U.S. agencies implicitly guaranteed	4,232,439	4,232,439	Credit, custodial credit, concentration of credit, interest rate
Corporate bonds	967,483	967,483	Credit, custodial credit, interest rate
U.S. Treasury notes	1,731,508	1,731,508	Custodial credit, interest rate
Petty cash	14,305	N/A	N/A
Total Cash and Investments	\$ 63,821,728	\$ 64,391,526	
Reconciliation to financial statements-primary government			
Per statement of net assets			
Unrestricted cash and investments	\$ 30,960,472		
Restricted cash and investments	8,912,295		
Per statement of net assets –			
Fiduciary Funds			
Agency	23,948,961		
Total Cash and Investments	\$ 63,821,728		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings account (including NOW accounts), \$250,000 for interest-bearing demand deposit accounts, and unlimited amounts for noninterest bearing transaction accounts. Deposits in credit unions are insured by the National Credit Union Administration in the amount of \$250,000 for all share draft accounts, and \$250,000 for all share certificate and regular share accounts.

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

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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.

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

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

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 investments exposed to custodial credit risk.

The city’s investment policy states that all 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 counterparty to an investment will not fulfill its obligations.

As of December 31, 2011, the city’s investments were rated as follows:

<u>Investment Type</u>	<u>Rating</u>
U.S. agencies – implicitly guaranteed	AAA

The city also 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, 2011

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, 2011, the city's investment portfolio was concentrated as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage of Portfolio</u>
FHLMC	U.S agencies implicitly guaranteed	6.31%
FNMA	U.S agencies implicitly guaranteed	7.77%

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, 2011, the city's investments were as follows:

<u>Specific Investment</u>	<u>Fair Value</u>	<u>Maturity</u>		
		<u>Less than 60 Days</u>	<u>60 Days - 2 years</u>	<u>2 years - 28 years</u>
GNMA	\$ 327,922	-	-	\$ 327,922
FNMA	2,182,854	-	411,130	1,771,724
FHLB	276,790	-	-	276,790
FHLMC	1,772,795	-	-	1,772,795
SBA	301,168	-	-	301,168
Corporate Bonds	967,483	125,154	771,353	70,976
LGIP	20,530,975	20,530,975	-	-
US Treasury Notes	1,731,508	-	200,852	1,530,656
Totals	\$ 28,091,495	\$ 20,656,129	\$ -	\$ 6,052,031

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, 2011

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	Water Utility	Wastewater Utility	Nonmajor and Other	Total
Net Total Receivables	\$ 28,841,493	\$ 873,383	\$ 1,548,476	\$ 823,218	\$ 1,677,289	\$ 2,822,080	\$ 14,064,799	\$ 50,650,738
Amounts not expected to be collected within one year	\$ 158,872	\$ -	\$ 725,860	\$ -	\$ 163,287	\$ 115,096	\$ 5,048,581	\$ 6,211,696

The city has recorded an allowance in the general fund for ambulance receivables, loans receivable, and other miscellaneous receivables totaling \$2,651,891. The city has also recorded an allowance in the debt service fund for special assessments in the amount of \$1,437,545. These amounts are not expected to be collected within one year.

Governmental funds report *deferred 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 *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned	Totals
Property taxes receivable for subsequent year	\$ -	\$ 32,939,460	\$ 32,939,460
Delinquent personal property taxes	158,872	-	158,872
Long-term loans receivable	5,048,580	-	5,048,580
Special assessments not yet due	2,218,615	-	2,218,615
Grants not available at year end	206,690	-	206,690
Miscellaneous	-	12,000	12,000
Total Deferred/Unearned Revenue for Governmental Funds	\$ 7,632,757	\$ 32,951,460	\$ 40,584,217

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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.

See Note V.B. for descriptions of the internal service fund restricted assets.

Following is a list of restricted assets at December 31, 2011:

Construction account	\$ 3,110,550
Replacement account	3,411,238
Revenue bond redemption account	<u>2,390,507</u>
 Total Restricted Assets	 <u>\$ 8,912,295</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2011 was as follows:

	1/1/2011 Beginning Balance	Additions	Deletions	12/31/2011 Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 21,582,568	\$ 292,493	\$ (161,205)	\$ 21,713,856
Right of Way	11,633,766	1,474	-	11,635,240
Construction in Progress	928,061	1,472,494	(946,240)	1,454,315
Total Capital Assets Not Being Depreciated	34,144,395	1,766,461	(1,107,445)	34,803,411
Capital assets being depreciated				
Land Improvements	8,025,824	224,890	-	8,250,714
Buildings	28,899,634	1,776,841	(145,997)	30,530,478
Furniture and Fixtures	10,867,828	729,523	(611,299)	10,986,052
Vehicles and Equipment	20,293,051	1,590,656	(1,010,263)	20,873,444
Landfill improvements	5,613,878	82,449	-	5,696,327
Storm sewer	30,868,507	253,179	(26,921)	31,094,765
Roads	93,367,125	1,239,299	(10,906)	94,595,518
Sidewalks	14,052,510	761,463	(42,573)	14,771,400
Street lights	3,634,534	-	-	3,634,534
Traffic Signals	3,673,672	-	-	3,673,672
Bridges	10,060,349	-	-	10,060,349
Boat Launches	286,199	-	-	286,199
Bike trails	5,842,001	-	-	5,842,001
Riverwall/ Retaining wall	1,340,003	-	-	1,340,003
Dams	-	331,930	-	331,930
Total Capital Assets Being Depreciated	236,825,115	6,990,230	(1,847,959)	241,967,386

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2011

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

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Less: Accumulated depreciation for				
Land Improvements	\$ (1,403,791)	\$ (304,992)	\$ -	\$ (1,708,783)
Buildings	(8,651,670)	(616,265)	42,417	(9,225,518)
Furniture and Fixtures	(7,875,948)	(1,193,579)	607,849	(8,461,678)
Vehicles and Equipment	(13,625,925)	(1,607,736)	932,658	(14,301,003)
Landfill improvements	(1,096,436)	(282,755)	-	(1,379,191)
Storm sewer	(8,081,755)	(414,138)	26,921	(8,468,972)
Roads	(26,890,295)	(1,516,795)	10,906	(28,396,184)
Sidewalks	(5,230,028)	(240,680)	42,573	(5,428,135)
Street lights	(1,009,942)	(72,691)	-	(1,082,633)
Traffic Signals	(602,666)	(73,473)	-	(676,139)
Bridges	(3,266,958)	(133,803)	-	(3,400,761)
Boat Launches	(195,013)	(14,310)	-	(209,323)
Bike trails	(829,879)	(97,269)	-	(927,148)
Riverwall/ Retaining wall	(170,800)	(26,800)	-	(197,600)
Dams	-	(3,319)	-	(3,319)
Total Accumulated Depreciation	<u>(78,931,106)</u>	<u>(6,598,605)</u>	<u>1,663,324</u>	<u>(83,866,387)</u>
 Net Capital Assets Being Depreciated	 <u>157,894,009</u>	 <u>391,625</u>	 <u>(184,635)</u>	 <u>158,100,999</u>
 Total Governmental Activities Capital Assets, Net of Depreciation	 <u>\$ 192,038,404</u>	 <u>\$ 2,158,086</u>	 <u>\$ (1,292,080)</u>	 <u>\$ 192,904,410</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 267,546
Public safety	875,549
Public works, which includes the depreciation of infrastructure	3,988,780
Recreation and parks	458,961
Community and economic development	67,089
Library	<u>940,680</u>
Total Governmental Activities Depreciation Expense	<u>\$ 6,598,605</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2011

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

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
<u>Water</u>				
Capital assets not being depreciated				
Land and land rights	\$ 305,478	\$ -	\$ -	\$ 305,478
Construction in progress	482,173	2,394,272	(2,566,208)	310,237
Total Capital Assets	787,651	2,394,272	(2,566,208)	615,715
Not Being Depreciated				
Capital assets being depreciated				
Source of supply	2,283,716	-	-	2,283,716
Pumping	8,096,399	-	-	8,096,399
Treatment	227,004	-	-	227,004
Transmission and distribution	55,124,763	2,716,582	(129,014)	57,712,331
Administrative and general assets	4,140,134	198,003	(72,103)	4,266,034
Total Capital Assets	69,872,016	2,914,585	(201,117)	72,585,484
Being Depreciated				
Total Capital Assets	70,659,667	5,308,857	(2,767,325)	73,201,199
Less: Accumulated depreciation for				
Source of supply	(715,626)	(66,227)	-	(781,853)
Pumping	(2,729,321)	(305,116)	-	(3,034,437)
Treatment	(211,861)	(13,620)	-	(225,481)
Transmission and distribution	(11,486,193)	(988,722)	113,768	(12,361,147)
Administrative and general assets	(2,981,889)	(359,457)	58,075	(3,283,271)
Total Accumulated Depreciation	(18,124,890)	(1,733,142)	171,843	(19,686,189)
Water Capital Assets, Net of Depreciation	\$ 52,534,777	\$ 3,575,715	\$ (2,595,482)	\$ 53,515,010

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2011

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

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
<u>Wastewater</u>				
Capital assets not being depreciated				
Land	\$ 18,000	\$ -	\$ -	\$ 18,000
Construction in progress	23,304,220	11,039,646	(33,510,616)	833,250
Total Capital Assets Not Being Depreciated	<u>23,322,220</u>	<u>11,039,646</u>	<u>(33,510,616)</u>	<u>851,250</u>
Capital assets being depreciated				
Collection system	48,345,029	2,095,490	(4,809)	50,435,710
Treatment and disposal	26,691,538	32,682,837	(2,009,521)	57,364,854
General	1,515,989	159,484	(30,772)	1,644,701
Total Capital Assets Being Depreciated	<u>76,552,556</u>	<u>34,937,811</u>	<u>(2,045,102)</u>	<u>109,445,265</u>
Total Capital Assets	<u>99,874,776</u>	<u>45,977,457</u>	<u>(35,555,718)</u>	<u>110,296,515</u>
Less: Accumulated depreciation for				
Collection system	(11,687,343)	(795,085)	4,809	(12,477,619)
Treatment and disposal	(16,601,795)	(1,879,275)	2,009,521	(16,471,549)
General assets	(1,199,308)	(142,744)	30,772	(1,311,280)
Total Accumulated Depreciation	<u>(29,488,446)</u>	<u>(2,817,104)</u>	<u>2,045,102</u>	<u>(30,260,448)</u>
Wastewater Capital Assets, Net of Depreciation	<u>\$ 70,386,330</u>	<u>\$ 43,160,353</u>	<u>\$ (33,510,616)</u>	<u>\$ 80,036,067</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
<u>Stormwater</u>				
Capital assets not being depreciated				
Construction in progress	\$ 93,072	\$ 704,943	\$ (671,821)	\$ 126,194
Total Capital Assets Not Being Depreciated	93,072	704,943	(671,821)	126,194
Other capital assets				
Detention ponds	2,249,755	52,357	-	2,302,112
Greenbelt crossings	1,996,355	48,615	-	2,044,970
Stormwater mains	1,493,756	441,366	-	1,935,122
Dam Improvements	114,998	-	-	114,998
General assets	60,231	81,737	-	141,968
Total Capital Assets Being Depreciated	5,915,095	624,075	-	6,539,170
Total Capital Assets	6,008,167	1,329,018	(671,821)	6,665,364
Less: Accumulated depreciation for				
Detention ponds	(356,621)	(45,519)	-	(402,140)
Greenbelt crossings	(316,564)	(26,942)	-	(343,506)
Stormwater mains	(40,339)	(22,859)	-	(63,198)
Dam Improvements	(8,050)	(2,300)	-	(10,350)
General assets	(24,938)	(19,702)	-	(44,640)
Total Accumulated Depreciation	(746,512)	(117,322)	-	(863,834)
Stormwater Capital Assets, Net of Depreciation	\$ 5,261,655	\$ 1,211,696	\$ (671,821)	\$ 5,801,530

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
<u>Transit</u>				
Capital assets not being depreciated				
Land and land rights	\$ 356,520	\$ -	\$ -	\$ 356,520
Construction in progress	-	10,198	-	10,198
Total Capital Assets Not Being Depreciated	356,520	10,198	-	366,718
Capital assets being depreciated				
Building	2,469,060	119,022	(3,230)	2,584,852
Equipment	5,761,863	130,073	(226,482)	5,665,454
Total Capital Assets Being Depreciated	8,230,923	249,095	(229,712)	8,250,306
Total Capital Assets	8,587,443	259,293	(229,712)	8,617,024
Less: Accumulated depreciation for				
Building	(1,061,241)	(61,584)	3,230	(1,119,595)
Equipment	(2,902,891)	(463,372)	184,500	(3,181,763)
Total Accumulated Depreciation	(3,964,132)	(524,956)	187,730	(4,301,358)
Transit Capital Assets, Net of Depreciation	<u>\$ 4,623,311</u>	<u>\$ (265,663)</u>	<u>\$ (41,982)</u>	<u>\$ 4,315,666</u>
Business-type Capital Assets, Net of Depreciation	<u>\$ 132,806,073</u>	<u>\$ 47,682,101</u>	<u>\$ (36,819,901)</u>	<u>\$ 143,668,273</u>

Depreciation expense was charged to functions as follows:

Business-type Activities

Transit	\$ 524,956
Stormwater	117,322
Water	1,650,352
Wastewater	2,817,104
	<hr/>
Total Business-type Activities	<u>\$ 5,109,734</u>

Depreciation expense does not agree to the increases in accumulated depreciation due to joint metering, salvage, and cost of removal.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

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	\$ 1,257,157	\$ -
General Fund	Golf Courses	144,309	144,309
General Fund	TIF 9	108,189	58,316
General Fund	TIF 16	106,534	67,190
General Fund	TIF 17	32,570	32,444
General Fund	TIF 24	5,442	-
General Fund	TIF 25	394,792	-
General Fund	TIF 28	99,462	97,464
General Fund	TIF 31	21,851	293
General Fund	TIF 32	413,173	-
General Fund	TIF 35	77,308	77,308
Capital Projects Fund	Debt Service Fund	643,147	-
TIF 32	Water Utility	159,601	-
Water Utility	General Fund	630,907	-
Water Utility	Debt Service Fund	35,074	-
Wastewater Utility	General Fund	981,537	-
Wastewater Utility	Transit System	331,648	-
Stormwater Utility	General Fund	119,233	-
Insurance Fund	Water Utility	1,388,244	1,388,244
Subtotal- Fund Financial Statements		6,950,178	\$ 1,865,568
Less: Fund eliminations		(2,378,425)	
Less: Internal service fund elimination adjustment		(1,163,377)	
Less: Government-wide eliminations		(3,533,502)	
Total Government-wide Statement of Net Assets		\$ (125,126)	

Receivable Fund	Payable Fund	Amount
Governmental Activities	Business-type Activities	\$ 2,805,002
Business-type Activities	Governmental Activities	(2,930,128)
Total Government-wide Statement of Net Assets		\$ (125,126)

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

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

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 assets, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated. The following is a schedule of interfund transfers:

Fund Transferred To	Amount	Principal Purpose	Fund Transferred From	Amount	Principal Purpose
General Fund	\$ 1,257,157	Tax equivalent	General Fund	\$ 4,983,084	Debt payments
General Fund	163,631	Repay prior transfer	General Fund	218,401	Subsidy
General Fund	210,930	Premium Rebate	General Fund	16,399	Subsidy
Total General Fund	<u>1,631,718</u>		General Fund	50,000	Subsidy
Sanitation Fund	14,970	Premium Rebate	General Fund	<u>722,218</u>	Subsidy
Total Sanitation Fund	<u>14,970</u>		Total General Fund	<u>5,990,102</u>	
Debt Service Fund	4,983,084	Debt payments	Sanitation Fund	892,460	Debt payments
Debt Service Fund	892,460	Debt payments	Sanitation Fund	<u>226,000</u>	Long-term care
Debt Service Fund	240,694	Debt payments	Total Sanitation Fund	<u>1,118,460</u>	
Debt Service Fund	15,300	Debt payments	Capital Projects	8,943	Subsidy
Debt Service Fund	47,000	Debt payments	Total Capital Projects Fund	<u>8,943</u>	
Debt Service Fund	54,138	Debt payments	Water Utility	<u>1,257,157</u>	Tax equivalent
Debt Service Fund	882,294	Debt payments	Total Water Utility	<u>1,257,157</u>	
Debt Service Fund	14,635	Debt payments	TIF 3	163,631	Repay prior transfer
Debt Service Fund	83,600	Debt payments	Library	240,694	Debt payments
Debt Service Fund	195,090	Debt payments	TIF 9	15,300	Debt payments
Debt Service Fund	198,078	Debt payments	TIF 16	47,000	Debt payments
Debt Service Fund	37,725	Debt payments	TIF 17	54,138	Debt payments
Debt Service Fund	12,400	Debt payments	TIF 22	882,294	Debt payments
Debt Service Fund	60,328	Debt payments	TIF 23	14,635	Debt payments
Debt Service Fund	218,401	Subsidy	TIF 24	83,600	Debt payments
Total Debt Service Fund	<u>7,935,227</u>		TIF 25	195,090	Debt payments
Capital Projects Fund	16,399	Subsidy	TIF 26	198,078	Debt payments
Capital Projects Fund	1,156,500	Capital equipment	TIF 27	37,725	Debt payments
Capital Projects Fund	3,960	Premium Rebate	TIF 34	12,400	Debt payments
Total Capital Projects Fund	<u>1,176,859</u>		Benefits Funding	60,328	Debt payments
Water Utility	14,129	Premium Rebate	VOM	1,156,500	Capital equipment
Total Water Utility	<u>14,129</u>		Insurance Fund	14,970	Premium Rebate
Wastewater Utility	16,590	Premium Rebate	Insurance Fund	210,930	Premium Rebate
Total Wastewater Utility	<u>16,590</u>		Insurance Fund	3,960	Premium Rebate
Library	9,780	Premium Rebate	Insurance Fund	14,129	Premium Rebate
Oak Hill Cemetery	50,000	Subsidy	Insurance Fund	16,590	Premium Rebate
Special Accounts	226,000	Long-term care	Insurance Fund	9,780	Premium Rebate
Community Dev Block Grant	2,760	Premium Rebate	Insurance Fund	2,760	Premium Rebate
Stormwater	5,250	Premium Rebate	Insurance Fund	5,250	Premium Rebate
Transit	11,280	Premium Rebate	Insurance Fund	11,280	Premium Rebate
Transit	722,218	Subsidy	Insurance Fund	<u>8,670</u>	Premium Rebate
Transit	8,943	Subsidy	Total Nonmajor Funds	<u>3,459,732</u>	
VOM	8,670	Premium Rebate			
Total Nonmajor Funds	<u>1,044,901</u>				
Sub-Total Fund Financial Statements	\$ <u>11,834,394</u>			11,834,394	
Less Fund Eliminations				(9,798,827)	
Less Government-wide Eliminations				<u>(1,556,822)</u>	
Total Government Wide Statement of Activities				\$ <u>478,745</u>	

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

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

Fund Transferred To	Fund Transferred From	Amount
Governmental Activities	Business-type Activities	\$ 1,257,157
Business-type Activities	Governmental Activities	(778,412)
		\$ 478,745

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.

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable:					
General obligation debt - General	\$ 52,444,462	\$ 8,880,000	\$ 10,120,021	\$ 51,204,441	\$ 8,634,441
Premium on debt	25,964	-	3,462	22,502	-
Total Notes Payable	52,470,426	8,880,000	10,123,483	51,226,943	8,634,441
Other Liabilities					
Other post retirement benefits	8,807,807	3,516,968	1,575,843	10,748,932	-
Landfill superfund care	958,000	-	45,000	913,000	45,000
Accrued vacation (Note I.D.7.)	1,619,225	1,679,755	1,619,225	1,679,755	1,679,755
Total Other Liabilities	11,385,032	5,196,723	3,240,068	13,341,687	1,724,755
Total Governmental Activities Long-Term Liabilities	\$ 63,855,458	\$ 14,076,723	\$ 13,363,551	\$ 64,568,630	\$ 10,359,196
Business-Type Activities					
Bonds and Notes Payable:					
General obligation debt	\$ 24,470,000	\$ 5,040,000	\$ 5,900,000	\$ 23,610,000	\$ 4,690,000
Other post employment benefits	908,048	320,901	140,420	1,088,529	-
Premium on debt	11,627	-	1,660	9,967	-
Revenue bonds	24,314,249	8,199,298	455,206	32,058,341	1,694,401
Total Business-Type Activities Long-Term Liabilities	\$ 49,703,924	\$ 13,560,199	\$ 6,497,286	\$ 56,766,837	\$ 6,384,401

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, 2011

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, 2011 was \$197,038,180. Total general obligation debt outstanding at year end was \$74,814,441.

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/2011
Governmental Activities					
General Obligation Debt					
State trust fund loan	8/7/2002	3/15/2012	4.50%	\$ 1,758,400	\$ 209,441
General obligation notes	7/1/2004	2/1/2014	3.00 - 4.20%	8,590,000	2,375,000
General obligation notes	7/1/2005	2/1/2015	3.25-4.25%	6,785,000	1,545,000
General obligation taxable notes	7/1/2005	7/1/2015	4.25 - 4.70%	4,285,000	3,585,000
General obligation notes	1/1/2006	6/1/2010	3.50 - 3.75%	1,712,024	190,000
General obligation notes	7/1/2006	2/1/2015	4.00%	10,380,000	4,050,000
General obligation notes	7/1/2007	2/1/2017	4.00 - 5.00%	7,920,000	4,310,000
General obligation notes	7/1/2008	2/1/2018	3.50 - 4.25%	10,285,000	7,125,000
General obligation notes	11/23/2009	2/1/2019	2.00 - 3.75%	11,450,000	9,005,000
General obligation notes	11/23/2009	2/1/2018	2.00 - 3.50%	6,915,000	5,125,000
General obligation notes	11/4/2010	2/1/2020	2.00 - 2.85%	6,145,000	3,750,000
General obligation notes	11/4/2010	2/1/2020	1.05 - 3.60%	1,055,000	1,055,000
General obligation notes	11/14/2011	2/1/2021	2.00 - 3.00%	7,595,000	7,595,000
General obligation notes	11/14/2011	2/1/2021	2.00 - 3.00%	1,285,000	1,285,000
Total Governmental Activities – General Obligation Debt					<u>\$ 51,204,441</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2011

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 Indebtedness	Balance 12/31/2011
Business-type Activities					
General Obligation Debt					
General obligation notes	7/1/2004	2/1/2014	3.00 - 4.20%	\$ 5,630,000	\$ 1,225,000
General obligation notes	7/1/2005	2/1/2015	3.25-4.25%	4,380,000	1,005,000
General obligation notes	7/1/2006	2/1/2015	4.00%	4,695,000	1,635,000
General obligation notes	12/15/2006	12/1/2016	3.75 - 4.00%	4,010,000	2,370,000
General obligation notes	7/1/2007	2/1/2017	4.00 - 5.00%	5,245,000	2,840,000
General obligation notes	7/1/2008	2/1/2018	3.50 - 4.25%	4,960,000	3,245,000
General obligation notes	11/23/2009	2/1/2019	2.00 - 3.75%	3,955,000	3,100,000
General obligation notes	11/23/2009	2/1/2018	2.00 - 3.50%	2,150,000	780,000
General obligation notes	11/4/2010	2/1/2020	2.00 - 2.85%	2,620,000	2,370,000
General obligation notes	11/14/2011	2/1/2021	2.00 - 3.00%	4,420,000	4,420,000
General obligation notes	11/14/2011	2/1/2021	2.00 - 3.00%	620,000	620,000
Total Business-type Activities General Obligation Debt					<u>\$ 23,610,000</u>

Debt service requirements to maturity are as follows:

Years	Government Activities General Obligation Debt		Business- Type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2012	\$ 8,634,441	\$ 148,053	\$ 4,690,000	\$ 641,446
2013	8,025,000	1,272,117	3,965,000	553,730
2014	7,535,000	1,024,570	3,190,000	433,496
2015	8,825,000	806,192	2,555,000	335,269
2016	5,370,000	489,142	2,955,000	254,609
2017-2021	12,815,000	672,397	6,255,000	382,416
Totals	<u>\$ 51,204,441</u>	<u>\$ 4,412,471</u>	<u>\$ 23,610,000</u>	<u>\$ 2,600,966</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2011

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 \$37.0 million in revenue bonds issued since 1992. 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 13% of net revenues. The total principal and interest remaining to be paid on the bonds is \$38.4 million. Principal and interest paid for the current year and total customer net revenues were \$1.1 million and \$7.2 million, respectively.

Revenue debt payable at December 31, 2011 consists of the following:

Business-type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/2011
<u>Water Utility</u>					
Safe Drinking Water loan	2003	2023	2.75%	\$ 1,336,937	\$ 1,581,651
Safe Drinking Water loan	2004	2024	2.37%	2,150,000	922,346
				Total Water Utility	2,503,997
<u>Wastewater Utility</u>					
Clean Water Fund loan	1992	2012	3.80%	346,280	24,736
Clean Water Fund loan	1996	2016	3.08%	518,676	160,621
Clean Water Fund loan	1998	2017	2.64%	1,128,073	419,032
Clean Water Fund loan	2000	2019	2.97%	284,140	140,122
Clean Water Fund loan	2001	2020	2.75%	1,100,828	652,775
Clean Water Fund loan	2004	2023	2.37%	2,032,973	1,400,638
Clean Water Fund loan	2010	2029	2.15%	27,212,000	25,851,400
Clean Water Fund loan	2011	2031	2.40%	905,020	905,020
				Total Wastewater Utility	29,554,344
Total Business-type Activities Revenue Debt					\$ 32,058,341

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2011

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 Debt	
	Principal	Interest
2012	\$ 1,694,401	\$ 693,060
2013	1,707,570	654,251
2014	1,746,344	615,032
2015	1,786,008	574,914
2016	1,826,581	533,875
2017-2021	9,229,412	2,051,816
2022-2026	8,776,143	1,033,013
2027-2031	5,291,882	179,935
Totals	\$ 32,058,341	\$ 6,335,896

Other Debt Information

Estimated payments of accrued vacation, other post employment benefits, and landfill superfund care are not included in the debt service requirement schedules. The accrued vacation liability and other postretirement benefits 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.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The city believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

On November 14, 2011, the city issued \$13,920,000 in general obligation bonds with an average interest rate of 2.425%. Of this issuance 12,015,000 was new debt to fund capital projects and \$1,905,000 was used to current refund \$1,905,000 of outstanding bonds with an average interest rate of 3.30%. The net proceeds of \$1,905,000 (after payment in underwriting fees, insurance and other issuance costs) was used to prepay the outstanding debt service requirements on the old bonds.

The cash flow requirements on the refunded bonds and notes prior to the current refunding was \$1,968,498 from 2012 through 2013. The cash flow requirements on the refunding bonds are \$1,994,175 from 2012 through 2021. 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 \$7,250.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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 postclosure 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 postclosure care.

The city is required by state environmental laws to provide financial security to guarantee final site closure and postclosure care. The city is in compliance with these requirements by having in place the insurance policy, which provides the required amount for closure and postclosure 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 postclosure 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.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

H. NET ASSETS/FUND BALANCES

Governmental activities net assets reported on the government wide statement of net assets at December 31, 2011 include the following:

Invested in capital assets, net of related debt	
Land	\$ 33,349,096
Construction in progress	1,454,315
Other capital assets, net of accumulated depreciation	158,100,999
Less: related long-term debt outstanding (excluding unspent capital related debt proceeds)	<u>(35,233,285)</u>
Total Invested in Capital Assets	<u>157,671,125</u>
Restricted	
Debt service	2,074,967
Grant agreements	5,837,700
Library	430,258
TIF districts	1,269,919
Landfill long-term care	<u>1,893,808</u>
Total Restricted	<u>11,506,652</u>
Unrestricted (deficit)	<u>(1,735,225)</u>
Total Governmental Activities Net Assets	<u>\$ 167,442,552</u>

Governmental fund balances reported on the fund financial statements at December 31, 2011 include the following:

Nonspendable	
Major Funds	
General fund	
Inventories	\$ 979
Prepaid items	21,560
Noncurrent interfund balances	<u>477,324</u>
Total General Fund	<u>\$ 499,863</u>
Sanitation fund	
Prepaid items	<u>\$ 524</u>
Capital projects fund	
Inventories	<u>\$ 238,108</u>
Nonmajor funds	
Prepaid items	<u>\$ 42,178</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

H. NET ASSETS/FUND BALANCES (cont.)

Restricted	
Major Funds	
Debt service	\$ 1,277,855
Capital projects	9,575,388
	<hr/>
Total Major Funds	<u>\$ 10,853,243</u>
Non-Major Funds	
Special Revenue Funds	
Library	\$ 430,080
Special Accounts	2,019,891
TIF 16	13,205
TIF 22	417,745
TIF 23	69,462
TIF 26	59,367
TIF 27	311,937
TIF 29	55,224
TIF 30	1,498
TIF 33	129,312
TIF 34	89,752
Other Housing Grants	470,792
Community Development Block Grant	351,073
Industrial Waste Disposal	7,461
	<hr/>
Total Non-Major Funds	<u>\$ 4,426,799</u>
Committed	
Major Funds	
Sanitation Fund	\$ 2,103,725
	<hr/>
Non-Major Funds	
Special Revenue Funds	
JATV-12	\$ 370,587
Oakhill Cemetery	221,515
Special Accounts	240,089
	<hr/>
Total Non-Major Special Revenue Funds	<u>\$ 832,191</u>
Assigned	
Major Funds	
General fund- applied to 2012 budget	\$ 825,000
Capital Projects	1,938,042
	<hr/>
Total Major Funds	<u>\$ 2,763,042</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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

H. NET ASSETS/FUND BALANCES (cont.)

Unassigned (deficit)	
Major Funds	
General fund	\$ 7,747,001
Non-Major Funds	
Special Revenue Funds	
TIF 9	\$ (108,175)
TIF 17	(106,534)
TIF 21	(32,570)
TIF 24	(2,636)
TIF 25	(394,792)
TIF 28	(99,462)
TIF 31	(21,851)
TIF 32	(393,751)
TIF 35	(77,308)
Golf Courses	(146,789)
Total Non-Major Special Revenue Funds (deficit)	<u>\$ (1,383,868)</u>
Business-type activities net assets reported on the government wide statement of net assets at December 31, 2011 include the following:	
Plant in service	\$ 197,500,224
Accumulated depreciation	(55,111,830)
Construction work in progress	1,279,879
Sub-Total	<u>143,668,273</u>
Current portion of general obligation debt	(4,690,000)
Current portion of revenue bonds	(1,694,401)
General obligation debt	(18,929,967)
Revenue bonds	(30,363,940)
Unamortized debt issuance costs	120,361
Sub-Total	<u>(55,557,947)</u>
Construction Funds (unspent debt)	3,110,550
Sub-Total	<u>3,110,550</u>
Total Net Assets Invested in Capital Assets, Net of related debt	<u>\$ 91,220,876</u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

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 assets 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	\$ 456,664	\$ 456,664	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), \$250,000 for interest-bearing demand deposit accounts, and unlimited amounts for noninterest bearing transaction accounts.

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

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.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2011

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

I. COMPONENT UNIT (cont.)

d. Capital Assets

	Beginning Balance	Additions	Deletions	Ending Balance	Useful Lives (Years)
Equipment	\$ 104,165	\$ 591	\$ (5,895)	\$ 98,861	4-20
Less: accumulated depreciation	(57,173)	(4,860)	5,895	(56,138)	
Totals	\$ 46,992	\$ (4,269)	\$ -	\$ 42,723	

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

All eligible city employees participate in the Wisconsin Retirement System (System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All permanent employees expected to work over 600 hours a year (1,200 hours for employees hired on or after July 1, 2011) are eligible to participate in the System. Covered employees in the General category are required by statute to contribute 6.5% of their salary (3.9% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security, and 4.8% for Protective Occupations without Social Security) to the plan through June 28, 2011. Beginning June 29, 2011, and thereafter, covered employees in the General category are required by statute to contribute 5.8% of their salary (6.65% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security, and 5.8% for Protective Occupations without Social Security). Employers generally make these contributions to the plan on behalf of employees through June 28, 2011. Thereafter, employees are required to fund their contribution, subject to terms of employment contracts and which employee group they are a member of. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for city employees covered by the System for the year ended December 31, 2011 was \$28,949,866; the employer's total payroll was \$29,906,577. The total required contribution for the year ended December 31, 2011 was \$4,761,444 or 16.4% of covered payroll. Of this amount, 93% was contributed by the employer for the current year. Total contributions for the years ending December 31, 2010 and 2009 were \$4,420,234 and \$4,148,967, respectively, equal to the required contributions for each year.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employee's three highest years' earnings. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, or beginning participation on or after July 1, 2011, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and between April 24, 1998 and June 30, 2011 are immediately vested.

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

The city had no pension-related debt as of December 31, 2011.

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 POOLS

Transit Mutual Insurance Corporation of Wisconsin (TMIC)

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

In 2011, the TMIC is protected by a \$1,200,000 self-insurance policy. In addition to the TMIC protection, the City of Janesville, combined together with other members of TMIC, are covered by a \$5,000,000 excess insurance policy issued by General Reinsurance Corporation effective January 1, 2011 through January 1, 2012.

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

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

NOTE V – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

PUBLIC ENTITY RISK POOLS (cont.)

Transit Mutual Insurance Corporation of Wisconsin (TMIC) (cont.)

Initial contributions are determined in advance of each membership year. The board of directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the membership year. Members have a contractual obligation to fund any deficit attributable to a membership year during which they were a member. The city's share of this company is 2.22%. A list of the other members is available in the TMIC report.

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

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

The CVMIC is a municipal mutual insurance company established on September 19, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC will provide liability insurance coverage to the cities and villages which make up the membership of the WMIC. In addition, CVMIC offers workers' compensation insurance if a member elects coverage.

The CVMIC liability insurance program is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The city's share of such losses is approximately 3.79%. A list of the other members and their share of participation is available in the WMIC Report.

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

The city 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 \$252,051. For liability claims, the city's uninsured risk of loss is \$100,000 per incident with a \$5,000,000 limit per occurrence. \$400,000 was designated for that reserve at year end, and is included in unrestricted net assets of the internal service fund.

Financial statements of WMIC and CVMIC are available from: Cities and Villages Mutual Insurance Company, 1250 Sunnyslope Road, Suite 105, Brookfield, WI 53005.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

NOTE V – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

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 \$100,000 per incident with a \$2,000,000 lifetime maximum per individual. Stop loss insurance is purchased for claims in excess of \$100,000. Actual claims have exceeded the stop loss limit in each of the last three 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. \$325,000 was designated for that reserve at year end, and is included in unrestricted net assets 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 nonincremental costs to the claims liability.

Claims Liability	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims – Beginning of Year	\$ 443,000	\$ 487,000
Current year claims and changes in estimates	8,160,629	8,683,863
Claim payments	<u>(8,116,629)</u>	<u>(8,431,863)</u>
Unpaid Claims – End of Year	<u>\$ 487,000</u>	<u>\$ 739,000</u>

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 \$350,000 per incident for protective employees (fire and police) and \$300,000 per incident for all other employees. The city has purchased commercial insurance for claims in excess of \$1,000,000. Settled claims have not exceeded the commercial coverage in any of the past three 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. \$350,000 was designated for that reserve at year end, and is included in unrestricted net assets of the internal service fund.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

NOTE V – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

SELF INSURANCE – WORKER'S COMPENSATION (cont.)

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 nonincremental costs to the claims liability.

Claims Liability	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims – Beginning of Year	\$ 761,457	\$ 827,642
Current year claims and changes in estimates	513,999	89,002
Claim payments	<u>(447,814)</u>	<u>(199,071)</u>
Unpaid Claims – End of Year	<u>\$ 827,642</u>	<u>\$ 717,573</u>

C. COMMITMENTS AND CONTINGENCIES

From time to time, the city is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the city's financial position or results of operations.

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

During 2011, the city borrowed \$22,119,298 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 \$1,437,003 at year end and is included in fund balance in the capital project fund and special revenue funds and in net assets invested in capital assets in the enterprise funds.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

NOTE V – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

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 16 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 \$900 thousand. This amount is recorded in the governmental activities statement of net assets. The city's costs under the agreement may be spread over the next 15 years. The city has paid \$2.5 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.

The city is also involved in claims and lawsuits arising in the normal course of business. In the opinion of management, the ultimate outcome of these actions will not have a materially adverse effect on the city's financial position at December 31, 2011.

At December 31, 2011, there were approximately \$2,447,573 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	\$ 1,316,656
Wastewater	<u>1,130,917</u>
Total	<u>\$ 2,447,573</u>

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

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

NOTE V – OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

A significant amount of special assessments receivable have fallen delinquent and city management believes that the possibility for a loss is probable. It is estimated that 107 improved lots on the west side of the city will be offered in the county treasurer's tax lien sale in 2012. The city has estimated and established the following allowance for the delinquent special assessments by fund:

Debt service	\$ 1,137,545
Water	315,909
Wastewater	<u>290,048</u>
Total	<u><u>\$ 1,743,502</u></u>

D. OTHER POSTEMPLOYMENT BENEFITS

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.

Contribution requirements 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 90.0% and 90.4% of the current year premiums for a family and a single plan, respectively, for eligible retired plan members and their spouses. For fiscal year 2011, the city contributed \$7,892,837 to the plan. Plan members receiving benefits contribute 10.0% and 9.6% of their premium costs for a family plan and a single plan, respectively. For fiscal year 2011, total member contributions were \$816,166, or approximately 9.4% of the total premiums, through their required contributions.

The city's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the city's annual OPEB cost for the year, the amount actually contributed to plan, and changes in the city's net OPEB obligation to the Retiree Health Plan:

Annual required contribution (ARC)	\$ 3,782,422
Interest on net OPEB obligation	485,792
Adjustment to annual required contribution	<u>(430,345)</u>
Annual OPEB cost	3,837,869
Contributions made	<u>(1,716,263)</u>
Increase in net OPEB obligation	2,121,606
Net OPEB Obligation – Beginning of Year	<u>9,715,855</u>
Net OPEB Obligation – End of Year	<u><u>\$ 11,837,461</u></u>

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

The city's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the preceding two years were as follows:

Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Cost Contribution	Net OPEB Obligation
12/31/2011	\$ 3,837,869	44.7%	\$ 11,837,461
12/31/2010	3,587,424	44.4%	9,715,855
12/31/2009	5,692,227	30.7%	7,720,749

The funded status of the plan as of January 1, 2011, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 42,841,141
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 42,841,141</u>
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Covered payroll (active plan members)	\$ 28,949,866
UAAL as a percentage of covered payroll	148.0%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan is understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF JANESVILLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2011

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

In the 2011 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 5.0% investment rate of return and an annual healthcare cost trend rate of 10.0% initially, reduced by decrements to an ultimate rate of 5.0% after 5 years. Both rates include a 4% inflation rate. The actuarial value of Retiree Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at December 31, 2011 was 30 years.

E. SUBSEQUENT EVENT

On June 18, 2012, the city filed an application with the Wisconsin Public Service Commission for a 19% water rate increase.

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

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*; Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*; Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*; and Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions - an amendment of GASB Statement No. 53*. Application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF JANESVILLE

REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE GENERAL FUND For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		with Final <u>Budget</u>
REVENUES				
Taxes	\$ 26,065,144	\$ 26,065,144	\$ 26,156,569	\$ 91,425
Licenses and permits	1,032,000	1,032,000	1,209,307	177,307
Investment income, rents and fines	1,048,000	1,048,000	817,265	(230,735)
State and federal aids	8,753,100	8,753,100	8,738,417	(14,683)
Service charges and other	<u>2,295,000</u>	<u>2,295,000</u>	<u>2,987,925</u>	<u>692,925</u>
Total Revenues	<u>39,193,244</u>	<u>39,193,244</u>	<u>39,909,483</u>	<u>716,239</u>
EXPENDITURES				
General government	4,126,118	4,126,118	3,950,650	175,468
Public safety	23,002,856	23,002,856	22,676,460	326,396
Public works	4,121,741	4,121,741	3,978,775	142,966
Recreation and parks	2,852,805	2,852,805	2,666,816	185,989
Community and economic development	<u>1,487,885</u>	<u>1,487,885</u>	<u>1,339,958</u>	<u>147,927</u>
Total Expenditures	<u>35,591,405</u>	<u>35,591,405</u>	<u>34,612,659</u>	<u>978,746</u>
Excess of revenues over expenditures	<u>3,601,839</u>	<u>3,601,839</u>	<u>5,296,824</u>	<u>1,694,985</u>
OTHER FINANCING SOURCES (USES)				
Sale of city property	25,000	25,000	638,477	613,477
Transfers in	1,480,000	1,480,000	1,631,718	151,718
Transfers out	<u>(5,996,839)</u>	<u>(5,996,839)</u>	<u>(5,990,102)</u>	<u>6,737</u>
Total Other Financing Sources (Uses)	<u>(4,491,839)</u>	<u>(4,491,839)</u>	<u>(3,719,907)</u>	<u>771,932</u>
Net change in fund balance	(890,000)	(890,000)	1,576,917	2,466,917
FUND BALANCES - Beginning of Year	<u>7,494,947</u>	<u>7,494,947</u>	<u>7,494,947</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 6,604,947</u>	<u>\$ 6,604,947</u>	<u>\$ 9,071,864</u>	<u>\$ 2,466,917</u>

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

CITY OF JANESVILLE

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 SANITATION
 For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
State and federal aids	\$ 321,000	\$ 321,000	\$ 209,833	\$ (111,167)
Service charges and other	<u>8,194,518</u>	<u>8,194,518</u>	<u>6,952,652</u>	<u>(1,241,866)</u>
Total Revenues	<u>8,515,518</u>	<u>8,515,518</u>	<u>7,162,485</u>	<u>(1,353,033)</u>
EXPENDITURES				
Current				
Public works	<u>7,560,612</u>	<u>7,560,612</u>	<u>6,273,352</u>	<u>1,287,260</u>
Total Expenditures	<u>7,560,612</u>	<u>7,560,612</u>	<u>6,273,352</u>	<u>1,287,260</u>
Excess of revenues over expenditures	<u>954,906</u>	<u>954,906</u>	<u>889,133</u>	<u>(65,773)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	14,970	14,970
Transfers out	<u>(1,208,270)</u>	<u>(1,208,270)</u>	<u>(1,118,460)</u>	<u>89,810</u>
Total Other Financing Sources (Uses)	<u>(1,208,270)</u>	<u>(1,208,270)</u>	<u>(1,103,490)</u>	<u>104,780</u>
Net change in fund balance	(253,364)	(253,364)	(214,357)	39,007
FUND BALANCES - Beginning of Year	<u>2,318,606</u>	<u>2,318,606</u>	<u>2,318,606</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,065,242</u>	<u>\$ 2,065,242</u>	<u>\$ 2,104,249</u>	<u>\$ 39,007</u>

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

CITY OF JANESVILLE

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDED STATUS - OTHER POSTEMPLOYMENT BENEFITS
 For the Year Ended December 31, 2011

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) (Unit Credit) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2008	\$ -	\$ 56,355,497	\$ 56,355,497	0.00%	\$ 27,984,508	201.4%
12/31/2009	-	59,091,097	59,091,097	0.00%	28,219,015	209.4%
12/31/2010	-	40,694,348	40,694,348	0.00%	28,402,128	143.3%
12/31/2011	-	42,841,141	42,841,141	0.00%	28,949,866	148.0%

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

CITY OF JANESVILLE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2011

BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

SUPPLEMENTAL INFORMATION

CITY OF JANESVILLE

GENERAL FUND DETAILED SCHEDULE OF REVENUES AND OTHER SOURCES For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
TAXES				
General property tax	\$ 25,439,144	\$ 25,439,144	\$ 25,471,421	\$ 32,277
Penalties and interest on taxes	131,000	131,000	162,589	31,589
Mobile home taxes	70,000	70,000	89,505	19,505
Hotel/motel tax	425,000	425,000	433,054	8,054
Totals	<u>26,065,144</u>	<u>26,065,144</u>	<u>26,156,569</u>	<u>91,425</u>
LICENSES				
Alcoholic beverage licenses	67,000	67,000	71,065	4,065
Publication fees	3,500	3,500	3,275	(225)
Food and cigarettes	13,500	13,500	13,521	21
Weights and measures	22,000	22,000	22,333	333
Dog licenses	35,000	35,000	47,802	12,802
Electricians licenses	5,000	5,000	5,690	690
Bartender licenses	40,000	40,000	41,435	1,435
Amusement center licenses	18,000	18,000	21,930	3,930
Cable TV	560,000	560,000	614,422	54,422
Other regulatory licenses and permits	18,000	18,000	22,616	4,616
Totals	<u>782,000</u>	<u>782,000</u>	<u>864,089</u>	<u>82,089</u>
COMMUNITY DEVELOPMENT PERMITS				
Application fees	32,600	32,600	27,924	(4,676)
Resident permit fees	76,400	76,400	102,148	25,748
Commercial permit fees	141,000	141,000	215,146	74,146
Totals	<u>250,000</u>	<u>250,000</u>	<u>345,218</u>	<u>95,218</u>
INVESTMENT INCOME, RENTS AND FINES				
Investment income	425,000	425,000	286,743	(138,257)
Rents - city owned property	113,000	113,000	111,521	(1,479)
Municipal court fines	380,000	380,000	369,001	(10,999)
Advertising on city property	80,000	80,000	-	(80,000)
Rental - city services center	50,000	50,000	50,000	-
Totals	<u>1,048,000</u>	<u>1,048,000</u>	<u>817,265</u>	<u>(230,735)</u>
STATE AND FEDERAL AIDS				
Shared taxes from state	5,763,000	5,763,000	5,777,048	14,048
Local road allotment	2,330,000	2,330,000	2,329,260	(740)
State payment - municipal services	125,000	125,000	102,551	(22,449)
Connecting street maintenance	300,000	300,000	299,309	(691)
Computer value reimbursement	108,000	108,000	105,659	(2,341)
State aid - fire insurance	127,100	127,100	124,590	(2,510)
Totals	<u>8,753,100</u>	<u>8,753,100</u>	<u>8,738,417</u>	<u>(14,683)</u>

CITY OF JANESVILLE

GENERAL FUND
 DETAILED SCHEDULE OF REVENUES AND OTHER SOURCES (cont.)
 For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget
SERVICE CHARGES AND OTHER				
Parking	\$ 80,000	\$ 80,000	\$ 63,569	\$ (16,431)
Public works	71,000	71,000	81,290	10,290
Police department	34,000	34,000	44,478	10,478
Fire department	1,345,000	1,345,000	1,574,884	229,884
Leisure services	695,000	695,000	720,048	25,048
Miscellaneous	25,000	25,000	457,050	432,050
Wastewater service charge	45,000	45,000	46,606	1,606
Totals	<u>2,295,000</u>	<u>2,295,000</u>	<u>2,987,925</u>	<u>692,925</u>
TRANSFERS IN				
Water utility taxes	1,130,000	1,130,000	1,257,157	127,157
Special revenue	150,000	150,000	163,631	13,631
Insurance fund premium rebate	200,000	200,000	210,930	10,930
Totals	<u>1,480,000</u>	<u>1,480,000</u>	<u>1,631,718</u>	<u>151,718</u>
SALE OF CITY PROPERTY	<u>25,000</u>	<u>25,000</u>	<u>638,477</u>	<u>613,477</u>
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 40,698,244</u>	<u>\$ 40,698,244</u>	<u>\$ 42,179,678</u>	<u>\$ 1,481,434</u>

CITY OF JANESVILLE

GENERAL FUND DETAILED SCHEDULE OF EXPENDITURES AND OTHER USES For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget
GENERAL GOVERNMENT				
City council	\$ 29,372	\$ 29,372	\$ 17,527	\$ 11,845
City manager	266,835	266,835	258,563	8,272
City assessor	654,485	654,485	689,668	(35,183)
City attorney	452,590	452,590	407,767	44,823
Elections	51,524	51,524	62,430	(10,906)
City clerk - treasurer	528,954	528,954	503,806	25,148
Administrative services - accounting	484,036	484,036	434,803	49,233
Human resources	236,300	236,300	247,005	(10,705)
Information systems	709,680	709,680	620,918	88,762
Community information	55,206	55,206	52,365	2,841
Insurance	99,309	99,309	99,409	(100)
Economic adjustments	53,472	53,472	67,023	(13,551)
Unclassified and sundry	504,355	504,355	489,366	14,989
Totals	<u>4,126,118</u>	<u>4,126,118</u>	<u>3,950,650</u>	<u>175,468</u>
PUBLIC SAFETY				
Police department	12,914,686	12,914,686	12,495,027	419,659
Fire department	10,088,170	10,088,170	10,181,433	(93,263)
Totals	<u>23,002,856</u>	<u>23,002,856</u>	<u>22,676,460</u>	<u>326,396</u>
PUBLIC WORKS				
Administration				
DPW administration	47,950	47,950	40,024	7,926
Engineering	562,539	562,539	497,508	65,031
Sub-Totals	<u>610,489</u>	<u>610,489</u>	<u>537,532</u>	<u>72,957</u>
Street Maintenance and Repair				
Paved streets	796,444	796,444	771,114	25,330
Street cleaning	29,438	29,438	54,986	(25,548)
Snow removal	1,071,468	1,071,468	1,010,908	60,560
Weed cutting	37,299	37,299	51,133	(13,834)
Sub-Totals	<u>1,934,649</u>	<u>1,934,649</u>	<u>1,888,141</u>	<u>46,508</u>
Public Buildings and Parking				
Public buildings	504,274	504,274	474,384	29,890
Parking facilities	120,020	120,020	102,286	17,734
Sub-Totals	<u>624,294</u>	<u>624,294</u>	<u>576,670</u>	<u>47,624</u>

CITY OF JANESVILLE

GENERAL FUND DETAILED SCHEDULE OF EXPENDITURES AND OTHER USES (cont.) For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
PUBLIC WORKS (cont.)				
Traffic Control				
Traffic signs	\$ 137,520	\$ 137,520	\$ 126,801	\$ 10,719
Traffic signals	163,298	163,298	198,471	(35,173)
Street painting	88,412	88,412	90,995	(2,583)
Street lighting	563,079	563,079	560,165	2,914
Sub-Totals	<u>952,309</u>	<u>952,309</u>	<u>976,432</u>	<u>(24,123)</u>
Total Public Works	<u>4,121,741</u>	<u>4,121,741</u>	<u>3,978,775</u>	<u>142,966</u>
RECREATION, PARKS AND SPECIAL FACILITIES				
Leisure services administration	42,970	42,970	44,904	(1,934)
Tallman house	49,400	49,400	49,408	(8)
Senior citizens center	279,709	279,709	233,727	45,982
Park management	1,405,882	1,405,882	1,356,478	49,404
Recreation programs	515,488	515,488	404,207	111,281
Ice skating center	294,752	294,752	310,104	(15,352)
Aquatics	264,604	264,604	267,988	(3,384)
Totals	<u>2,852,805</u>	<u>2,852,805</u>	<u>2,666,816</u>	<u>185,989</u>
COMMUNITY AND ECONOMIC DEVELOPMENT				
Economic development	155,840	155,840	124,286	31,554
Community development	1,064,358	1,064,358	959,588	104,770
Housing services-property maintenance	267,687	267,687	256,084	11,603
Totals	<u>1,487,885</u>	<u>1,487,885</u>	<u>1,339,958</u>	<u>147,927</u>
GENERAL FUND TRANSFERS				
Transit system	728,955	728,955	722,218	6,737
Debt service	4,983,084	4,983,084	4,983,084	-
Capital Projects				
Special assessments	234,800	234,800	234,800	-
Special Revenue				
Cemetery	50,000	50,000	50,000	-
Totals	<u>5,996,839</u>	<u>5,996,839</u>	<u>5,990,102</u>	<u>6,737</u>
TOTAL EXPENDITURES AND OTHER USES	<u>\$ 41,588,244</u>	<u>\$ 41,588,244</u>	<u>\$ 40,602,761</u>	<u>\$ 985,483</u>

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 #3 – To account for the financing and construction improvements of the City's westside downtown redevelopment area.

Tax Incremental Financing (TIF) District #9 – To account for the financing and construction improvements of the City's downtown five points area business district.

Tax Incremental Financing (TIF) District #14 – To account for the financing and construction improvements of the City's Wuthering Hills Drive Industrial Park.

Tax Incremental Financing (TIF) District #16 – To account for the financing and construction of City improvements related to Beloit Avenue Industrial Park.

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.

NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)

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

Tax Incremental Financing (TIF) District #24 - To account for the financing and construction of City improvements related to the westside downtown.

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 #30 - To account for the financing and construction of City improvements related to the redevelopment of the older Center Avenue commercial corridor.

Tax Incremental Financing (TIF) District #31 - To account for the financing and construction of City improvements related to the redevelopment of the older West Court Street commercial corridor.

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 neighborhood revitalization near the Mercy Health Systems campus on Mineral Point.

Tax Incremental Financing (TIF) District #34 - To account for the financing and construction of City improvements and stimulate industrial development of aviation related companies at the Southern Wisconsin Regional Airport.

NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Tax Incremental Financing (TIF) District #35 – To account for the financing and construction of City improvements and stimulate mixed-use commercial and industrial TIF Development projects in the area along Racine St. east of I-39-90 Interchange 175.

Golf Courses Fund – To account for the operation of the City's two golf courses (Blackhawk and Riverside) leased to Crown Golf Properties.

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.

Industrial Waste Disposal Fund – To account for providing long-term care, remedial system design, construction, and operations of the Janesville Disposal Facilities in accordance with federal and state regulations.

CITY OF JANESVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE
As of December 31, 2011

	<u>Library</u>	<u>JATV-12</u>	<u>Oak Hill Cemetery</u>	<u>Special Accounts</u>	<u>TIF No. 3</u>
ASSETS					
Current Assets					
Cash and investments	\$ 557,592	\$ 336,823	\$ 226,134	\$ 2,114,650	\$ -
Taxes receivable	3,201,921	-	-	-	192,680
Accounts receivable	571	38,736	-	321,851	-
Due from other funds	-	-	-	-	-
Prepaid items	178	-	-	-	-
Loans receivable	-	-	-	-	-
TOTAL ASSETS	<u>\$ 3,760,262</u>	<u>\$ 375,559</u>	<u>\$ 226,134</u>	<u>\$ 2,436,501</u>	<u>\$ 192,680</u>
LIABILITIES AND FUND EQUITY					
Current Liabilities					
Accounts payable	\$ 47,524	\$ 1,793	\$ 307	\$ 113,227	\$ -
Accrued liabilities	80,559	3,179	4,312	8,967	-
Due to other funds	-	-	-	-	-
Deferred revenues	3,201,921	-	-	54,327	192,680
Total Liabilities	<u>3,330,004</u>	<u>4,972</u>	<u>4,619</u>	<u>176,521</u>	<u>192,680</u>
Fund Equity					
Nonspendable	178	-	-	-	-
Restricted	430,080	-	-	2,019,891	-
Committed	-	370,587	221,515	240,089	-
Unassigned (deficit)	-	-	-	-	-
Total Fund Equity	<u>430,258</u>	<u>370,587</u>	<u>221,515</u>	<u>2,259,980</u>	<u>-</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 3,760,262</u>	<u>\$ 375,559</u>	<u>\$ 226,134</u>	<u>\$ 2,436,501</u>	<u>\$ 192,680</u>

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<u>TIF No. 9</u>	<u>TIF No. 16</u>	<u>TIF No. 17</u>	<u>TIF No. 21</u>	<u>TIF No. 22</u>	<u>TIF No. 23</u>	<u>TIF No. 24</u>
\$ -	\$ 13,205	\$ -	\$ -	\$ 410,588	\$ 69,461	\$ -
48,338	266,634	39,282	126	1,281,768	103,072	142,321
14	-	-	-	7,500	-	2,806
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12,000	-	-	-	-	105,939	-
<u>\$ 60,352</u>	<u>\$ 279,839</u>	<u>\$ 39,282</u>	<u>\$ 126</u>	<u>\$ 1,699,856</u>	<u>\$ 278,472</u>	<u>\$ 145,127</u>
\$ -	\$ -	\$ -	\$ -	\$ 343	\$ -	\$ -
-	-	-	-	-	-	-
108,189	-	106,534	32,570	-	-	5,442
60,338	266,634	39,282	126	1,281,768	209,010	142,321
<u>168,527</u>	<u>266,634</u>	<u>145,816</u>	<u>32,696</u>	<u>1,282,111</u>	<u>209,010</u>	<u>147,763</u>
-	-	-	-	-	-	-
-	13,205	-	-	417,745	69,462	-
-	-	-	-	-	-	-
<u>(108,175)</u>	<u>-</u>	<u>(106,534)</u>	<u>(32,570)</u>	<u>-</u>	<u>-</u>	<u>(2,636)</u>
<u>(108,175)</u>	<u>13,205</u>	<u>(106,534)</u>	<u>(32,570)</u>	<u>417,745</u>	<u>69,462</u>	<u>(2,636)</u>
<u>\$ 60,352</u>	<u>\$ 279,839</u>	<u>\$ 39,282</u>	<u>\$ 126</u>	<u>\$ 1,699,856</u>	<u>\$ 278,472</u>	<u>\$ 145,127</u>

CITY OF JANESVILLE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE (cont.)
As of December 31, 2011

	TIF No. 25	TIF No. 26	TIF No. 27	TIF No. 28	TIF No. 29	TIF No. 30	TIF No. 31
ASSETS							
Current Assets							
Cash and investments	\$ -	\$ 59,367	\$ 311,937	\$ -	\$ 55,224	\$ 1,498	\$ -
Taxes receivable	97,284	154,254	16,408	-	35,775	-	17,524
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Loans receivable	-	-	4,000	-	-	-	-
TOTAL ASSETS	\$ 97,284	\$ 213,621	\$ 332,345	\$ -	\$ 90,999	\$ 1,498	\$ 17,524
LIABILITIES AND FUND EQUITY							
Current Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-
Due to other funds	394,792	-	-	99,462	-	-	21,851
Deferred revenues	97,284	154,254	20,408	-	35,775	-	17,524
Total Liabilities	492,076	154,254	20,408	99,462	35,775	-	39,375
Fund Equity							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	59,367	311,937	-	55,224	1,498	-
Committed	-	-	-	-	-	-	-
Unassigned (deficit)	(394,792)	-	-	(99,462)	-	-	(21,851)
Total Fund Equity	(394,792)	59,367	311,937	(99,462)	55,224	1,498	(21,851)
TOTAL LIABILITIES AND FUND EQUITY	\$ 97,284	\$ 213,621	\$ 332,345	\$ -	\$ 90,999	\$ 1,498	\$ 17,524

TIF No. 32	TIF No. 33	TIF No. 34	TIF No. 35	Golf Courses	Other Housing Grants	Community Development Block Grant	Industrial Waste Disposal	Totals
\$ -	\$ 129,789	\$ 89,752	\$ -	\$ -	\$ 351,085	\$ 176,916	\$ 24,485	\$ 4,928,506
651,380	320,581	57,474	-	-	-	-	-	6,626,822
-	-	-	-	-	131,242	185,036	-	687,756
159,601	-	-	-	-	-	-	-	159,601
-	-	-	-	42,000	-	-	-	42,178
238,563	12,478	-	-	-	2,748,286	1,927,315	-	5,048,581
<u>\$ 1,049,544</u>	<u>\$ 462,848</u>	<u>\$ 147,226</u>	<u>\$ -</u>	<u>\$ 42,000</u>	<u>\$ 3,230,613</u>	<u>\$ 2,289,267</u>	<u>\$ 24,485</u>	<u>\$ 17,493,444</u>
\$ -	\$ 477	\$ -	\$ -	\$ 2,326	\$ 11,535	\$ 4,487	\$ 16,862	\$ 198,881
163	-	-	-	154	-	6,392	162	103,888
413,173	-	-	77,308	144,309	-	-	-	1,403,630
1,029,959	333,059	57,474	-	-	2,748,286	1,927,315	-	11,869,745
<u>1,443,295</u>	<u>333,536</u>	<u>57,474</u>	<u>77,308</u>	<u>146,789</u>	<u>2,759,821</u>	<u>1,938,194</u>	<u>17,024</u>	<u>13,576,144</u>
-	-	-	-	42,000	-	-	-	42,178
-	129,312	89,752	-	-	470,792	351,073	7,461	4,426,799
-	-	-	-	-	-	-	-	832,191
(393,751)	-	-	(77,308)	(146,789)	-	-	-	(1,383,868)
<u>(393,751)</u>	<u>129,312</u>	<u>89,752</u>	<u>(77,308)</u>	<u>(104,789)</u>	<u>470,792</u>	<u>351,073</u>	<u>7,461</u>	<u>3,917,300</u>
<u>\$ 1,049,544</u>	<u>\$ 462,848</u>	<u>\$ 147,226</u>	<u>\$ -</u>	<u>\$ 42,000</u>	<u>\$ 3,230,613</u>	<u>\$ 2,289,267</u>	<u>\$ 24,485</u>	<u>\$ 17,493,444</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, 2011

	Library	JATV-12	Oak Hill Cemetery	Special Accounts	TIF No. 3	TIF No. 9
REVENUES						
Taxes	\$ 3,207,919	\$ -	\$ -	\$ 259,833	\$ 160,801	\$ 44,285
Investment income	-	-	3,434	2,505	-	-
State and federal aids	13,325	-	-	272,729	1,569	2,006
Service charges and other	835,554	161,741	169,794	1,312,815	-	-
Guaranteed payment	-	-	-	-	1,728	-
Total Revenues	4,056,798	161,741	173,228	1,847,882	164,098	46,291
EXPENDITURES						
Current						
Public safety	-	-	-	905,584	-	-
Public works	-	-	-	232,479	-	-
Recreation and parks	-	-	232,668	84,013	-	-
Community and economic development	-	-	-	377,835	467	1,124
Library	3,356,932	115,109	-	13,198	-	-
Capital Outlay	463,838	3,774	-	103,870	-	-
Debt Service						
Interest charges	-	-	-	-	-	152
Total Expenditures	3,820,770	118,883	232,668	1,716,979	467	1,276
Excess (deficiency) of revenues over expenditures	236,028	42,858	(59,440)	130,903	163,631	45,015
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfer in	9,780	-	50,000	226,000	-	-
Transfer out	(240,694)	-	-	-	(163,631)	(15,300)
Total Other Financing Sources (Uses)	(230,914)	-	50,000	226,000	(163,631)	(15,300)
Net change in fund balance	5,114	42,858	(9,440)	356,903	-	29,715
FUND BALANCES (DEFICIT) -						
Beginning of Year	425,144	327,729	230,955	1,903,077	-	(137,890)
FUND BALANCES (DEFICIT) -						
END OF YEAR	\$ 430,258	\$ 370,587	\$ 221,515	\$ 2,259,980	\$ -	\$ (108,175)

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TIF No. 14	TIF No. 16	TIF No. 17	TIF No. 21	TIF No. 22	TIF No. 23	TIF No. 24
\$ 566,897	\$ 240,812	\$ 42,497	\$ 133	\$ 1,143,328	\$ 67,061	\$ 93,447
434	251	-	-	33,043	17,282	-
57,878	816	81	-	4,627	1,502	1,369
-	-	-	-	-	40,719	-
-	-	-	-	72,319	-	-
<u>625,209</u>	<u>241,879</u>	<u>42,578</u>	<u>133</u>	<u>1,253,317</u>	<u>126,564</u>	<u>94,816</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,670,066	1,340	286	150	108,055	1,829	1,957
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	147	47	453	-	6
<u>1,670,066</u>	<u>1,340</u>	<u>433</u>	<u>197</u>	<u>108,508</u>	<u>1,829</u>	<u>1,963</u>
<u>(1,044,857)</u>	<u>240,539</u>	<u>42,145</u>	<u>(64)</u>	<u>1,144,809</u>	<u>124,735</u>	<u>92,853</u>
-	-	-	-	850,000	-	-
-	-	-	-	-	-	-
-	(47,000)	(54,138)	-	(882,294)	(14,635)	(83,600)
-	(47,000)	(54,138)	-	(32,294)	(14,635)	(83,600)
(1,044,857)	193,539	(11,993)	(64)	1,112,515	110,100	9,253
<u>1,044,857</u>	<u>(180,334)</u>	<u>(94,541)</u>	<u>(32,506)</u>	<u>(694,770)</u>	<u>(40,638)</u>	<u>(11,889)</u>
\$ -	\$ 13,205	\$ (106,534)	\$ (32,570)	\$ 417,745	\$ 69,462	\$ (2,636)

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, 2011

	TIF No. 25	TIF No. 26	TIF No. 27	TIF No. 28	TIF No. 29	TIF No. 30
REVENUES						
Taxes	\$ 93,495	\$ 154,350	\$ 19,155	\$ -	\$ 8,576	\$ -
Investment income	3,105	74	230	-	68	4
State and federal aids	1,979	4,217	2,483	5	1,873	1,967
Service charges and other	-	-	266,707	-	-	-
Guaranteed payment	-	-	-	-	-	-
Total Revenues	<u>98,579</u>	<u>158,641</u>	<u>288,575</u>	<u>5</u>	<u>10,517</u>	<u>1,971</u>
EXPENDITURES						
Current:						
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Recreation and parks	-	-	-	-	-	-
Community and economic development	2,530	3,232	4,661	1,439	2,363	150
Library	-	-	-	-	-	-
Capital Outlay	27,367	-	-	-	-	-
Debt Service						
Interest charges	524	-	-	123	-	-
Total Expenditures	<u>30,421</u>	<u>3,232</u>	<u>4,661</u>	<u>1,562</u>	<u>2,363</u>	<u>150</u>
Excess (deficiency) of revenues over expenditures	<u>68,158</u>	<u>155,409</u>	<u>283,914</u>	<u>(1,557)</u>	<u>8,154</u>	<u>1,821</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-
Transfer out	(195,090)	(198,078)	(37,725)	-	-	-
Total Other Financing Sources (Uses)	<u>(195,090)</u>	<u>(198,078)</u>	<u>(37,725)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(126,932)	(42,669)	246,189	(1,557)	8,154	1,821
FUND BALANCES (DEFICIT) -						
Beginning of Year	<u>(267,860)</u>	<u>102,036</u>	<u>65,748</u>	<u>(97,905)</u>	<u>47,070</u>	<u>(323)</u>
FUND BALANCES (DEFICIT) -						
END OF YEAR	<u>\$ (394,792)</u>	<u>\$ 59,367</u>	<u>\$ 311,937</u>	<u>\$ (99,462)</u>	<u>\$ 55,224</u>	<u>\$ 1,498</u>

TIF No. 31	TIF No. 32	TIF No. 33	TIF No. 34	TIF No. 35	Golf Courses	Other Housing Grants	Community Development Block Grant	Industrial Waste Disposal	Totals
\$ -	\$ -	\$ 193,811	\$ 19,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,316,153
-	1,035	560	113	-	-	405	-	-	62,543
2,161	32,250	312	735	-	-	764,726	1,284,435	-	2,453,045
-	19,585	856	-	-	1,166,027	176,326	144,172	54,268	4,348,564
-	-	-	-	-	-	-	-	-	74,047
<u>2,161</u>	<u>52,870</u>	<u>195,539</u>	<u>20,601</u>	<u>-</u>	<u>1,166,027</u>	<u>941,457</u>	<u>1,428,607</u>	<u>54,268</u>	<u>13,254,352</u>
-	-	-	-	-	-	-	-	-	905,584
-	-	-	-	-	-	-	-	54,268	286,747
-	-	-	-	-	1,309,485	-	-	-	1,626,166
286	233,710	2,598	4,429	77,300	-	865,321	1,337,208	-	4,698,336
-	-	-	-	-	-	-	-	-	3,485,239
-	-	-	-	-	-	-	-	-	598,849
<u>36</u>	<u>310</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,806</u>
<u>322</u>	<u>234,020</u>	<u>2,598</u>	<u>4,429</u>	<u>77,308</u>	<u>1,309,485</u>	<u>865,321</u>	<u>1,337,208</u>	<u>54,268</u>	<u>11,602,727</u>
<u>1,839</u>	<u>(181,150)</u>	<u>192,941</u>	<u>16,172</u>	<u>(77,308)</u>	<u>(143,458)</u>	<u>76,136</u>	<u>91,399</u>	<u>-</u>	<u>1,651,625</u>
-	-	-	-	-	-	-	-	-	850,000
-	-	-	-	-	-	-	2,760	-	288,540
-	-	-	(12,400)	-	-	-	-	-	(1,944,585)
-	-	-	(12,400)	-	-	-	2,760	-	(806,045)
<u>1,839</u>	<u>(181,150)</u>	<u>192,941</u>	<u>3,772</u>	<u>(77,308)</u>	<u>(143,458)</u>	<u>76,136</u>	<u>94,159</u>	<u>-</u>	<u>845,580</u>
<u>(23,690)</u>	<u>(212,601)</u>	<u>(63,629)</u>	<u>85,980</u>	<u>-</u>	<u>38,669</u>	<u>394,656</u>	<u>256,914</u>	<u>7,461</u>	<u>3,071,720</u>
<u>\$ (21,851)</u>	<u>\$ (393,751)</u>	<u>\$ 129,312</u>	<u>\$ 89,752</u>	<u>\$ (77,308)</u>	<u>\$ (104,789)</u>	<u>\$ 470,792</u>	<u>\$ 351,073</u>	<u>\$ 7,461</u>	<u>\$ 3,917,300</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - LIBRARY
 For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 3,207,919	\$ 3,207,919	\$ 3,207,919	\$ -
State and federal aids	-	-	13,325	13,325
Service charges and other	834,199	834,199	835,554	1,355
Total Revenues	<u>4,042,118</u>	<u>4,042,118</u>	<u>4,056,798</u>	<u>14,680</u>
EXPENDITURES				
Current				
Library	3,388,241	3,388,241	3,356,932	31,309
Capital Outlay	471,461	471,461	463,838	7,623
Total Expenditures	<u>3,859,702</u>	<u>3,859,702</u>	<u>3,820,770</u>	<u>38,932</u>
Excess of revenues over expenditures	<u>182,416</u>	<u>182,416</u>	<u>236,028</u>	<u>53,612</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	9,780	9,780
Transfer out	(241,086)	(241,086)	(240,694)	392
Total Other Financing Sources (Uses)	<u>(241,086)</u>	<u>(241,086)</u>	<u>(230,914)</u>	<u>10,172</u>
Net change in fund balance	(58,670)	(58,670)	5,114	63,784
FUND BALANCES - Beginning of Year	<u>425,144</u>	<u>425,144</u>	<u>425,144</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 366,474</u>	<u>\$ 366,474</u>	<u>\$ 430,258</u>	<u>\$ 63,784</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - JATV-12 For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Service charges and other	\$ 144,500	\$ 144,500	\$ 161,741	\$ 17,241
EXPENDITURES				
Current				
Library	132,130	132,130	115,109	17,021
Capital Outlay	23,800	23,800	3,774	20,026
Total Expenditures	155,930	155,930	118,883	37,047
Net change in fund balance	(11,430)	(11,430)	42,858	54,288
FUND BALANCES - Beginning of Year	327,729	327,729	327,729	-
FUND BALANCES - END OF YEAR	\$ 316,299	\$ 316,299	\$ 370,587	\$ 54,288

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - OAK HILL CEMETERY
 For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income	\$ 6,000	\$ 6,000	\$ 3,434	\$ (2,566)
Service charges and other	122,000	122,000	169,794	47,794
Total Revenues	<u>128,000</u>	<u>128,000</u>	<u>173,228</u>	<u>45,228</u>
EXPENDITURES				
Current				
Recreation and parks	<u>214,240</u>	<u>214,240</u>	<u>232,668</u>	<u>(18,428)</u>
Total Expenditures	<u>214,240</u>	<u>214,240</u>	<u>232,668</u>	<u>(18,428)</u>
Excess (deficiency) of revenues over expenditures	<u>(86,240)</u>	<u>(86,240)</u>	<u>(59,440)</u>	<u>26,800</u>
OTHER FINANCING SOURCES				
Transfers in	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balance	(36,240)	(36,240)	(9,440)	26,800
FUND BALANCES- Beginning of Year	<u>230,955</u>	<u>230,955</u>	<u>230,955</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 194,715</u>	<u>\$ 194,715</u>	<u>\$ 221,515</u>	<u>\$ 26,800</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GOLF COURSES For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Service charges and other	\$ 1,207,000	\$ 1,207,000	\$ 1,166,027	\$ (40,973)
EXPENDITURES				
Current				
Recreation and parks	1,207,000	1,207,000	1,309,485	(102,485)
Total Expenditures	1,207,000	1,207,000	1,309,485	(102,485)
Net change in fund balance	-	-	(143,458)	(143,458)
FUND BALANCES- Beginning of Year	38,669	38,669	38,669	-
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 38,669	\$ 38,669	\$ (104,789)	\$ (143,458)

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - OTHER HOUSING GRANTS For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ 405	\$ 405
State and federal aids	500,000	755,399	764,726	9,327
Service charges and other	98,400	138,400	176,326	37,926
Total Revenues	<u>598,400</u>	<u>893,799</u>	<u>941,457</u>	<u>47,658</u>
EXPENDITURES				
Current				
Community and economic development	<u>598,400</u>	<u>893,799</u>	<u>865,321</u>	<u>28,478</u>
Net change in fund balance	-	-	76,136	76,136
FUND BALANCES - Beginning of Year	<u>394,656</u>	<u>394,656</u>	<u>394,656</u>	-
FUND BALANCES - END OF YEAR	<u>\$ 394,656</u>	<u>\$ 394,656</u>	<u>\$ 470,792</u>	<u>\$ 76,136</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
State and federal aids	\$ 1,251,986	\$ 1,208,375	\$ 1,284,435	\$ 76,060
Service charges and other	188,014	146,625	144,172	(2,453)
Total Revenues	<u>1,440,000</u>	<u>1,355,000</u>	<u>1,428,607</u>	<u>73,607</u>
EXPENDITURES				
Current				
Community and economic development	<u>1,440,000</u>	<u>1,355,000</u>	<u>1,337,208</u>	<u>17,792</u>
Excess of revenues over expenditures	-	-	91,399	91,399
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>-</u>	<u>2,760</u>	<u>2,760</u>
Net change in fund balance	-	-	94,159	94,159
FUND BALANCES - Beginning of Year	<u>256,914</u>	<u>256,914</u>	<u>256,914</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 256,914</u>	<u>\$ 256,914</u>	<u>\$ 351,073</u>	<u>\$ 94,159</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - INDUSTRIAL WASTE DISPOSAL
 For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Service charges and other	\$ 88,835	\$ 88,835	\$ 54,268	\$ (34,567)
EXPENDITURES				
Current				
Public works	88,835	88,835	54,268	34,567
Net change in fund balance	-	-	-	-
FUND BALANCES - Beginning of Year	7,461	7,461	7,461	-
FUND BALANCES - END OF YEAR	\$ 7,461	\$ 7,461	\$ 7,461	\$ -

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 - FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE FUND For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment income	\$ 207,000	\$ 207,000	\$ 199,223	\$ (7,777)
Special assessments	755,000	755,000	668,950	(86,050)
Total Revenues	<u>962,000</u>	<u>962,000</u>	<u>868,173</u>	<u>(93,827)</u>
EXPENDITURES				
Debt Service				
Principal retirement	8,835,021	8,835,021	10,120,021	(1,285,000)
Interest and fiscal charges	1,643,512	1,643,512	1,667,340	(23,828)
Total Expenditures	<u>10,478,533</u>	<u>10,478,533</u>	<u>11,787,361</u>	<u>(1,308,828)</u>
Excess (deficiency) of revenues over expenditures	<u>(9,516,533)</u>	<u>(9,516,533)</u>	<u>(10,919,188)</u>	<u>(1,402,655)</u>
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	1,285,000	1,285,000
Transfers in	7,917,625	7,917,625	7,935,227	17,602
Total Other Financing Sources (Uses)	<u>7,917,625</u>	<u>7,917,625</u>	<u>9,220,227</u>	<u>1,302,602</u>
Net change in fund balance	(1,598,908)	(1,598,908)	(1,698,961)	(100,053)
FUND BALANCES - Beginning of Year	<u>2,976,816</u>	<u>2,976,816</u>	<u>2,976,816</u>	-
FUND BALANCES - END OF YEAR	<u>\$ 1,377,908</u>	<u>\$ 1,377,908</u>	<u>\$ 1,277,855</u>	<u>\$ (100,053)</u>

CITY OF JANESVILLE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS For the Year Ended December 31, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget
REVENUES				
Investment income	\$ -	\$ -	\$ 76,973	\$ 76,973
State and federal aids	-	-	933,890	933,890
Special assessments	-	-	472,822	472,822
Service charges and other	-	-	1,121,861	1,121,861
Total Revenues	<u>-</u>	<u>-</u>	<u>2,605,546</u>	<u>2,605,546</u>
EXPENDITURES				
Current				
General government	-	-	117,012	(117,012)
Public safety	-	-	30,237	(30,237)
Public works	-	-	2,798,561	(2,798,561)
Capital Outlay	<u>10,866,840</u>	<u>10,866,840</u>	<u>6,438,995</u>	<u>4,427,845</u>
Total Expenditures	<u>10,866,840</u>	<u>10,866,840</u>	<u>9,384,805</u>	<u>1,482,035</u>
Excess (deficiency) of revenues over expenditures	<u>(10,866,840)</u>	<u>(10,866,840)</u>	<u>(6,779,259)</u>	<u>4,087,581</u>
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	10,866,840	10,866,840	6,745,000	(4,121,840)
Transfers in	1,350,830	1,350,830	1,176,859	(173,971)
Transfers out	-	-	(8,943)	(8,943)
Total Other Financing Sources (Uses)	<u>12,217,670</u>	<u>12,217,670</u>	<u>7,912,916</u>	<u>(4,304,754)</u>
Net change in fund balance	1,350,830	1,350,830	1,133,657	(217,173)
FUND BALANCES - Beginning of Year	<u>10,617,881</u>	<u>10,617,881</u>	<u>10,617,881</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 11,968,711</u>	<u>\$ 11,968,711</u>	<u>\$ 11,751,538</u>	<u>\$ (217,173)</u>

NON-MAJOR ENTERPRISE FUNDS

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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.

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.

CITY OF JANESVILLE

COMBINING STATEMENT OF NET ASSETS NONMAJOR ENTERPRISE FUNDS As of December 31, 2011

	<u>Stormwater Utility</u>	<u>Transit System</u>	<u>Totals</u>
ASSETS			
Current Assets			
Cash	\$ 130,282	\$ -	\$ 130,282
Accounts receivable	171,449	461,894	633,343
Unbilled revenue	387,237	-	387,237
Due from other funds	119,233	-	119,233
Inventories	-	192,165	192,165
Prepaid items	-	786	786
Total Current Assets	<u>808,201</u>	<u>654,845</u>	<u>1,463,046</u>
Non-current Assets			
Restricted Assets			
Construction account	684,349	-	684,349
Deferred Assets			
Unamortized debt issuance expense	9,082	-	9,082
Total Noncurrent Assets	<u>693,431</u>	<u>-</u>	<u>693,431</u>
Utility Plant			
Land	-	356,520	356,520
Utility plant in service (at cost)	6,539,170	8,250,306	14,789,476
Construction work in progress	126,194	10,198	136,392
Accumulated depreciation	(863,834)	(4,301,358)	(5,165,192)
Net Plant	<u>5,801,530</u>	<u>4,315,666</u>	<u>10,117,196</u>
Total Noncurrent Assets	<u>6,494,961</u>	<u>4,315,666</u>	<u>10,810,627</u>
Total Assets	<u>\$ 7,303,162</u>	<u>\$ 4,970,511</u>	<u>\$ 12,273,673</u>

	Stormwater Utility	Transit System	Totals
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 29,707	\$ 60,666	\$ 90,373
Accrued salaries and wages	40,626	190,285	230,911
Accrued interest	32,276	-	32,276
Due to other funds	-	331,648	331,648
Current portion of long-term G.O. debt	465,000	-	465,000
Total Current Liabilities	<u>567,609</u>	<u>582,599</u>	<u>1,150,208</u>
Noncurrent Liabilities			
General obligation long-term debt payable	2,210,000	-	2,210,000
Other post employment benefits	-	398,534	398,534
Total Noncurrent Liabilities	<u>2,210,000</u>	<u>398,534</u>	<u>2,608,534</u>
Total Liabilities	<u>\$ 2,777,609</u>	<u>\$ 981,133</u>	<u>\$ 3,758,742</u>
NET ASSETS			
Invested in capital assets, net of related debt	\$ 3,819,961	\$ 4,315,666	\$ 8,135,627
Unrestricted (deficit)	705,592	(326,288)	379,304
TOTAL NET ASSETS	<u>\$ 4,525,553</u>	<u>\$ 3,989,378</u>	<u>\$ 8,514,931</u>

CITY OF JANESVILLE

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS NONMAJOR ENTERPRISE FUNDS For the Year Ended December 31, 2011

	Stormwater Utility	Transit System	Totals
OPERATING REVENUES			
Charges for services	\$ 2,172,210	\$ 439,180	\$ 2,611,390
Total Operating Revenues	2,172,210	439,180	2,611,390
OPERATING EXPENSES			
Operation and maintenance	1,538,755	3,024,566	4,563,321
Depreciation	117,322	524,956	642,278
Total Operating Expenses	1,656,077	3,549,522	5,205,599
Operating Income (Loss)	516,133	(3,110,342)	(2,594,209)
NONOPERATING REVENUES (EXPENSES)			
Federal operating grants	-	905,837	905,837
State operating grants	-	781,815	781,815
Local operating subsidy	-	77,284	77,284
Investment income	1,508	-	1,508
Interest expense	(44,592)	-	(44,592)
Amortization expense	(1,988)	-	(1,988)
Total Nonoperating Revenues (Expenses)	(45,072)	1,764,936	1,719,864
Income (Loss) Before Contributions and Transfers	471,061	(1,345,406)	(874,345)
CAPITAL CONTRIBUTIONS- EXTERNAL TRANSFERS IN			
	-	250,349	250,349
	5,250	742,441	747,691
Net Change in Net Assets	476,311	(352,616)	123,695
NET ASSETS - Beginning of Year	4,049,242	4,341,994	8,391,236
NET ASSETS - END OF YEAR	\$ 4,525,553	\$ 3,989,378	\$ 8,514,931

CITY OF JANESVILLE

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2011

	Stormwater Utility	Transit System	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 2,138,287	\$ 422,790	\$ 2,561,077
Cash paid to suppliers for goods and services	(613,268)	(918,601)	(1,531,869)
Cash payments to employees for services	(913,761)	(1,996,380)	(2,910,141)
Net Cash Flows From Operating Activities	<u>611,258</u>	<u>(2,492,191)</u>	<u>(1,880,933)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Subsidies received - federal	131,677	1,114,818	1,246,495
Subsidies received - state	-	809,989	809,989
Subsidies received - local	-	77,284	77,284
Negative cash balance implicitly financed for other utilities	(108,186)	(17,421)	(125,607)
Transfers from other funds	5,250	733,498	738,748
Net Cash Flows From Noncapital Financing Activities	<u>28,741</u>	<u>2,718,168</u>	<u>2,746,909</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Cash used to retire debt	(540,000)	-	(540,000)
Interest paid	(78,588)	-	(78,588)
Contributions and assessments for construction	-	16,030	16,030
Acquisition and construction of capital assets	(595,410)	(242,007)	(837,417)
Long term debt issued	60,000	-	60,000
Issuance cost of new debt	(205)	-	(205)
Net Cash Flows From Capital and Related Financing Activities	<u>(1,154,203)</u>	<u>(225,977)</u>	<u>(1,380,180)</u>
Net Change in Cash and Cash Equivalents	(514,204)	-	(514,204)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,328,835</u>	<u>-</u>	<u>1,328,835</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 814,631</u>	<u>\$ -</u>	<u>\$ 814,631</u>

	Stormwater Utility	Transit System	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 516,133	\$ (3,110,342)	\$ (2,594,209)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Income (Loss)			
Depreciation	117,322	524,956	642,278
Depreciation charged to other accounts	-	24,696	24,696
Change in Noncash Components of Working Capital			
Accounts receivable	(18,761)	(16,390)	(35,151)
Due from other funds	(9,592)	-	(9,592)
Inventories	-	(16,757)	(16,757)
Prepaid items	-	786	786
Accounts payable	217	35,324	35,541
Other current liabilities	5,939	3,340	9,279
Other post employment benefits	-	62,196	62,196
 NET CASH FLOWS FROM OPERATING ACTIVITIES	 <u>\$ 611,258</u>	 <u>\$ (2,492,191)</u>	 <u>\$ (1,880,933)</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

During 2011, \$35,760 of capital interest was charged due to construction in the stormwater utility.

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

As of and for the Year Ended December 31, 2011

	Balance 12-31-10	Additions	Retirements	Balance 12-31-11
SOURCE OF SUPPLY				
Land and land rights	\$ 203,417	\$ -	\$ -	\$ 203,417
Wells and springs	<u>2,283,716</u>	<u>-</u>	<u>-</u>	<u>2,283,716</u>
Total Source of Supply	<u>2,487,133</u>	<u>-</u>	<u>-</u>	<u>2,487,133</u>
PUMPING				
Land and land rights	11,565	-	-	11,565
Structures and improvements	4,260,499	-	-	4,260,499
Electric pumping equipment	<u>3,835,900</u>	<u>-</u>	<u>-</u>	<u>3,835,900</u>
Total Pumping	<u>8,107,964</u>	<u>-</u>	<u>-</u>	<u>8,107,964</u>
WATER TREATMENT				
Water treatment equipment	<u>227,004</u>	<u>-</u>	<u>-</u>	<u>227,004</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	40,952,599	2,145,971	2,594	43,095,976
Services	5,126,671	226,221	6,308	5,346,584
Meters	2,925,557	278,168	108,317	3,095,408
Hydrants	<u>2,696,564</u>	<u>66,222</u>	<u>11,795</u>	<u>2,750,991</u>
Total Transmission and Distribution	<u>55,215,259</u>	<u>2,716,582</u>	<u>129,014</u>	<u>57,802,827</u>
GENERAL				
Structures and improvements	748,646	29,336	-	777,982
Office furniture and equipment	43,765	-	-	43,765
Transportation equipment	750,914	33,973	63,306	721,581
Stores equipment	15,938	-	-	15,938
Tools, shop and garage equipment	172,651	-	-	172,651
Power operated equipment	661,997	-	-	661,997
Communication equipment	1,053,921	-	842	1,053,079
Computer equipment	<u>692,302</u>	<u>134,694</u>	<u>7,955</u>	<u>819,041</u>
Total General	<u>4,140,134</u>	<u>198,003</u>	<u>72,103</u>	<u>4,266,034</u>
TOTAL PLANT IN SERVICE	<u>\$ 70,177,494</u>	<u>\$ 2,914,585</u>	<u>\$ 201,117</u>	<u>\$ 72,890,962</u>

JANESVILLE WATER UTILITY

OPERATING REVENUES AND EXPENSES For the Years Ended December 31, 2011 and 2010

OPERATING REVENUES	<u>2011</u>	<u>2010</u>
Sales of Water		
Metered Sales		
Residential	\$ 2,764,592	\$ 2,717,570
Commercial	954,650	930,076
Industrial	996,109	1,006,497
Public authorities	209,055	227,733
Private fire protection	46,245	46,385
Public fire protection	804,031	755,215
Total Sales of Water	<u>5,774,682</u>	<u>5,683,476</u>
Other Operating Revenues		
Forfeited discounts	56,046	50,593
Water department rentals	27,184	33,797
Other water revenues	66,751	123,097
Total Other Operating Revenues	<u>149,981</u>	<u>207,487</u>
Total Operating Revenues	<u>5,924,663</u>	<u>5,890,963</u>
OPERATING EXPENSES		
Operation and Maintenance		
Source of Supply		
Miscellaneous source of supply	49,215	46,433
Maintenance of wells	29,487	20,116
Total Source of Supply	<u>78,702</u>	<u>66,549</u>
Pumping		
Fuel or power purchased for pumping	533,087	481,593
Pumping labor	92,775	99,042
Maintenance of buildings and grounds	68,731	62,539
Maintenance of structures and improvements	7,687	15,502
Maintenance of pumping equipment	93,371	79,400
Total Pumping	<u>795,651</u>	<u>738,076</u>
Water Treatment		
Chemicals	60,934	72,660
Operation labor	32,538	28,299
Maintenance of water treatment equipment		
Total Water Treatment	<u>93,472</u>	<u>100,959</u>
Transmission and Distribution		
Transmission and distribution line expenses	183,653	163,041
Meter expenses	72,441	66,274
Maintenance of distribution reservoirs	5,907	251
Maintenance of mains	354,204	301,711
Maintenance of services	187,656	182,512
Maintenance of meters	30,986	32,761
Maintenance of hydrants	95,623	81,404
Total Transmission and Distribution	<u>930,470</u>	<u>827,954</u>

JANESVILLE WATER UTILITY

OPERATING REVENUES AND EXPENSES (cont.) For the Years Ended December 31, 2011 and 2010

	2011	2010
OPERATING EXPENSES (cont.)		
Operation and Maintenance (cont.)		
Customer Accounts		
Supervision	\$ 37,751	\$ 36,768
Meter reading expense	32,529	30,463
Customer records and collection	195,160	135,964
Customer service and information	34,385	16,731
Total Customer Accounts	299,825	219,926
Administrative and General		
Administrative and general salaries	353,721	358,276
Office supplies	31,929	30,990
Outside services employed	6,063	6,084
Property insurance	10,469	10,306
Injuries and damages	41,302	41,496
Employees pensions and benefits	641,007	602,082
Regulatory commission	1,022	-
Rents	19,024	19,377
Maintenance of general plant	19,308	17,891
Total Administrative and General	1,123,845	1,086,502
Total Operation and Maintenance	3,321,965	3,039,966
Depreciation	1,650,352	1,538,424
Taxes	1,321,967	1,211,522
Total Operating Expenses	6,294,284	5,789,912
Taxes reported as transfers out	1,257,157	1,135,924
OPERATING INCOME	\$ 887,536	\$ 1,236,975

JANESVILLE WATER UTILITY

RATE OF RETURN - REGULATORY BASIS For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Utility Plant in Service		
Beginning of year	\$ 44,174,831	\$ 41,124,430
End of year	<u>46,509,092</u>	<u>44,174,831</u>
Average	<u>45,341,962</u>	<u>42,649,631</u>
Accumulated Depreciation		
Beginning of year	(12,522,142)	(11,491,365)
End of year	<u>(13,691,323)</u>	<u>(12,522,142)</u>
Average	<u>(13,106,733)</u>	<u>(12,006,754)</u>
Materials and Supplies		
Beginning of year	280,904	302,454
End of year	<u>275,435</u>	<u>280,904</u>
Average	<u>278,170</u>	<u>291,679</u>
Balance - Regulatory Liability	<u>1,796,874</u>	<u>1,940,624</u>
 AVERAGE NET RATE BASE	 <u>\$ 30,716,525</u>	 <u>\$ 28,993,932</u>
 OPERATING INCOME	 <u>\$ 41,010</u>	 <u>\$ 507,908</u>
 RATE OF RETURN (PERCENT)	 <u>0.13</u>	 <u>1.75</u>

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 \$410,631 depreciation expense on contributed capital and includes tax equivalent payment of \$1,257,157 reported as a transfer out.

JANESVILLE WASTEWATER UTILITY

UTILITY PLANT

As of and for the Year Ended December 31, 2011

	Balance 1-1-11	Additions	Retirements	Balance 12-31-11
COLLECTION SYSTEM				
Collecting mains	\$ 47,028,900	\$ 2,095,490	\$ 4,809	\$ 49,119,581
Collection system equipment	1,316,129	-	-	1,316,129
Total Collection System	<u>48,345,029</u>	<u>2,095,490</u>	<u>4,809</u>	<u>50,435,710</u>
TREATMENT AND DISPOSAL				
Land	18,000	-	-	18,000
Buildings and structures	12,530,903	10,865,326	168,007	23,228,222
Preliminary treatment equipment	1,325,320	1,813,491	308,888	2,829,923
Primary treatment equipment	250,771	1,579,695	14,919	1,815,547
Secondary treatment equipment	2,479,937	3,012,363	128,619	5,363,681
Disinfection equipment	323,474	238,562	170,283	391,753
Sludge treatment and disposal equipment	4,881,677	4,159,355	728,634	8,312,398
Plant sitework and piping	2,546,385	5,086,263	-	7,632,648
Metering, sampling and testing equipment	194,924	-	72,679	122,245
Other treatment and disposal equipment	255,111	1,403,732	107,023	1,551,820
Electrical and HVAC	1,903,036	4,524,050	310,468	6,116,618
Total Treatment and Disposal	<u>26,709,538</u>	<u>32,682,837</u>	<u>2,009,520</u>	<u>57,382,855</u>
GENERAL				
Leasehold improvements	86,017	-	-	86,017
Transportation equipment	103,179	-	-	103,179
Office equipment	68,903	4,867	-	73,770
Miscellaneous equipment	285,402	20,290	10,818	294,874
Computer equipment	972,488	134,327	19,955	1,086,860
Total General	<u>1,515,989</u>	<u>159,484</u>	<u>30,773</u>	<u>1,644,700</u>
 TOTAL UTILITY PLANT	 <u>\$ 76,570,556</u>	 <u>\$ 34,937,811</u>	 <u>\$ 2,045,102</u>	 <u>\$ 109,463,265</u>

JANESVILLE WASTEWATER UTILITY

OPERATING REVENUES AND EXPENSES For the Years Ended December 31, 2011 and 2010

	2011	2010
OPERATING REVENUES		
Wastewater Revenues		
Residential	\$ 5,855,141	\$ 5,959,017
Commercial	1,490,018	1,461,297
Industrial	853,000	1,043,119
Public authority	226,429	271,627
Industrial pollution charge	438,857	467,782
Pretreatment program	37,086	34,715
Total Wastewater Revenues	8,900,531	9,237,557
Other Operating Revenues		
Forfeited discounts	93,474	78,680
Miscellaneous revenues	456,501	233,154
Total Other Operating Revenues	549,975	311,834
Total Operating Revenues	9,450,506	9,549,391
OPERATING EXPENSES		
Operation and Maintenance		
Operation		
Treatment plant	1,194,656	1,123,296
Laboratory	207,993	197,791
Pretreatment	86,719	75,291
Sludge disposal	485,009	515,462
Total Operation	1,974,377	1,911,840
Maintenance		
Collecting sewers	774,746	625,476
Treatment plant	504,557	403,744
Wastewater lift stations	11,572	5,248
Meters	301,986	284,820
Total Maintenance	1,592,861	1,319,288
Administrative		
General administration	873,754	799,590
Customer accounts	313,536	253,796
City service charges	46,606	47,723
Total Administrative	1,233,896	1,101,109
Total Operation and Maintenance	4,801,134	4,332,237
Depreciation	2,817,104	1,993,819
Total Operating Expenses	7,618,238	6,326,056
OPERATING INCOME	\$ 1,832,268	\$ 3,223,335

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 ASSETS
INTERNAL SERVICE FUNDS
As of December 31, 2011

	<u>Vehicle Operation & Maintenance</u>	<u>Insurance</u>	<u>Totals</u>
ASSETS			
Current Assets			
Cash and investments	\$ 57,404	\$ 2,880,923	\$ 2,938,327
Accounts receivable	19,014	662,059	681,073
Due from other funds	-	1,388,244	1,388,244
Inventories	347,846	-	347,846
Prepaid Items	1,048	10,000	11,048
Deposits with risk pool	-	1,604,120	1,604,120
Total Current Assets	<u>425,312</u>	<u>6,545,346</u>	<u>6,970,658</u>
 Total Assets	 <u>425,312</u>	 <u>6,545,346</u>	 <u>6,970,658</u>
LIABILITIES			
Current Liabilities			
Accounts payable	183,645	53,896	237,541
Claims payable	-	1,708,624	1,708,624
Accrued salaries and wages	47,244	8,158	55,402
Total Liabilities	<u>230,889</u>	<u>1,770,678</u>	<u>2,001,567</u>
NET ASSETS			
Unrestricted	<u>194,423</u>	<u>4,774,668</u>	<u>4,969,091</u>
 TOTAL NET ASSETS	 <u>\$ 194,423</u>	 <u>\$ 4,774,668</u>	 <u>\$ 4,969,091</u>

CITY OF JANESVILLE

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2011

	Vehicle Operation & Maintenance	Insurance	Benefits Funding	Totals
OPERATING REVENUES				
Charges for services	\$ 3,930,959	\$ 11,116,638	\$ 60,328	\$ 15,107,925
OPERATING EXPENSES				
Operation and maintenance	3,048,141	10,289,480	-	13,337,621
Operating Income	882,818	827,158	60,328	1,770,304
OTHER FINANCING SOURCES (USES)				
Transfers in	8,670	-	-	8,670
Transfers out	(1,156,500)	(298,319)	(60,328)	(1,515,147)
Total Other Financing Sources (Uses)	(1,147,830)	(298,319)	(60,328)	(1,506,477)
Net Change in Net Assets	(265,012)	528,839	-	263,827
NET ASSETS - Beginning of Year	459,435	4,245,829	-	4,705,264
NET ASSETS - END OF YEAR	\$ 194,423	\$ 4,774,668	\$ -	\$ 4,969,091

CITY OF JANESVILLE

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2011

	Vehicle Operation & Maintenance	Insurance	Benefits Funding	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from other funds for services	\$ 3,928,139	\$ 9,228,325	\$ 60,328	\$ 13,216,792
Cash paid to suppliers for goods and services	(2,097,234)	(10,165,824)	-	(12,263,058)
Cash payments to employees for services	<u>(920,423)</u>	<u>(96,163)</u>	<u>-</u>	<u>(1,016,586)</u>
Net Cash Flows From Operating Activities	<u>910,482</u>	<u>(1,033,662)</u>	<u>60,328</u>	<u>(62,852)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers	<u>(1,147,830)</u>	<u>(298,319)</u>	<u>(60,328)</u>	<u>(1,506,477)</u>
Net Change in Cash and Cash Equivalents	(237,348)	(1,331,981)	-	(1,569,329)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>294,752</u>	<u>4,212,904</u>	<u>-</u>	<u>4,507,656</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 57,404</u>	<u>\$ 2,880,923</u>	<u>\$ -</u>	<u>\$ 2,938,327</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income	\$ 882,818	\$ 827,158	\$ 60,328	\$ 1,770,304
Change in Assets and Liabilities				
Accounts receivable	(2,820)	(500,069)	-	(502,889)
Due from other funds	-	(1,388,244)	-	(1,388,244)
Inventories	30,499	-	-	30,499
Prepaid items	1,048	3,607	-	4,655
Accounts payable	(994)	(61,300)	-	(62,294)
Accrued liabilities	<u>(69)</u>	<u>85,186</u>	<u>-</u>	<u>85,117</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 910,482</u>	<u>\$ (1,033,662)</u>	<u>\$ 60,328</u>	<u>\$ (62,852)</u>

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

None

FIDUCIARY FUNDS

AGENCY FUNDS

Agency Funds are used to account for assets held by the Municipality as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Tax Collection Fund – The Tax Collection Fund is an Agency Fund recording the current tax roll, taxes paid, and payment of tax revenues to other governmental units.

Disposal Site Study Fund – The Disposal Site Study Fund is an Agency Fund that accounts for receipts from Industrial responsible parties and the City of Janesville to cover costs for the next year's Industrial Waste Disposal Fund activities.

CITY OF JANESVILLE

COMBINING STATEMENT OF NET ASSETS
 FIDUCIARY FUNDS
 As of December 31, 2011

	<u>Agency</u>		<u>Totals</u>
	<u>Tax Collection Fund</u>	<u>Disposal Site Study Fund</u>	
ASSETS			
Cash and investments	\$ 23,803,299	\$ 145,662	\$ 23,948,961
Taxes receivable	44,788,389	-	44,788,389
Delinquent taxes	<u>158,872</u>	<u>-</u>	<u>158,872</u>
 TOTAL ASSETS	 <u>\$ 68,750,560</u>	 <u>\$ 145,662</u>	 <u>\$ 68,896,222</u>
LIABILITIES			
Due to other taxing units	\$ 68,747,191	\$ -	\$ 68,747,191
Accounts payable	3,369	-	3,369
Due to landfill users	<u>-</u>	<u>145,662</u>	<u>145,662</u>
 TOTAL LIABILITIES	 <u>\$ 68,750,560</u>	 <u>\$ 145,662</u>	 <u>\$ 68,896,222</u>

CITY OF JANESVILLE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS

For the Year Ended December 31, 2011

Agency	Balance 1-1-11	Additions	Deductions	Balance 12-31-11
TAX COLLECTION				
Assets				
Investments and taxes receivable	\$ 66,863,153	\$ 68,750,560	\$ 66,863,153	\$ 68,750,560
Liabilities				
Due to other government units and other units	\$ 66,863,153	\$ 68,750,560	\$ 66,863,153	\$ 68,750,560
DISPOSAL SITE STUDY				
Assets				
Investments	\$ 79,843	\$ 120,086	\$ 54,267	\$ 145,662
Liabilities				
Due to landfill users	\$ 79,843	\$ 120,086	\$ 54,267	\$ 145,662
TOTAL - ALL AGENCY FUNDS				
TOTAL ASSETS	\$ 66,942,996	\$ 68,870,646	\$ 66,917,420	\$ 68,896,222
TOTAL LIABILITIES	\$ 66,942,996	\$ 68,870,646	\$ 66,917,420	\$ 68,896,222

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, 2011

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers and granting agencies	\$ 3,160,287
Cash paid to suppliers for goods and services	(2,661,257)
Cash payments to employees for services	<u>(244,984)</u>
Net Cash Flows From Operating Activities	<u>254,046</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment income	<u>479</u>
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Net Change in Cash and Cash Equivalents 254,525

CASH AND CASH EQUIVALENTS - Beginning of Year 202,139

CASH AND CASH EQUIVALENTS - END OF YEAR \$ 456,664

RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

Operating income	\$ 255,288
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Income	
Depreciation	4,270
Change in Assets and Liabilities	
Prepaid items	(7,737)
Accounts payable	(1,820)
Other current liabilities	<u>4,045</u>

NET CASH FLOWS FROM OPERATING ACTIVITIES \$ 254,046

STATISTICAL SECTION

This section of the City of Janesville's Comprehensive Annual Financial Report (CAFR) 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 CAFR reports for the relevant year. The City of Janesville implemented GASB 34 in 2003; schedules presenting government-wide information include information beginning in that year.	

CITY OF JANESVILLE, WISCONSIN

Schedule 1
 Net Assets by Component
 Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	\$101,984,501	\$112,365,501	\$118,979,801	\$129,298,563	\$138,939,061	\$142,853,627	\$149,239,985	\$154,397,316	\$157,671,125
Restricted	13,736,425	13,279,349	12,748,007	14,071,084	14,782,242	14,230,324	12,810,959	9,585,005	11,506,652
Unrestricted	(1,813,814)	(3,429,375)	(3,227,072)	2,944,405	7,794,820	6,337,164	3,175,936	1,835,281	(1,735,225)
Total governmental activities net assets	\$ 113,907,112	\$ 122,215,475	\$ 128,500,736	\$ 146,314,052	\$ 161,516,123	\$ 163,421,115	\$ 165,226,880	\$ 165,817,602	\$ 167,442,552
Business-type activities									
Invested in capital assets, net of related debt	\$ 67,073,372	\$ 67,870,387	\$ 69,207,688	\$ 73,053,861	\$ 75,805,619	\$ 77,890,685	\$ 81,862,742	\$ 86,317,284	\$ 91,220,876
Restricted	2,262,848	2,513,579	3,025,976	3,624,948	4,213,063	4,670,711	5,155,342	6,549,521	5,684,352
Unrestricted	7,403,169	8,136,662	8,909,816	11,426,629	11,878,119	11,533,253	8,456,014	5,911,610	3,402,388
Total business-type activities net assets	\$ 76,739,389	\$ 78,520,628	\$ 81,143,480	\$ 88,105,438	\$ 91,896,801	\$ 94,094,649	\$ 95,474,098	\$ 98,778,415	\$ 100,307,616
Primary Government									
Invested in capital assets, net of related debt	\$169,057,873	\$178,857,343	\$186,960,165	\$201,271,382	\$213,663,638	\$219,794,007	\$230,357,041	\$240,221,347	\$248,580,858
Restricted	15,999,273	15,792,928	15,773,983	17,696,032	18,995,305	18,901,035	17,966,301	16,134,526	17,191,004
Unrestricted	5,589,355	6,085,832	6,910,068	15,452,076	20,753,981	18,820,722	12,377,636	8,240,144	1,978,306
Total primary government net assets	\$ 190,646,501	\$ 200,736,103	\$ 209,644,216	\$ 234,419,490	\$ 253,412,924	\$ 257,515,764	\$ 260,700,978	\$ 264,596,017	\$ 267,750,168

Notes: The amounts shown above have been restated as noted below:

(1) 2007 Unrestricted Governmental Activities Net Assets were restated to add \$8,623,889 of post retirement benefits which were attributable to governmental activities prior to the implementation of GASB 45 in 2008.

CITY OF JANESVILLE, WISCONSIN

Schedule 2
Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Expenses									
Governmental activities:									
General Government	\$ 3,296,483	\$ 3,140,205	\$ 3,740,895	\$ 3,978,852	\$ 3,961,356	\$ 4,133,635	\$ 3,943,921	\$ 4,049,662	\$ 4,186,293
Public Safety	17,513,519	20,121,489	20,670,659	21,744,301	22,534,342	25,394,411	25,838,312	25,148,762	25,466,279
Public Works	10,297,180	12,082,530	12,757,262	14,211,917	14,033,222	15,072,811	15,482,564	16,192,666	16,781,023
Recreation and Parks	2,891,953	3,000,125	3,006,849	3,197,572	3,212,659	3,377,551	3,574,626	3,774,576	4,759,187
Community/Economic Development	2,695,647	4,379,769	3,698,452	3,165,599	5,301,452	4,912,861	5,312,773	3,535,983	5,595,106
Library	4,370,514	4,165,142	4,215,506	4,129,950	4,157,837	4,312,637	4,207,445	4,353,927	4,405,358
Interest and Fiscal Charges	1,923,820	1,782,454	1,760,713	1,926,315	2,051,793	2,069,942	1,916,839	1,764,420	1,566,299
Total governmental activities expenses	<u>42,989,116</u>	<u>48,671,714</u>	<u>49,850,336</u>	<u>52,354,506</u>	<u>55,252,661</u>	<u>59,273,848</u>	<u>60,276,480</u>	<u>58,819,996</u>	<u>62,759,545</u>
Business-type activities:									
Water Utility	3,460,842	3,734,611	4,106,255	4,462,799	4,806,252	4,984,168	5,101,040	5,343,100	5,360,990
Wastewater Utility	5,584,133	5,917,000	6,056,310	6,369,932	6,685,200	6,773,400	6,663,525	6,928,411	7,773,308
Stormwater Utility	445,073	701,795	717,692	928,324	958,206	1,968,957	1,545,207	1,326,800	1,580,309
Transit	2,343,609	2,433,645	2,519,532	2,765,715	2,979,388	3,297,266	3,345,395	3,368,980	3,482,774
Total business-type activities	<u>11,833,657</u>	<u>12,787,051</u>	<u>13,399,789</u>	<u>14,526,770</u>	<u>15,429,046</u>	<u>17,023,791</u>	<u>16,655,167</u>	<u>16,967,291</u>	<u>18,197,381</u>
Total primary government expenses	<u>\$ 54,822,773</u>	<u>\$ 61,458,765</u>	<u>\$ 63,250,125</u>	<u>\$ 66,881,276</u>	<u>\$ 70,681,707</u>	<u>\$ 76,297,639</u>	<u>\$ 76,931,647</u>	<u>\$ 75,787,287</u>	<u>\$ 80,956,926</u>
Program Revenues									
Governmental activities:									
Charges for services:									
General Government	381,358	330,027	362,499	333,106	432,247	242,573	279,735	280,076	392,965
Public Safety	2,062,588	2,022,597	2,354,496	2,422,108	2,616,080	2,583,521	2,624,580	2,700,923	2,904,044
Public Works	2,882,606	3,292,965	4,794,575	5,970,778	6,552,540	6,556,524	5,871,663	7,006,361	8,428,099
Recreation and Parks	799,903	770,918	867,445	862,011	795,222	747,599	910,454	1,040,506	2,119,722
Community/Economic Development	380,054	1,538,625	1,133,023	971,950	1,623,684	729,978	477,580	604,735	1,299,796
Library	959,257	933,363	979,130	1,034,641	1,065,715	1,083,977	1,039,302	1,006,020	995,230
Operating grants and contributions	3,891,532	3,975,006	3,757,672	3,522,875	3,839,593	4,628,312	5,992,828	5,656,639	5,175,981
Capital grants and contributions	4,856,736	9,325,709	6,611,702	18,177,983	6,181,917	4,917,043	4,717,044	1,587,045	2,002,304
Total governmental activities program revenues	<u>16,214,034</u>	<u>22,189,210</u>	<u>20,860,542</u>	<u>33,295,452</u>	<u>23,106,998</u>	<u>21,489,527</u>	<u>21,913,186</u>	<u>19,882,305</u>	<u>23,318,141</u>
Business-type activities:									
Charges for services:									
Water Utility	4,492,868	4,614,976	4,906,617	5,370,442	5,915,168	6,048,253	5,817,708	5,890,963	5,924,663
Wastewater Utility	5,391,568	5,335,735	5,869,743	6,453,636	6,496,484	6,979,210	7,483,921	9,549,391	9,450,506
Stormwater Utility	192,643	820,672	977,288	1,194,973	1,336,873	1,782,649	1,899,777	2,058,510	2,172,210
Transit	351,695	315,097	322,404	350,662	410,184	398,439	367,294	408,176	439,180
Operating grants and contributions	1,291,763	1,321,122	1,357,796	1,476,571	1,540,541	2,053,182	1,729,215	1,687,653	1,764,936
Capital grants and contributions	1,724,847	2,259,458	2,334,127	5,586,403	2,694,934	1,573,924	836,969	975,820	395,169
Total business-type activities program revenues	<u>13,445,384</u>	<u>14,667,060</u>	<u>15,767,975</u>	<u>20,432,687</u>	<u>18,394,184</u>	<u>18,835,657</u>	<u>18,134,884</u>	<u>20,570,513</u>	<u>20,146,664</u>

CITY OF JANESVILLE, WISCONSIN

Schedule 2
Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total primary government program revenues	\$ 29,659,418	\$ 36,856,270	\$ 36,628,517	\$ 53,728,139	\$ 41,501,182	\$ 40,325,184	\$ 40,048,070	\$ 40,452,818	\$ 43,464,805
Net (Expense)/Revenue									
Governmental activities	\$ (26,775,082)	\$ (26,482,504)	\$ (28,989,794)	\$ (19,059,054)	\$ (32,145,663)	\$ (37,784,321)	\$ (38,363,294)	\$ (38,937,691)	\$ (39,441,404)
Business-type activities	1,611,727	1,880,009	2,368,186	5,905,917	2,965,138	1,811,866	1,479,717	3,603,222	1,949,283
Total primary government net expenses	\$ (25,163,355)	\$ (24,602,495)	\$ (26,621,608)	\$ (13,153,137)	\$ (29,180,525)	\$ (35,972,455)	\$ (36,883,577)	\$ (35,334,469)	\$ (37,492,121)
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes									
Property taxes	\$ 23,710,283	\$ 25,020,048	\$ 25,810,979	\$ 26,974,983	\$ 28,068,202	\$ 29,301,229	\$ 30,714,943	\$ 30,606,896	\$ 31,527,740
Other taxes	875,509	904,306	977,531	1,048,915	1,028,488	1,147,714	883,300	947,001	914,183
Intergovernmental revenues	7,619,364	6,558,197	6,596,592	6,602,405	6,558,634	6,565,038	6,588,241	6,195,752	6,116,411
Investment income	735,762	719,454	1,198,887	1,890,844	2,382,204	1,625,934	920,423	692,506	538,926
Miscellaneous	677,502	1,233,013	521,988	634,122	506,719	881,154	757,869	678,983	1,490,349
Transfers	(236,117)	355,849	169,078	(278,899)	179,598	168,244	304,273	407,275	478,745
Total governmental activities	\$ 33,382,303	\$ 34,790,867	\$ 35,275,055	\$ 36,872,370	\$ 38,723,845	\$ 39,689,313	\$ 40,169,049	\$ 39,528,413	\$ 41,066,354
Business-type activities:									
Investment earnings	249,006	234,231	412,225	728,931	994,671	542,738	201,160	92,331	58,663
Miscellaneous	16,562	22,848	11,519	48,211	11,152	11,488	2,845	16,039	-
Transfers	236,117	(355,849)	(169,078)	278,899	(179,598)	(168,244)	(304,273)	(407,275)	(478,745)
Total business-type activities	\$ 501,685	\$ (98,770)	\$ 254,666	\$ 1,056,041	\$ 826,225	\$ 385,982	\$ (100,268)	\$ (298,905)	\$ (420,082)
Total primary government	\$ 33,883,988	\$ 34,692,097	\$ 35,529,721	\$ 37,928,411	\$ 39,550,070	\$ 40,075,295	\$ 40,068,781	\$ 39,229,508	\$ 40,646,272
Change in Net Assets									
Governmental activities	\$ 6,607,221	\$ 8,308,363	\$ 6,285,261	\$ 17,813,316	\$ 6,578,182	\$ 1,904,992	\$ 1,805,755	\$ 590,722	\$ 1,624,950
Business-type activities	2,113,412	1,781,239	2,622,852	6,961,958	3,791,363	2,197,848	1,379,449	3,304,317	1,529,201
Total primary government	\$ 8,720,633	\$ 10,089,602	\$ 8,908,113	\$ 24,775,274	\$ 10,369,545	\$ 4,102,840	\$ 3,185,204	\$ 3,895,039	\$ 3,154,151

CITY OF JANESVILLE, WISCONSIN

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

	2002 (Restated)	2003 (Restated)	2004	2005	2006	2007	2008	2009	2010	2011
General Fund:										
Nonspendable:										
Long-term receivables/ advances	\$ 932,205	\$ 972,099	\$ 982,130	\$ 1,087,119	\$ 990,859	\$ 947,874	\$ 858,212	\$ 686,067	\$ 472,502	\$ 477,324
Inventories and prepaid items	4,458	6,220	5,391	4,146	5,483	4,527	6,271	4,500	41,267	22,539
Assigned	950,000	2,360,870	2,394,473	2,495,771	2,529,837	2,578,820	1,231,000	850,000	890,000	825,000
Unassigned	4,803,072	4,558,140	4,543,833	5,027,335	5,465,498	5,283,514	5,678,760	5,689,704	6,091,178	7,747,001
Total General Fund	\$ 6,689,735	\$ 7,897,329	\$ 7,925,827	\$ 8,614,371	\$ 8,991,677	\$ 8,814,735	\$ 7,774,243	\$ 7,230,271	\$ 7,494,947	\$ 9,071,864
All Other Governmental Funds (Reflecting GASB 54 Classification)										
Nonspendable:										
Inventories and prepaid items										\$ 280,810
Restricted reported in:										
Debt service fund										1,277,855
Capital projects fund										9,575,388
Special revenue funds										4,426,799
Committed reported in:										
Sanitation Fund										2,103,725
Special revenue funds										832,191
Assigned reported in:										
Capital projects fund										1,938,042
Unassigned reported in:										
Special revenue funds										(1,383,868)
Total All Other Governmental Funds										\$ 19,050,942
All Other Governmental Funds (Before GASB 54 Reclassification)										
Reserved:										
Debt service	\$ 5,801,540	\$ 5,001,495	\$ 5,559,520	\$ 4,511,543	\$ 4,835,092	\$ 5,404,843	\$ 6,576,009	\$ 9,003,777	\$ 2,976,816	
Encumbrance					2,545,138	597,104	1,013,779	1,369,138	40,580	
Inventories and prepaid items	21,878	31,419	27,123	26,353	376,173	487,540	446,834	346,088	266,891	
Long-term receivables										
Unreserved reported in:										
Capital projects fund	1,186,734	2,080,233	1,234,446	1,369,261	2,998,949	3,783,110	4,859,680	4,828,004	5,389,278	
Special revenue funds	1,278,320	998,684	10,101	785,704	3,995,522	4,479,880	7,906,814	11,429,728	10,311,458	
Total All Other Governmental Funds	\$ 8,288,472	\$ 8,111,831	\$ 6,831,190	\$ 6,692,861	\$ 14,750,874	\$ 14,752,477	\$ 20,803,116	\$ 26,976,735	\$ 18,985,023	

Notes: The amounts shown above have been restated as noted below:

- (1) 2003 Fund balances were restated due to a change in reporting accrued vacation benefits; \$1,129,870 was added to the general fund assigned balance, \$132,339 added in Special Revenue funds, and \$12,408 added in Capital Projects fund.
- (2) 2002 General Fund Unassigned Fund balance was increased by \$861,293 to reflect the 2002 water payment in lieu of taxes received in 2003.
- (3) 2008 General Fund Assigned Fund balance no longer includes accrued vacation balances.
- (4) The General Fund balances reflect fund balance classification in accordance with GASB 54.

CITY OF JANESVILLE, WISCONSIN

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenue										
Taxes	\$ 24,890,667	\$ 24,585,792	\$ 25,924,354	\$ 26,788,510	\$ 28,023,898	\$ 29,096,691	\$ 30,341,144	\$ 31,583,980	\$ 31,486,289	\$ 32,472,722
Licenses and permits	1,043,205	998,219	1,293,306	1,333,531	1,270,877	1,514,044	1,087,422	1,085,092	1,260,490	1,209,307
Investment income, rents and fines	1,727,039	1,450,610	1,935,691	1,730,746	2,639,245	3,030,427	2,242,210	1,479,479	1,253,668	1,156,004
State and federal aid	11,891,695	12,651,343	12,336,491	10,478,343	10,680,197	10,497,817	11,251,371	13,362,388	12,377,267	12,335,185
Special assessments	2,898,811	2,820,921	2,975,005	3,336,621	8,772,521	6,286,880	4,801,611	1,717,558	917,104	1,141,772
Service charges and other	5,399,308	7,064,520	7,378,713	9,311,566	10,968,922	11,148,770	12,069,815	11,817,521	12,165,836	15,411,002
Miscellaneous	1,979,059	38,322	160,139	144,233	153,883	159,821	104,407	99,507	102,190	74,047
Total revenues	49,829,784	49,609,727	52,003,699	53,123,550	62,509,543	61,734,450	61,897,980	61,145,525	59,562,844	63,800,039
Expenditures										
General government	3,005,116	3,258,307	3,351,946	3,368,825	3,529,577	3,729,418	3,994,415	3,879,345	3,881,072	4,067,662
Public safety	16,609,336	17,789,589	18,892,617	19,743,416	20,574,389	21,559,137	22,566,701	22,957,291	22,888,083	23,612,281
Public works	8,172,431	8,442,125	9,840,696	10,158,645	11,739,975	11,621,929	12,058,457	12,559,211	12,934,530	13,337,435
Recreation and parks	2,501,816	2,729,570	2,756,164	2,716,373	2,901,387	2,935,603	2,830,357	3,109,510	3,215,383	4,292,982
Community and economic devel.	2,093,178	2,988,409	4,454,592	3,315,281	3,121,290	4,093,073	5,712,703	6,108,707	4,934,294	6,038,294
Library	3,217,187	3,354,901	3,490,267	3,557,534	3,584,804	3,237,582	3,370,564	3,301,084	3,403,762	3,485,239
Capital Outlay	7,868,128	8,050,732	14,616,804	8,403,811	11,132,789	14,449,888	8,027,425	9,626,232	8,285,157	7,037,844
Debt Service										
Principal	7,557,414	7,570,647	7,290,228	6,849,210	7,271,807	7,298,749	7,795,055	8,679,586	8,993,416	10,120,021
Interest	1,979,082	1,532,995	1,328,377	1,540,443	1,805,983	2,004,046	2,002,895	2,064,838	1,794,361	1,669,146
Total expenditures	53,003,688	55,717,275	66,021,691	59,653,738	65,662,001	70,929,425	68,358,572	72,285,804	70,330,058	73,680,904
Excess of revenues over (under) expenditures	(3,173,904)	(6,107,548)	(14,017,992)	(6,530,188)	(3,152,458)	(9,194,975)	(6,460,592)	(11,140,279)	(10,767,214)	(9,860,865)
Other financing sources (uses)										
Long-term debt issued	7,569,338	6,100,000	12,520,000	11,196,325	11,515,000	7,920,000	10,285,000	11,450,000	5,200,000	8,880,000
Refunding Debt Issued	3,435,000	1,850,063	1,831,645	-	1,567,024	-	-	6,915,000	-	-
Payment on refunded debt	(3,435,000)	(1,850,063)	(1,831,645)	-	(1,567,024)	-	-	(3,118,770)	(3,930,000)	-
Premium on long-term debt	-	-	-	-	-	-	34,619	-	-	-
Sale of City property	-	-	-	-	-	-	-	-	-	638,477
Transfers in	8,417,241	8,765,440	11,204,874	10,261,894	8,540,484	10,044,808	9,816,701	10,950,498	11,520,300	11,047,314
Transfers out	(8,825,415)	(9,001,557)	(10,959,025)	(10,092,816)	(8,767,707)	(8,645,172)	(8,665,581)	(9,426,802)	(9,750,122)	(9,062,090)
Total other financing sources (uses)	7,161,164	5,863,883	12,765,849	11,365,403	11,287,777	9,319,636	11,470,739	16,769,926	3,040,178	11,503,701
Special Item										
Retirement of prior service				(4,285,000)						
Net change in fund balances	\$ 3,987,260	\$ (243,665)	\$ (1,252,143)	\$ 550,215	\$ 8,135,319	\$ 124,661	\$ 5,010,147	\$ 5,629,647	\$ (7,727,036)	\$ 1,642,836
Debt Service as a percentage of noncapital expenditures	21.1%	19.2%	16.9%	16.6%	17.0%	17.8%	16.2%	17.1%	17.4%	17.7%

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>
2002	2003	2,052,053,600	733,577,900	152,753,400	2,473,400	131,420,070	3,072,278,370	7.2488	3,135,773,200	97.99%
2003	2004	2,093,506,500	760,398,300	143,256,600	2,129,000	128,556,490	3,127,846,890	7.4276	3,251,498,900	96.24%
2004	2005	2,141,067,100	774,491,500	138,701,100	2,019,300	118,698,730	3,174,977,730	7.6527	3,433,005,900	92.56%
2005	2006	2,203,265,900	790,514,100	137,098,500	2,010,200	123,287,320	3,256,176,020	7.7703	3,670,111,700	88.72%
2006	2007	2,270,647,400	803,375,300	135,323,500	3,088,900	118,329,200	3,330,764,300	7.8750	3,927,834,200	84.80%
2007	2008	2,323,675,600	830,293,900	132,600,100	2,832,400	117,911,010	3,407,313,010	8.0408	4,160,780,300	81.89%
2008	2009	2,372,646,300	843,383,400	135,700,300	2,835,100	125,925,430	3,480,490,530	8.1804	4,370,063,000	79.99%
2009	2010	2,393,616,900	857,280,900	118,689,000	3,006,100	128,318,270	3,500,911,170	8.2381	4,251,636,500	81.94%
2010	2011	2,405,821,900	864,969,400	121,438,100	1,728,700	129,347,480	3,523,305,580	8.3737	3,991,153,400	88.10%
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%

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>
2002	2003	6.3555	0.8933	7.2488	9.3190	1.7525	6.1926	0.2041	24.7170	1.4953	23.2217
2003	2004	6.5095	0.9181	7.4276	9.2652	1.8878	6.4002	0.2079	25.1887	1.3886	23.8001
2004	2005	6.7408	0.9119	7.6527	9.8550	1.8931	6.5978	0.2163	26.2149	1.2863	24.9286
2005	2006	6.8373	0.9330	7.7703	9.2521	1.9405	6.5904	0.2114	25.7647	1.2103	24.5544
2006	2007	6.9609	0.9141	7.8750	9.0897	1.9694	6.4563	0.2071	25.5975	1.4618	24.1357
2007	2008	7.1497	0.8911	8.0408	10.1877	2.0703	6.5383	0.2072	27.0443	1.5837	25.4606
2008	2009	7.2716	0.9088	8.1804	10.4087	2.1406	6.6105	0.2131	27.5533	1.7113	25.8420
2009	2010	7.3155	0.9226	8.2381	10.4635	2.1001	6.7476	0.2061	27.7554	1.7016	26.0538
2010	2011	7.4359	0.9378	8.3737	10.7203	1.9589	6.7987	0.1922	28.0438	1.6933	26.3505
2011	2012	7.0402	0.8612	7.9014	10.1902	1.8275	6.4427	0.1738	26.5356	1.5208	25.0148

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>
2002	2003	6.3555	0.8933	7.2488	8.3410	1.7525	6.1926	0.2041	23.7390	1.4953	22.2437
2003	2004	6.5095	0.9181	7.4276	7.9409	1.8878	6.4002	0.2079	23.8644	1.3886	22.4758
2004	2005	6.7408	0.9119	7.6527	9.2364	1.8931	6.5978	0.2163	25.5963	1.2863	24.3100
2005	2006	6.8373	0.9330	7.7703	8.6300	1.9405	6.5904	0.2114	25.1426	1.2103	23.9323
2006	2007	6.9609	0.9141	7.8750	8.6227	1.9694	6.4563	0.2071	25.1305	1.4618	23.6687
2007	2008	7.1497	0.8911	8.0408	9.2325	2.0703	6.5383	0.2072	26.0891	1.5837	24.5054
2008	2009	7.2716	0.9088	8.1804	9.2490	2.1406	6.6105	0.2131	26.3936	1.7113	24.6823
2009	2010	7.3155	0.9226	8.2381	9.6484	2.1001	6.7476	0.2061	26.9403	1.7016	25.2387
2010	2011	7.4359	0.9378	8.3737	9.6787	1.9589	6.7987	0.1922	27.0022	1.6933	25.3089
2011	2012	7.0402	0.8612	7.9014	9.0327	1.8275	6.4427	0.1738	25.3781	1.5208	23.8573

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
2011 and Nine Years Prior

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Dean/St. Mary's/Riverview Care	\$ 43,586,400	1	1.11%	31,936,800	6	1.02%
Janesville Mall Limited Part	34,594,700	2	0.88%	23,849,400	2	0.76%
Mercy Health System Corp.	32,460,180	3	0.82%	--	--	--
GHC Specialty Brands, LLC (Lab Safety)	30,471,540	4	0.77%	24,467,720	3	0.78%
Blain Supply Inc	28,609,320	5	0.73%	24,065,120	4	0.77%
Wal-Mart Real Estate Business	22,684,430	6	0.58%	--	--	--
Helgesen Family Partnership	20,251,300	7	0.51%	--	--	--
Menards	19,373,960	8	0.49%	--	--	--
Lemans Corp	19,220,650	9	0.49%	15,114,900	5	0.48%
Woodman's Food Market	18,906,540	10	0.48%	15,001,760	9	0.48%
General Motors	--	--	--	51,310,970	1	1.64%
Inland Pine Tree LLC	--	--	--	15,838,100	7	0.51%
Norman Weitzel	--	--	--	15,969,370	8	0.51%
Jim Campbell	--	--	--	13,354,880	10	0.43%
Total	\$ 270,159,020		6.86%	\$ 230,909,020		7.36%

Source: City of Janesville Clerk Treasurer Office

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 12/31/2011</u>
			<u>Amount</u>	<u>Percentage of Levy</u>	<u>Amount</u>	<u>Percentage of Levy</u>	
2001	2002	23,365,110	23,331,761	99.86%	23,356,547	99.96%	
2002	2003	23,644,835	23,606,513	99.84%	23,635,964	99.96%	
2003	2004	24,914,757	24,901,799	99.95%	24,910,864	99.98%	
2004	2005	25,819,580	25,790,079	99.89%	25,811,912	99.97%	
2005	2006	26,968,587	26,934,619	99.87%	26,961,393	99.97%	
2006	2007	28,062,823	28,014,779	99.83%	28,048,652	99.95%	13,435
2007	2008	29,326,955	29,252,694	99.75%	29,307,403	99.93%	16,939
2008	2009	30,727,505	30,654,028	99.76%	30,654,028	99.76%	21,622
2009	2010	30,679,585	30,552,174	99.58%	30,552,174	99.58%	29,458
2010	2011	31,493,963	31,416,545	99.75%	31,416,545	99.75%	77,418

Notes: Delinquent real estate taxes are paid in full by Rock County with the August settlement. Outstanding delinquent taxes represents personal property taxes outstanding at the end of the year. After one year, the delinquent personal property taxes 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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt Limit	\$ 156,788,660	\$ 162,574,945	\$ 171,650,295	\$ 183,505,585	\$ 196,391,710	\$ 208,039,015	\$ 218,503,150	\$ 212,581,825	\$ 199,557,670	\$ 197,038,180
Total net debt applicable to limit	<u>56,628,253</u>	<u>56,670,631</u>	<u>63,987,466</u>	<u>69,246,432</u>	<u>78,630,253</u>	<u>80,214,198</u>	<u>82,529,034</u>	<u>87,480,869</u>	<u>76,914,462</u>	<u>74,814,441</u>
Legal Debt Margin	<u>\$ 100,160,407</u>	<u>\$ 105,904,314</u>	<u>\$ 107,662,829</u>	<u>\$ 114,259,153</u>	<u>\$ 117,761,457</u>	<u>\$ 127,824,817</u>	<u>\$ 135,974,116</u>	<u>\$ 125,100,956</u>	<u>\$ 122,643,208</u>	<u>\$ 122,223,739</u>
Total net debt applicable to limit as a percentage of debt limit	36.12%	34.86%	37.28%	37.74%	40.04%	38.56%	37.77%	41.15%	38.54%	37.97%

Legal Debt Margin Calculation for Fiscal Year 2011	
Equalized Value of Taxable Property	\$ 3,940,763,600
Legal Debt limit (5% of total equalized value)	197,038,180
Less : General Obligation Debt	<u>74,814,441</u>
Legal debt margin	<u>\$ 122,223,739</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 ⁽¹⁾	Debt Per Capita ⁽¹⁾
	General Obligation Debt	Capital Leases	General Obligation Debt	Revenue Bonds			
2002	39,568,253	11,634	17,060,000	2,771,693	59,411,580	3.58%	972
2003	37,078,060	141,643	19,592,571	2,897,546	59,709,820	3.44%	974
2004	42,284,388	99,971	21,703,078	5,786,279	69,873,716	4.01%	1,125
2005	46,408,390	175,034	22,838,042	7,413,643	76,835,109	4.27%	1,229
2006	50,556,390	108,943	28,073,863	7,463,672	86,202,868	4.53%	1,374
2007	51,042,492	68,797	29,171,706	7,053,580	87,336,575	4.45%	1,375
2008	53,557,943	43,291	28,971,091	6,632,653	89,204,978	4.41%	1,405
2009	60,150,869	17,009	27,330,000	6,200,601	93,698,479	4.72%	1,476
2010	52,444,462	0	24,470,000	24,314,249	101,228,711	5.04%	1,592
2011	51,204,441	0	23,610,000	32,058,342	106,872,783	N/A	1,683

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

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

CITY OF JANESVILLE, WISCONSIN

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

<u>Year</u>	<u>Governmental General Obligation Debt</u>	<u>Proprietary General Obligation Debt</u>	<u>Total General Obligation Debt</u>	<u>Less: Amounts Reserved For Debt Service</u>	<u>Net General Obligation Debt</u>	<u>Percentage Debt to Equalized Valuation⁽¹⁾</u>	<u>Net General Obligation Debt Per Capita⁽²⁾</u>
2002	39,568,253	17,060,000	56,628,253	(5,015,077)	51,613,176	1.65%	845
2003	37,078,060	19,592,571	56,670,631	(5,001,495)	51,669,136	1.59%	843
2004	42,284,388	21,703,078	63,987,466	(5,559,520)	58,427,946	1.70%	940
2005	46,408,390	22,838,042	69,246,432	(4,511,543)	64,734,889	1.76%	1,035
2006	50,556,390	28,073,863	78,630,253	(4,835,092)	73,795,161	1.88%	1,177
2007	51,042,492	29,171,706	80,214,198	(5,404,843)	74,809,355	1.80%	1,177
2008	53,557,943	28,971,091	82,529,034	(6,576,009)	75,953,025	1.74%	1,196
2009	60,150,869	27,330,000	87,480,869	(9,003,777)	78,477,092	1.85%	1,236
2010	52,444,462	24,470,000	76,914,462	(2,976,816)	73,937,646	1.85%	1,163
2011	51,204,441	23,610,000	74,814,441	(1,277,855)	73,536,586	1.87%	1,158

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

(1) See Schedule 5 for property value data.

(2) See Schedule 14 for population data.

CITY OF JANESVILLE, WISCONSIN

Schedule 12
Direct and Overlapping General Obligation Debt
As of December 31, 2011

<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	<u>\$ 51,204,441</u>	100.00%	<u>\$ 51,204,441</u>
Rock County	39,475,000	40.56%	16,011,060
School Districts			
Janesville	92,630,000	89.78%	83,163,214
Milton	4,230,000	30.80%	1,302,840
Blackhawk Technical College	24,805,000	33.91%	8,411,376
	<u>161,140,000</u>		<u>108,888,490</u>
	Total Direct and Overlapping Debt <u>\$212,344,441</u>		<u>\$ 160,092,931</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.

CITY OF JANESVILLE, WISCONSIN

Schedule 13
Pledged-Revenue Coverage
Last Ten Fiscal Years

Year	Water Revenue Bonds						Wastewater Revenue Bonds					
	Water Gross Revenue	Less: Operating Expense ⁽¹⁾	Net Available Revenue	Debt Service		Coverage	Wastewater Gross Revenue	Less: Operating Expense ⁽¹⁾	Net Available Revenue	Debt Service		Coverage
			Principal	Interest					Principal	Interest		
2002	-	-	-	-	-		5,159,327	3,403,584	1,755,743	101,492	73,376	10.0
2003	-	-	-	-	-		5,541,701	3,558,942	1,982,759	143,921	77,528	9.0
2004	4,718,545	2,442,544	2,276,001	-	18,950	120.1	5,483,066	3,765,224	1,717,842	153,973	89,368	7.1
2005	5,062,300	2,525,516	2,536,784	54,518	39,783	26.9	6,110,649	3,712,589	2,398,060	229,531	111,729	7.0
2006	5,627,468	2,715,871	2,911,597	133,060	77,953	13.8	6,939,255	3,940,312	2,998,943	247,156	110,276	8.4
2007	6,273,899	2,943,953	3,329,946	151,279	80,219	14.4	7,110,122	4,178,104	2,932,018	258,814	104,675	8.1
2008	6,224,571	3,137,249	3,087,322	155,079	76,355	13.3	7,341,888	4,370,586	2,971,302	265,848	97,511	8.2
2009	5,903,631	3,193,839	2,709,792	158,974	72,394	11.7	7,605,357	4,322,197	3,283,160	273,077	90,148	9.0
2010	5,926,063	3,121,079	2,804,984	162,968	68,333	12.1	9,624,957	4,332,237	5,292,720	280,507	223,336	10.5
2011	5,943,221	3,387,695	2,555,526	167,062	64,170	11.1	9,489,103	4,816,726	4,672,377	288,143	582,300	5.4

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

<u>Fiscal Year</u>	<u>Population⁽¹⁾</u>	<u>Personal Income</u>	<u>Per Capita Income⁽²⁾</u>	<u>School System Enrollment⁽³⁾</u>	<u>Unemployment Rate⁽⁴⁾</u>
2002	61,110	1,657,914,300	27,130	10,758	6.9%
2003	61,310	1,735,379,550	28,305	10,458	7.1%
2004	62,130	1,730,631,150	27,855	10,327	6.7%
2005	62,540	1,780,326,180	28,467	10,252	6.5%
2006	62,720	1,903,928,320	30,356	10,372	5.2%
2007	63,540	1,962,814,140	30,891	10,192	6.0%
2008	63,500	2,020,951,000	31,826	10,019	6.8%
2009	63,500	1,987,169,000	31,294	9,849	13.8%
2010	63,575	2,007,952,800	31,584	9,713	11.4%
2011	63,515	N/A	N/A	10,429	10.1%

⁽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

CITY OF JANESVILLE, WISCONSIN

Schedule 15
Principal Employers
2011 and Nine Years Prior

Employer	2011			2002		
	Approximate Number of Employees	Rank	Percentage of Total City Employment	Approximate Number of Employees	Rank	Percentage of Total City Employment
Mercy Health System	3,835	1	13.31%	2,162	2	6.93%
Janesville School District	1,368	2	4.75%	1,654	3	5.30%
Rock County	1,171	3	4.06%	1,439	4	4.61%
GHC Specialty Brands/Lab Safety Supply Inc	843	4	2.93%	818	7	2.62%
Wal-Mart/Sam's Club	525	5	1.82%	--	--	0.00%
Blain's Supply (Farm & Fleet)	510	6	1.77%	--	--	0.00%
City of Janesville	502	7	1.74%	472	9	1.51%
Lemans Corp	450	8	1.56%	--	--	0.00%
Dean Health System (Dean Clinic-Janesville East)	421	9	1.46%	--	--	0.00%
St. Mary's Janesville Hospital	415	10	1.44%	--	--	0.00%
SSI Technologies / Bornes	-	--	--	900	5	2.88%
General Motors	-	--	--	4,500	1	14.42%
Lear Corporation	-	--	--	900	5	2.88%
TNT Logistics North America	-	--	--	620	8	1.99%
Gillman Engineering & Manufacturing	-	--	--	450	10	1.44%
Total	10,040		34.85%	13,915		44.59%
Total City Employment	28,811			31,208		

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>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Government										
City Manager	3.10	2.51	2.26	2.26	2.26	2.56	2.15	2.34	2.34	2.34
Assessor	9.38	9.25	8.25	7.25	7.34	7.34	8.34	7.34	6.94	6.50
Attorney	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Clerk Treasurer	9.79	8.19	9.92	7.77	8.10	7.77	10.56	7.67	9.36	7.00
Administrative Services & Accounting	10.05	8.05	7.90	7.85	6.85	6.54	6.72	6.49	6.34	6.22
Human Resources	2.45	2.45	2.10	2.10	2.10	2.05	2.05	2.05	2.05	2.05
Information Technology	<u>N/A</u>	<u>2.75</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>2.70</u>	<u>2.75</u>	<u>2.75</u>	<u>2.25</u>	<u>2.25</u>
Total General Government	<u>38.77</u>	<u>37.20</u>	<u>37.43</u>	<u>34.23</u>	<u>33.65</u>	<u>32.96</u>	<u>36.57</u>	<u>32.64</u>	<u>33.28</u>	<u>30.36</u>
Public Safety										
Police	121.50	121.00	117.00	119.50	119.50	119.50	118.50	118.50	119.50	118.50
Fire	<u>95.00</u>	<u>93.00</u>	<u>89.00</u>	<u>90.75</u>	<u>90.75</u>	<u>90.75</u>	<u>92.75</u>	<u>93.75</u>	<u>93.75</u>	<u>93.25</u>
Total Public Safety	<u>216.50</u>	<u>214.00</u>	<u>206.00</u>	<u>210.25</u>	<u>210.25</u>	<u>210.25</u>	<u>211.25</u>	<u>212.25</u>	<u>213.25</u>	<u>211.75</u>
Public Works										
Engineering	22.53	21.80	21.24	21.24	20.91	20.33	20.47	18.75	18.40	18.35
DPW/Tech Services	34.15	30.51	29.39	28.32	28.52	28.16	26.77	25.53	26.68	27.18
Sanitation/Landfill	<u>19.90</u>	<u>19.92</u>	<u>19.97</u>	<u>19.97</u>	<u>20.20</u>	<u>20.83</u>	<u>23.11</u>	<u>23.73</u>	<u>21.50</u>	<u>21.88</u>
Total Public Works	<u>76.58</u>	<u>72.23</u>	<u>70.60</u>	<u>69.53</u>	<u>69.63</u>	<u>69.32</u>	<u>70.35</u>	<u>68.01</u>	<u>66.58</u>	<u>67.41</u>
Recreation & Parks										
Leisure Services	24.93	22.55	18.25	18.69	24.36	24.15	23.31	25.08	21.55	21.37
Parks	<u>17.90</u>	<u>17.60</u>	<u>16.90</u>	<u>16.90</u>	<u>16.60</u>	<u>16.45</u>	<u>15.45</u>	<u>16.45</u>	<u>20.12</u>	<u>18.81</u>
Total Recreation & Parks	<u>42.83</u>	<u>40.15</u>	<u>35.15</u>	<u>35.59</u>	<u>40.96</u>	<u>40.60</u>	<u>38.76</u>	<u>41.53</u>	<u>41.67</u>	<u>40.18</u>
Community & Economic Development										
Community Development	17.90	17.90	17.40	16.00	16.44	16.20	17.25	17.23	15.14	15.32
Neighborhood Services	<u>8.08</u>	<u>8.09</u>	<u>8.59</u>	<u>8.09</u>	<u>7.34</u>	<u>7.03</u>	<u>6.51</u>	<u>6.76</u>	<u>6.96</u>	<u>6.91</u>
Total Community & Economic Development	<u>25.98</u>	<u>25.99</u>	<u>25.99</u>	<u>24.09</u>	<u>23.78</u>	<u>23.23</u>	<u>23.76</u>	<u>23.99</u>	<u>22.10</u>	<u>22.23</u>
Library	52.90	52.30	52.10	53.70	53.70	51.90	50.75	51.20	51.45	49.53
Water Utility	18.58	19.59	19.09	18.75	19.09	19.00	20.47	20.49	20.40	19.67
Wastewater Utility	25.85	26.87	26.40	25.64	26.33	24.74	26.43	25.88	25.99	26.22
Stormwater Utility	N/A	5.85	5.68	5.72	6.44	7.45	10.49	10.92	11.22	11.27
Transit	<u>30.00</u>	<u>31.33</u>	<u>31.87</u>	<u>31.20</u>	<u>31.09</u>	<u>30.98</u>	<u>30.46</u>	<u>30.46</u>	<u>31.09</u>	<u>30.57</u>
Total Employment	<u>527.99</u>	<u>525.51</u>	<u>510.31</u>	<u>508.70</u>	<u>514.92</u>	<u>510.43</u>	<u>519.29</u>	<u>517.37</u>	<u>517.03</u>	<u>509.19</u>

CITY OF JANESVILLE, WISCONSIN

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Assessor										
Real Estate and Mobile Home Assessments	22,590	22,928	23,257	23,679	24,140	24,445	24,050	24,100	24,120	24,535
New Construction, Permits, Sale Reviews	3,248	1,584	2,500	2,958	2,772	3,200	2,590	4,000	2,160	2,005
Attorney										
Case Litigated	11,447	12,523	13,194	13,590	9,764	9,874	9,987	8,447	10,509	8,540
Public Safety										
Police										
Traffic Citations (#)	7,693	6,865	7,177	5,964	5,893	6,094	5,235	5,237	9,320	10,848
Violent Crime Incidents (#)	N/A	N/A	N/A	170	134	158	172	153	170	169
Property Crime Incidents (#)	N/A	N/A	N/A	2,980	2,987	2,740	2,813	2,254	2,423	2,412
Parking Tickets Processed (#)	6,285	6,184	5,164	4,432	4,104	4,104	3,644	2,745	3,313	2,823
Fire										
Fire and EMS Emergency Responses (#)	6,668	6,716	6,760	6,943	6,078	6,298	6,734	6,404	6,708	7,306
Inspections (#)	5,856	5,871	6,094	5,923	6,143	6,201	6,265	6,325	6,460	5,728
Public Works										
Street Maintenance										
Crack Sealing (feet)	85,000	50,000	50,000	20,000	20,000	50,000	20,000	21,000	18,000	65,472
Street Resurfacing (miles)	4.6	12.0	13.0	10.3	11.5	11.9	10.9	13.5	8.0	6.4
Street Cleaning - Leaf Collection (miles)	188	210	207	213	218	209	222	228	226	218
Traffic Management										
Traffic Signs Installed/Repaired (#)	1,643	1,990	1,908	2,219	1,946	1,155	1,122	1,200	1,739	1,150
Line Striping (feet)	411,000	468,500	425,000	366,600	363,300	338,000	314,484	248,633	144,899	283,462
Sanitation										
Sanitary Landfill (tons)	120,000	121,000	132,000	180,000	195,700	274,200	274,213	220,849	228,758	185,065
Trash Collection(stops/week)	21,992	22,268	22,596	22,902	23,143	23,393	24,347	23,700	23,700	23,449
VOM - Vehicles Repaired (#)	3,092	2,910	2,791	2,694	2,681	3,244	3,268	2,902	2,879	2,699
Recreation and Parks										
Recreation Program Participants (#)	258,381	235,812	233,480	271,632	276,398	237,022	246,967	230,142	278,198	271,739
Special Events	80	82	85	85	89	90	80	104	105	109
Parks (acres)	2,280	2,295	2,295	2,300	2,400	2,580	2,580	2,590	2,590	2,595
Parks Mowing (acres)	580	593	593	605	655	658	664	666	666	666
Golf Course Rounds Played (#)	75,908	66,473	59,190	61,768	56,627	55,376	58,142	59,734	56,270	53,606
Community/Economic Development										
Permits Issued (#)	5,219	4,585	4,814	4,609	4,481	4,490	3,543	2,866	3,201	2,872
Inspections (#)	11,436	10,597	11,731	10,541	9,149	9,188	7,694	6,687	6,791	6,374
TIF Development Activity										
New Construction (square feet)	-	474,000	213,500	50,000	108,000	315,915	20,000	28,125	532,445	21,000
Value of Projects (dollars)	514,400	12,263,200	4,176,800	2,155,100	3,012,000	9,477,450	800,000	1,600,000	33,923,068	775,000
Neighborhood Services										
Complaints Received (#)	1,416	1,284	1,301	1,295	1,450	1,177	1,419	1,778	1,648	1,992
Housing/Nuisance Inspections (#)	5,921	4,919	3,473	3,860	4,056	2,819	3,951	4,632	6,061	7,159
Housing Rehab./Homeownership Loans (#)	46	50	55	34	46	37	64	101	82	70
Library										
Circulation (#)	1,072,789	1,104,710	1,165,503	1,175,430	1,198,251	1,183,981	1,176,691	1,199,606	1,144,919	1,153,991
Registered Patrons (#)	57,336	56,942	56,884	56,872	56,663	59,485	61,812	64,245	66,544	69,542
Water Utility										
Water Pumped (billions of gallons)	4.90	4.90	4.50	4.78	4.51	4.48	4.28	3.88	3.54	3.55
Water Tests (#)	2,313	2,614	4,459	4,545	4,785	4,976	4,797	4,844	4,922	4,611
Water Main Repairs (#)	80	109	69	71	84	128	92	88	87	108
Wastewater Utility										
Sewage Treatment (millions of gallons)	4,967	4,924	5,328	4,632	4,814	5,351	6,728	5,882	5,637	5,083
Laboratory Tests (#)	25,246	26,605	25,103	24,335	24,714	24,845	25,461	24,996	24,665	23,749
Stormwater Utility										
Street Sweeping (miles)	3,991	4,554	4,897	7,041	7,176	7,141	6,688	7,003	7,767	5,887
Storm Sewer Maintenance										
Storm Sewer Cleaning (feet)	N/A	6,500	2,930	689	906	575	614	600	600	600
Catch Basin Cleaning (#)	N/A	814	1,014	201	390	193	173	181	212	200
Transit										
Total Route Miles	473,643	473,469	474,660	476,787	475,893	478,329	477,266	471,711	471,711	471,682
Ridership (#)	378,282	385,020	416,611	424,430	431,924	392,306	396,773	352,144	338,739	364,696

Sources: Various City Departments

CITY OF JANESVILLE, WISCONSIN

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

Function/Program	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public Safety:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Vehicles	30	29	29	31	31	30	36	37	39	37
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Trucks	10	10	10	10	10	10	10	10	10	10
Ambulances	4	4	5	5	5	5	6	6	6	6
Public Works:										
Streets (miles)	320	322	326	331	338	345	350	350	350	350
Street Lights (city owned)	1829	1854	1886	1945	2049	2103	2185	2215	2278	2267
Traffic Signals (intersections)	72	72	74	78	79	79	76	71	71	71
Parks and Recreation:										
Number of Parks	61	62	62	63	63	63	64	64	64	64
Acreage of Parkland	2300	2301	2295	2350	2350	2580	2580	2590	2590	2595
Number of Swimming Pools	3	3	3	3	3	3	3	3	3	3
Water Utility:										
Number of Wells	6	6	7	7	8	8	8	8	8	8
Number of Reservoirs	4	4	5	5	6	6	7	7	7	7
Miles of Water Main	335	339	344	350	354	362	366	367	367	368
Number of Hydrants	2333	2360	2404	2445	2485	2528	2552	2553	2561	2561
Storage Capacity (million gallons)	14.64	14.64	14.94	14.94	15.34	15.34	15.84	15.84	15.84	15.84
Production Capacity (million gallons/day)	29	29	29	32	32	32	32	32	35	35
Wastewater Utility:										
Miles of Sanitary Sewer	293	296	299	304	307	313	320	320	320	320
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	164	166	167	170	173	177	179	179	180	180
Transit										
Number of Buses	20	20	20	24	23	21	21	21	20	20

Sources: Various City Departments