

**City of Franklin
General Fund Resources**

City general fund resources are normally relatively predictable. The majority of general fund resource is obtained from property taxes, state shared resource, and transportation aides which are known at the beginning of the year. Resources have historically not been dependent on changes in economic factors. However, varying factors, including the local economy, can cause fluctuations from year to year in certain resource items.

Property Taxes

Property taxes are levied upon all real property and business personal property owners at a calculated rate per \$1,000 of assessed value. As is typical for most Wisconsin municipalities, the property tax is the primary resource for city government operations. The trend for property taxes, as a percentage of General Fund operating resource, is as follows:

Year	2018	2019	2020	2021	2022
Percentage	66	70	70	71	71

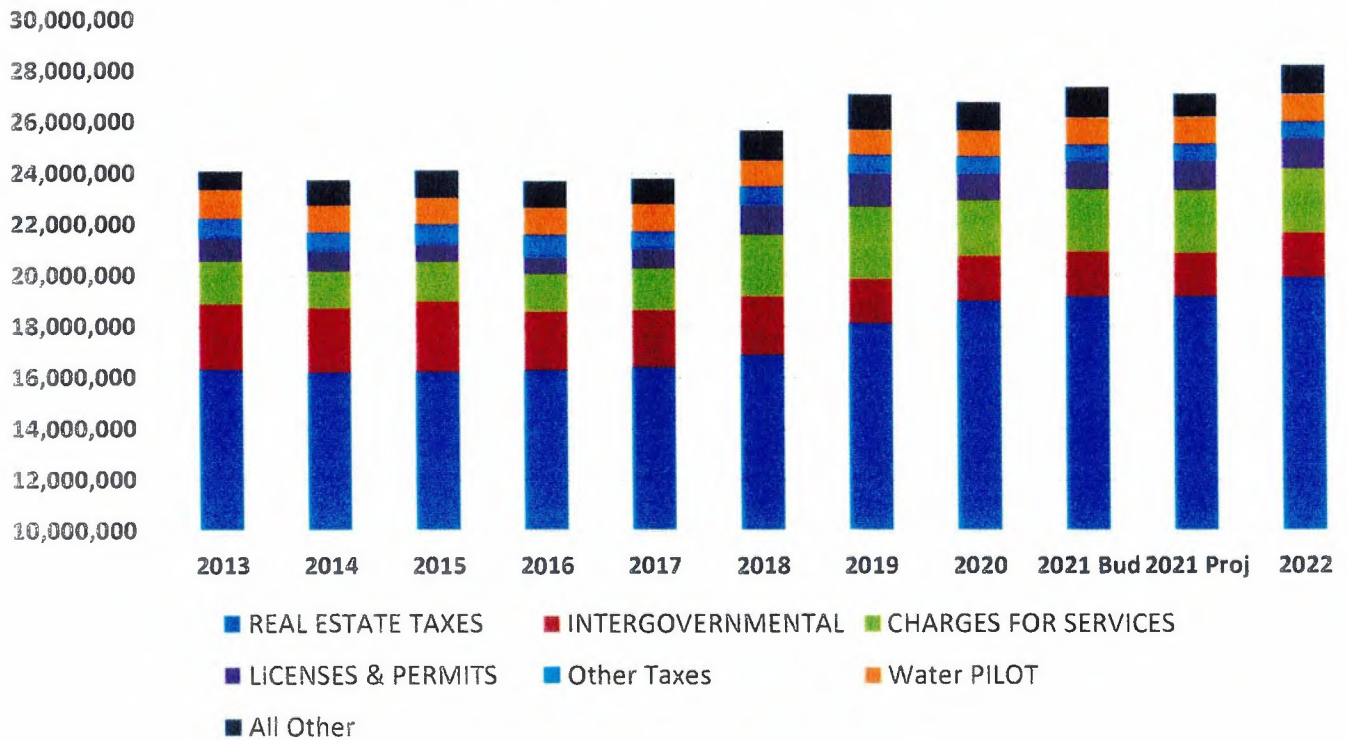
Property taxes as a percentage of general fund resources will increase or decrease, depending on fluctuations in other resources, the amount of growth in new construction or whether increases in expenditures are needed to meet service needs for the City. In 2017, Hotel Taxes were limited by State Statutes to 2014 levels, and will be further restricted to 2010 levels by 2021. State levy limits are causing Cities to get creative about where certain state aids are credited. That will result in the greater appearance of taxes in the General Fund. Recent increased development activity will increase Building Permit resources.

The City's tax levy on a per capita basis is slightly below the State's median for cities our size.

	2018	2019	2020	2021	2022
Population	35,779	35,779	35,996	36,514	36,646
Tax Levy	Actual	Actual	Actual	Budget	Budget
General Fund	\$16,909,449	\$18,130,675	\$19,005,700	\$19,184,900	\$19,931,500
Library	1,303,200	1,312,700	1,340,500	1,337,200	1,347,200
Capital	1,515,200	646,000	295,700	296,000	53,300
Debt Service	1,300,000	1,300,000	1,100,000	1,100,000	1,100,000
Total Tax Levy	\$21,027,849	\$21,389,375	\$21,741,900	\$21,918,100	\$22,432,000
Per Capita					
General Fund	\$472.61	\$506.74	527.99	525.41	543.89
Library	36.42	36.69	37.24	36.62	36.76
Capital	42.35	18.06	8.21	8.11	1.45
Debt Service	36.33	36.33	30.56	30.12	30.02
Total Tax Levy	587.71	\$597.82	604.01	600.27	612.13

The per capita property tax levy has ranged from a high of \$ 612.13 in 2022 to a low of \$587.71 in 2018. Wisconsin Municipal Facts reported that cities of 30,000 to 150,000 had a median per capita property tax levy of \$622 for 2017/18 tax levies. As the City's population growth has stagnated, the per capita tax levels have increased. Our per capita tax rate is below the median.

Gen Fund Resources



The chart above demonstrates how operating tax levy has grown since 2013. At the same time Intergovernmental resources have declined (see below). Public Charges for Services (Ambulance fees and Landfill Siting) have become an increasing share of General Fund Resources.

Starting in 2019, General Transportation Aids were partially shifted to the Street Improvement Fund. GTA's have grown substantially in recent years related to the TID activities. That will last only so long. Additional Landfill Siting resources into the Capital funds freed up additional tax levy to the General Fund. Then in 2020, with a 25% increase in expected landfill siting resources, a cap was placed upon the amount of landfill siting resource dedicated to operating activities. As landfill siting resources have risen the total amount dedicated to operating activities has risen.

Utility Tax Equivalent

The Franklin Water Utility makes a payment in lieu of property taxes, as permitted by the Public Service Commission, by applying the local municipal and school tax rates against the total value of plant in service (infrastructure). As the plant in service has grown due to the pace of development in the City, this resource has also increased. Much of the plant value added is contributed via developers, Tax Increment Districts or assessment projects. For 2022, that payment is estimated at \$1,063,600. The Water Utility has two large projects in the near future which will raise this payment to the City.

Hotel/Motel Room Tax

Hotels and motels charge a room tax that benefits the City of Franklin. The development of a hotel on South 27th Street resulted in the City receiving increased room taxes starting in 2009. A second hotel opened in July, 2015 near S. 76th and W. Rawson Avenue. The 2015-16 state budget included a provision which directs a portion of this resource to tourism beginning in 2017. In 2016, the year prior to the new restriction, this resource provided \$327,191. In 2021, the City raised the tax rate to 8% from 6%, effectively increasing the rate 33%. For 2022, the General Fund resource is capped at \$151,900, with the balance directed to the Franklin Tourism Commission. For 2022, the Hotel Tax rate resource is expected to recover from the depressed levels of hotel/motel tax receipts related to the pandemic.

Cable Franchise Fees

A franchise fee is charged by the City on cable television services, and has decreased in recent years. Declining trends in the number of cable subscribers has impacted this resource. For 2022, that tax should approximate \$443,000, unchanged from 2021.

In the 2019-20 State Budget, the legislature lowered the cable tax rate to 4% (from 5%) beginning in January 2020. A new state aid was created to replace the impact of the tax rate reduction. The combined effect is zero, while taxes appear to decline and Intergovernmental resources increase. That resource is expected to be \$98,500 in 2022, unchanged from 2021.

State Shared Resource

State Shared Resource was based on a formula that considered per capita and aidable resource factors that included relative property value of the City and local resource generated. During recent years the State has either not increased or has decreased the amount received. In 2017 the City received \$641,300, in 2022 shared resource is anticipated to receive \$463,000 a 27.8% decrease.

Expenditure Restraint payments are provided by the State for communities that limited their General Fund spending to a specified percentage. The percentage limit considers inflation and growth in new construction in the City. The amount received is dependant on the amount of the equalized tax rate over 5 mills (\$5.00 per 1,000 of value) and the communities that qualify. In 2017 the City of Franklin received \$207,900. In 2022, none. With the restricted growth in Tax levy and rising real estate values, the City's equalized tax rate has fallen below \$5.00. That removes the City from the State's Expenditure Restraint program.

The State provides general transportation aids to local communities. Transportation aids are based on a formula established by the State that considers costs of maintaining the City's transportation system, including maintenance, traffic enforcement, and capital costs (street construction, etc.). This formula uses Franklin's highway expenditures over a rolling 6-year period in determining the aid amount. In 2017 the City of Franklin received \$1,093,339. For 2022, transportation aids are anticipated to be \$1,755,000 – a 60.5% increase. The impact of the

Ballpark Commons project will increase transportation aids for several years. Beginning in 2019, only a portion of this Aid will fund the General Fund, with the balance supporting the Street Improvement Fund. The effect is to free tax levy that previously funded capital needs.

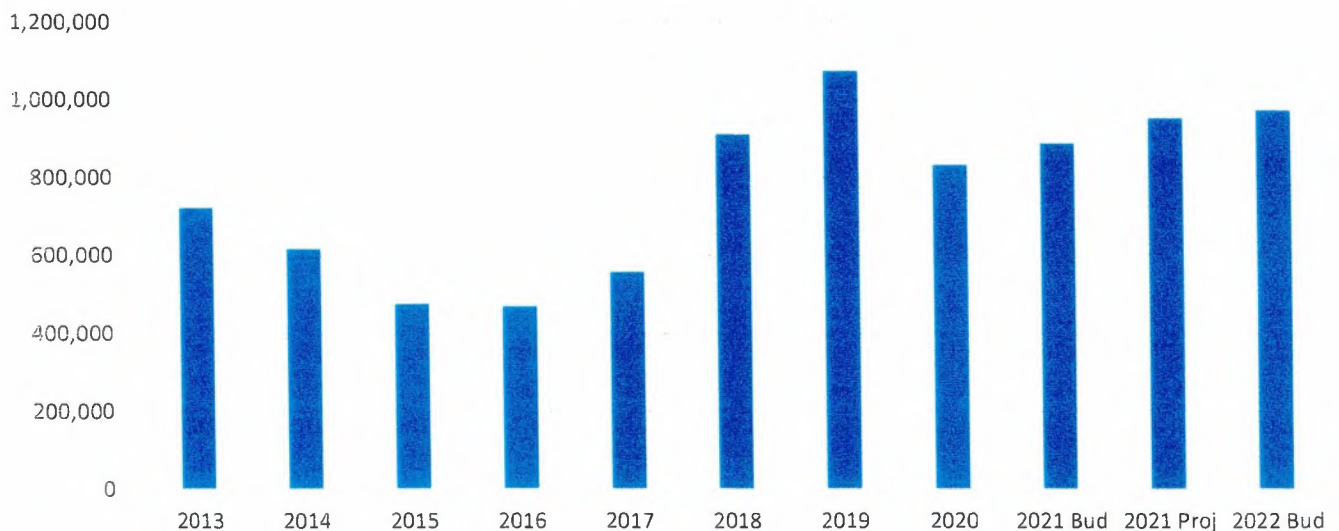
A 1997 legislative change exempted business computers from being subject to property tax. It also provided for a state aid payment to municipalities to offset the loss of this income. The program was frozen by the Legislature in the 2017-18 budget, with a 1.47% increase in 2019 from 2018 levels. In the same budget, a new class of personal property was exempted, with a new Personal Property Aid payment. However, the new aid payment reduces the allowable levy increase dollar for dollar. For 2022, the exempt computer aids are \$225,000 and the new exempt personal property aid is \$78,000.

Overall support from the Intergovernmental resources have decreased over the last few years. Adjusting for the 2019 removal of \$700,000 of General Transportation Aids from the General Fund State Aids have grown \$143,600 or 6.3%. Generally, Franklin's shared revenue per capita is near the very bottom for Cities our size in the state, which relates to the higher per capita income and lack of Utility property in the City.

Licenses and Permits

The City issues numerous licenses and permits in performing its regulatory functions, such as building, electrical, plumbing, liquor, bartender, peddler, food, pet, contractor, and others. The majority of such resource items do not fluctuate greatly from year to year and in some cases, change is limited by state statutes. The primary resource in the permit category is building, plumbing and electrical permits (approximately 80%). The 2022 budget anticipates \$970,000 in Building, Plumbing and Electrical permit resources. That compares to \$885,000 budgeted in 2021. The Tax Incremental Districts provides the prospect of increased building permit resource.

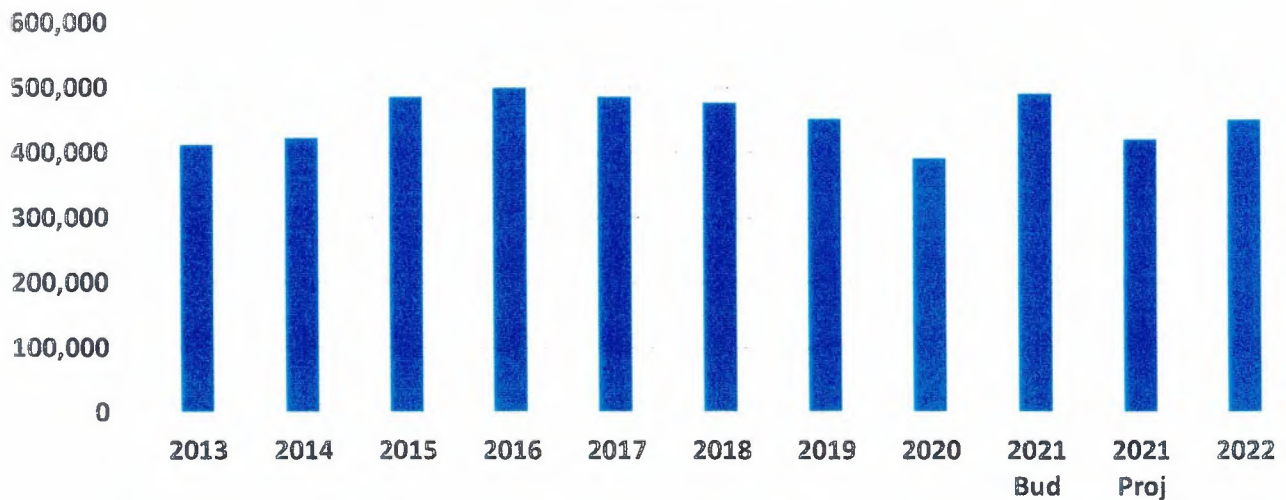
Building Permits



Penalties and Forfeitures

This category represents the City's share of fines from violation of City ordinances and state statutes, as well as parking ticket resource. The 2022 projection is \$450,000. 2021 Penalties & Forfeitures were adversely impacted by the COVID19 Pandemic, as residents did not travel as much. Offsetting this reduction was the addition of the Tax Intercept collection process. That state-wide collection effort has advanced the time that fines & penalties have been receipted.

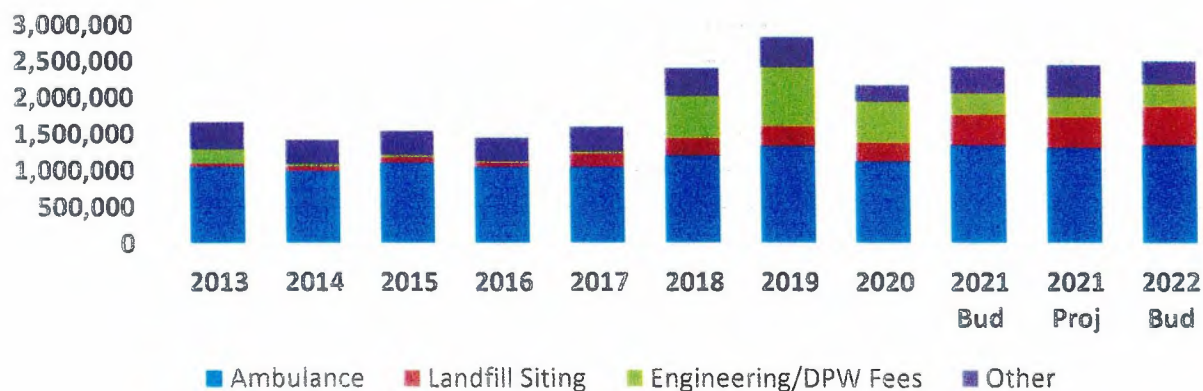
Fines & Penalties



Charges for Services

This resource includes charges for use of City services. The primary resource in this category is generated from ambulance services (53%), planning, engineering and administrative fees, and charges to developers in connection with development agreements.

Charges for Services



2022 ambulance fees are anticipated to be \$1,350,000, unchanged from 2021. In 2020, the Pandemic saw recurring calls for Ambulance service decline and resources with them. As more and more senior housing projects develop, ambulance resources will increase.

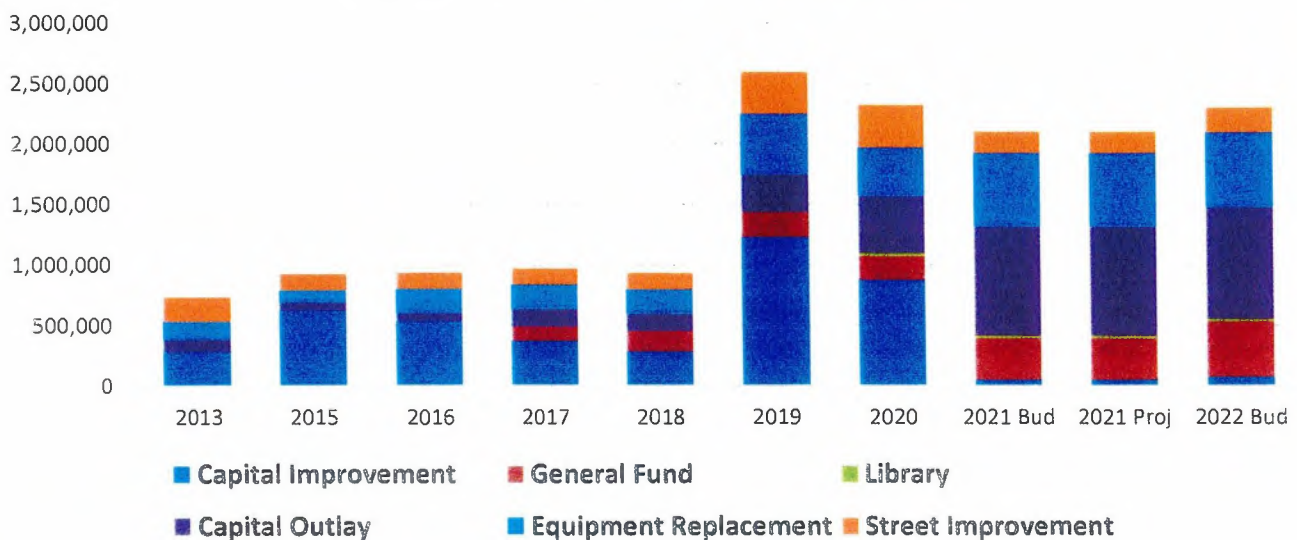
In 2022, Landfill siting resources dedicated to the General Fund are increasing to \$540,000 (from \$425,000). The Common Council directed that only 20% of expected Landfill Siting resources be dedicated to operating activities. See below for further discussion of Landfill Siting resources.

Landfill Siting Resources

The granting of a landfill license to Waste Management in 2010 by the WI Dept of Natural Resources saw the beginning of a new resource for the City and surrounding communities. A Landfill Siting Agreement was completed requiring a payment for each ton of fill going into the site, which is shared 75% to the City of Franklin (where it is located) and the remaining 25% with six other communities. The initial license was for 1.2 million tons. In 2018 the first expansion license was obtained expanding the landfill by 9 million tons. With that expansion the fee increased 25%. Waste Management had been controlling the amount of material accepted until the expansion permit was obtained. 2019 saw a spike to \$2.7 million in fees.

This resource will end when the landfill license is exhausted, so funding current operations with this resource presents long term challenges to replace it when the landfill is full. The City has been funding capital projects for most of the resource life cycle. The site has the potential for 19 million tons of waste, assuming one additional 9-million-ton license renewal.

Landfill Siting Resources by Fund



The 2022 budget anticipates Landfill siting resources to be allocated to the General Fund, Library Fund and various Capital Funds. A risk is that operating expenditures become too dependent upon non-recurring resources. 79% of this resource is targeted to the Capital Funds. In 2022,

Capital Outlay will capture 40% of the total. This has changed over the years, dependent upon project spending.

Intergovernmental Charges for Services

In addition to the Emergency Medical Services resource included in charges for services above, a County subsidy is received toward providing the service. In 2012, the County negotiated a three year agreement that has Franklin receiving \$125,000 per year in Emergency Medical Service aids. That agreement is subject to budget pressures at the County level. For 2022, County resources are expected to be \$121,200. Long term this resource cannot be depended upon.

In 2015, the Franklin School District resumed a program of a School Liaison Officer and contributes 70% of the cost of that officer back to the City. That program is expected to continue in 2022.

Interest Resource

Investment earnings is one, of two, main resources in this category. Investment interest has declined following the falling short-term interest rates since 2009. Short term investment returns rose rapidly in 2018 and 2019. Economic pressures related to the COVID-19 pandemic have pushed rates back toward zero. This resource will follow market interest rate movements.

Another component of Investment results are realized and unrealized gains/losses on fixed income investments. The City's investment policy limits the term of investments to a maximum of seven years. That provides downside protection from investment losses related to longer duration securities. Investments are reflected at market values generating unrealized gains and losses. However, as Investments are anticipated to be held to maturity, unrealized losses are not expected to realized, barring any premature forced sale for an emergency.

The last major component is Interest charged at the statutory rate of 18% per annum on delinquent property taxes. The City retains any interest collected by it, until such time as the County purchases all uncollected Real Estate (but not Personal Property) tax bills in August each year.

Miscellaneous Resource

Water Tower rentals to cell phone companies and insurance dividends are the main components of miscellaneous resource. No changes are expected in 2022.

City of Franklin, WI
General Revenues

GL NUMBER	DESCRIPTION	2022 MAYOR RECOMMEN BUDGET	2022 DEPT REQUEST BUDGET	2021 PROJECTED ACTIVITY	2021 ORIGINAL BUDGET	2020 ACTIVITY	2019 ACTIVITY
Dept 0000 - GENERAL							
REAL ESTATE TAXES							
01-0000-4011 *	GENERAL PROPERTY TAX	19,931,500	19,689,200	19,184,900	19,184,900	19,001,867	18,127,772
	REAL ESTATE TAXES	19,931,500	19,689,200	19,184,900	19,184,900	19,001,867	18,127,772
REVENUE - TAXES							
01-0000-4012	PROPERTY TAX-SPECIAL-PAY IN LIEU O	12,000	12,000	11,800	12,000	13,466	9,214
01-0000-4014	MOBILE HOME TAX	20,000	20,000	19,500	20,000	18,157	19,689
01-0000-4022	MOTEL ROOM TAX	151,900	151,900	151,900	151,900	175,400	183,321
01-0000-4025 *	CABLE TV&VIDEO FRANCHISE FEE	443,000	443,000	443,000	443,000	441,950	489,934
	REVENUE - TAXES	626,900	626,900	626,200	626,900	648,973	702,158
TRANSFERS - IN							
01-0000-4031	TAX EQUIVALENT	1,063,600	1,063,600	1,050,000	1,050,000	1,003,388	968,448
	TRANSFERS - IN	1,063,600	1,063,600	1,050,000	1,050,000	1,003,388	968,448
INTERGOVERNMENTAL							
01-0000-4121	PER CAPITA	433,000	433,000	433,000	433,000	404,470	404,536
01-0000-4122	STATE MEDICAL TRANSPORT AID	30,000	30,000	30,000	30,000	28,914	28,848
01-0000-4124 *	EXPENDITURE RESTRAINT	0	0	45,000	45,000	118,605	142,891
01-0000-4125	SPECIAL UTILITY	119,000	119,000	114,000	114,000	119,676	90,913
01-0000-4126	STATE EXEMPT COMPUTER AID	225,000	225,000	228,000	228,000	228,051	228,051
01-0000-4127	FIRE INSURANCE TAX	175,000	175,000	184,600	170,000	175,674	164,859
01-0000-4128	EXEMPT PERS PROP AID	78,000	78,000	60,300	60,300	77,988	95,677
01-0000-4129	VIDEO SERVICE PROVIDER AIDS	98,500	98,500	98,500	98,500	50,004	0
01-0000-4144 *	GEN TRANS AIDS	600,000	550,000	540,000	540,000	534,980	520,846
01-0000-4157 *	OTHER POLICE GRANTS	0	4,000	0	66,600	51,772	80,725
	INTERGOVERNMENTAL	1,758,500	1,712,500	1,733,400	1,785,400	1,790,134	1,757,346
LICENSES & PERMITS							
01-0000-4201	BEER & ALCOHOL	32,100	32,100	32,100	1,900	1,900	1,910
01-0000-4202	CLASS A LIQUOR	0	0	0	9,500	9,530	9,180
01-0000-4203	CLASS B BEER	0	0	0	4,000	3,693	3,967
01-0000-4204	CLASS B LIQUOR & RESERVE FEE	0	0	0	16,500	16,283	16,417
01-0000-4205	SPECIAL CLASS B BEER	0	0	0	0	0	10
01-0000-4206	CLASS C WINE	0	0	0	200	200	300
01-0000-4209	BARTENDER/OPERATOR LICENSE	16,500	16,500	13,800	16,500	16,605	18,174
01-0000-4213	AMUSEMENT & ENTERTAIN LICENSES	6,200	6,200	8,600	6,200	6,010	6,125
01-0000-4215	BOWLING AND POOL	775	775	0	500	775	530
01-0000-4217	ENTERTAINMENT & AMUSEMENT	4,000	4,000	0	4,000	4,550	3,000
01-0000-4219	PEDDLER/TRANSIENT/DOOR-TO-DOOR	4,500	4,500	2,700	4,500	3,597	4,129
01-0000-4221	COMBINATION-FOOD&PEDDLER LIC	0	0	0	100	0	0
01-0000-4222	FOOD PRE-INSPECTION	5,000	5,000	6,400	4,000	5,001	5,076
01-0000-4223	FOOD LICENSE	5,000	5,000	3,400	0	0	5,690
01-0000-4227	SODA LICENSE	0	0	0	300	155	195
01-0000-4229	CIGARETTE LICENSE	0	0	2,300	2,300	1,900	2,500

City of Franklin, WI
General Revenues

GL NUMBER	DESCRIPTION	2022 MAYOR RECOMMEN BUDGET	2022 DEPT REQUEST BUDGET	2021 PROJECTED ACTIVITY	2021 ORIGINAL BUDGET	2020 ACTIVITY	2019 ACTIVITY
Dept 0000 - GENERAL							
LICENSES & PERMITS							
01-0000-4233	COUNTRY CLUB LICENSE	250	250	0	250	250	250
01-0000-4237	SALVAGE YARD/WASTE DISPOSAL	700	700	0	700	700	700
01-0000-4241	OTHERLIC/PUBLIC GRT/TAXEXMPT	2,000	2,000	2,300	2,000	1,820	2,195
01-0000-4242	TECHNOLOGY FEE	15,000	15,000	15,000	15,000	17,504	15,640
01-0000-4257	BICYCLE LICENSE	0	0	0	0	621	8
01-0000-4261	ANIMAL& MOBILE HOME LICENSES	6,800	6,800	6,800	6,800	5,284	6,604
01-0000-4262	RETAIL FOOD ESTABLMT LICENSE	20,000	20,000	22,500	20,000	21,876	20,563
01-0000-4263	RESTAURANT LICENSE & MISC FEES	35,000	35,000	37,000	35,000	34,771	35,779
01-0000-4264	APPLICATION&OTHER HEALTH LIC	8,500	8,500	7,300	8,500	7,520	8,560
01-0000-4265	POOL LICENSE FEES	9,300	9,300	10,500	7,200	9,615	9,325
01-0000-4266	HOTEL/MOTEL LODGING LICENSE FEES	3,500	3,500	4,100	3,500	4,120	3,134
01-0000-4268	HEALTH LATE FEES	0	0	300	0	0	170
01-0000-4269	HEALTH REINSPECTION FEES	0	0	1,500	500	0	250
01-0000-4270	HEALTH PREINSPECTION FEES	0	0	0	500	530	150
01-0000-4271	BUILDING PERMITS	675,000	675,000	675,000	600,000	530,498	736,289
01-0000-4273	ELECTRICAL PERMITS	170,000	170,000	135,000	165,000	174,396	151,355
01-0000-4275	PLUMBING PERMITS	125,000	125,000	140,000	120,000	124,634	183,445
01-0000-4277	STREET EXCAVATION PERMITS	15,000	15,000	0	12,000	17,875	19,276
01-0000-4279	FILL PERMITS	5,000	5,000	0	3,500	3,007	4,089
01-0000-4281	SIGN PERMITS	12,000	12,000	14,000	12,000	14,329	10,065
01-0000-4285	SPECIAL EVENT PERMIT	900	900	500	900	300	900
01-0000-4287	PARK & FIELD RESERVATION-TAXABLE	18,000	18,000	21,700	18,000	10,657	19,838
01-0000-4288	FIRE BURNING & OTHER PERMITS	3,750	3,750	3,000	4,000	3,600	3,985
01-0000-4289	ALARM/BARRICADE/MINING PERMITS	2,500	2,500	2,600	2,800	2,770	435
01-0000-4784	MADACC ANML LIC SOLD/ORD FEE	4,500	4,500	3,700	2,500	4,536	4,711
LICENSES & PERMITS		1,206,775	1,206,775	1,172,100	1,111,150	1,061,487	1,314,919
PENALTIES & FORFIETURES							
01-0000-4311	FINES/PENALTY/RESTITUTION/MISC POL	450,000	450,000	420,000	490,000	390,124	451,062
PENALTIES & FORFIETURES		450,000	450,000	420,000	490,000	390,124	451,062
CHARGES FOR SERVICES							
01-0000-4401	SUBDIVISION FILING	20,000	20,000	20,000	20,000	9,500	30,000
01-0000-4402	LAND COMBINATION FILING	2,500	2,500	7,700	800	800	1,200
01-0000-4403	CSM FILING	10,000	10,000	1,000	10,000	9,000	12,075
01-0000-4404	SITE PLAN REVIEW FILING	20,000	20,000	60,000	10,000	19,250	16,915
01-0000-4405	VARIANCE & APPEALS FILING	2,500	2,500	600	2,500	1,850	2,750
01-0000-4406	SPECIAL USE FILING	12,500	12,500	8,000	12,500	14,750	11,500
01-0000-4407	REZONING FILING	4,500	4,500	17,000	4,500	1,250	7,650
01-0000-4409	OTHER FILING & PLANNING CHARGE	15,000	15,000	6,000	15,000	9,950	15,005
01-0000-4411	PUBLICATIONS & RECORDING	2,400	2,400	2,000	2,400	2,504	1,483
01-0000-4413	PROPERTY STATUS REPORTS	5,500	5,500	10,000	5,500	9,965	6,600
01-0000-4415	COPYING CHARGES	500	500	300	500	296	221
01-0000-4416	SOIL TESTING	0	0	0	0	0	750

City of Franklin, WI
General Revenues

GL NUMBER	DESCRIPTION	2022 MAYOR RECOMMEN BUDGET	2022 DEPT REQUEST BUDGET	2021 PROJECTED ACTIVITY	2021 ORIGINAL BUDGET	2020 ACTIVITY	2019 ACTIVITY
Dept 0000 - GENERAL							
CHARGES FOR SERVICES							
01-0000-4421	MAP & CD SALES-TAXABLE	300	300	300	300	487	161
01-0000-4425	ARCHITECTURAL BOARD REVIEW	6,500	6,500	7,500	4,500	8,070	5,250
01-0000-4431	POLICE SERVICES	2,800	2,800	2,000	2,800	2,521	3,292
01-0000-4432	SPECIAL EVENT PUBLIC SAFETY	4,000	4,000	10,000	4,000	10,567	9,848
01-0000-4440	AMBULANCE SERVICES - ALS	1,350,000	1,350,000	1,250,000	1,350,000	696,019	900,782
01-0000-4441	AMBULANCE SERVICES-BLS	0	0	65,000	0	433,888	437,605
01-0000-4442	FIRE SAFETY, CPR TRAINING, FINES & M	1,500	1,500	1,500	1,500	1,819	3,943
01-0000-4443	FIRE PLAN REVW/WITNESS/TEST	4,000	4,000	4,000	4,000	4,000	77,910
01-0000-4444	FIRE INSPECTION&REINSPECTION	10,000	10,000	18,000	5,000	7,477	18,059
01-0000-4445	QUARRY REIMBURSEMENT	45,000	45,000	43,000	45,000	50,345	37,410
01-0000-4449	WEIGHTS & MEASURES CHARGES	8,500	8,500	7,600	7,600	8,395	8,643
01-0000-4452	CLINIC SERVICES	75,000	75,000	70,000	75,000	34,135	72,426
01-0000-4453	SALE OF RADON TEST KITS	1,250	1,250	750	1,750	741	1,278
01-0000-4456 *	HEALTH LABOR CHARGED TO GRANTS	42,500	7,500	38,000	40,000	5,772	41,203
01-0000-4470	WEED CONTROL	7,000	7,000	3,500	7,000	3,991	7,125
01-0000-4471	STREET LIGHTING	15,000	15,000	28,000	10,000	8,853	18,191
01-0000-4479 *	ENGINEERING FEES	250,000	250,000	230,000	250,000	478,867	775,261
01-0000-4480	DPW CHARGES	45,000	45,000	40,000	36,000	70,574	24,708
01-0000-4485 *	INVESTMENT MNGT FEES	0	30,000	71,500	71,500	0	0
01-0000-4493	LANDFILL OPERATIONS-SITING	460,000	460,000	345,000	345,000	200,000	203,912
01-0000-4496	LANDFILL OPERTN-EMERALD PARK	80,000	80,000	80,000	80,000	67,344	75,877
	CHARGES FOR SERVICES	2,503,750	2,498,750	2,448,250	2,424,650	2,172,980	2,829,033
INTERGOVERNMENTAL CHARGES							
01-0000-4611	COUNTY EMT-PARAMEDIC-ALS	121,200	121,200	118,000	117,800	119,863	136,470
01-0000-4615	SCHOOL LIAISON OFFICER	90,000	90,000	85,000	85,400	63,560	89,707
01-0000-4625 *	FIRE INSPECTION SERVICES	50,000	0	0	0	0	0
	INTERGOVERNMENTAL CHARGES	261,200	211,200	203,000	203,200	183,423	226,177
INTEREST & INV INCOME							
01-0000-4711	INTEREST ON INVESTMENTS	92,700	92,700	30,000	256,718	154,642	259,855
01-0000-4713	INVESTMENT GAINS/LOSSES	0	0	0	0	39,662	76,834
01-0000-4715 *	INTEREST-TAX ROLL	100,000	80,000	80,000	100,000	117,992	169,567
01-0000-4716 *	INTERFUND INTEREST	2,438	2,438	2,438	3,000	3,392	3,493
01-0000-4719	MISCELLANEOUS INTEREST	1,000	1,000	0	0	1,376	1,195
	INTEREST & INV INCOME	196,138	176,138	112,438	359,718	317,064	510,944
MISCELLANEOUS							
01-0000-4725 *	RENTAL-MUNICIPAL PROP	90,000	80,000	52,000	52,000	83,518	78,833
01-0000-4753	CULVERT SALES-NO TAX	8,500	9,500	7,500	8,500	10,378	9,200
01-0000-4756	SALE OF STATE SEALS	1,500	1,500	250	1,500	3,330	2,440
01-0000-4757	HOUSE NUMBER SALES	0	0	600	250	671	526
01-0000-4771 *	INSURANCE DIVIDEND	65,000	50,000	67,000	50,000	58,683	82,047
01-0000-4781 *	REFUNDS/REIMBURSEMENTS	50,000	25,000	15,000	20,000	31,694	6,364

City of Franklin, WI
General Revenues

GL NUMBER	DESCRIPTION	2022 MAYOR RECOMMEN BUDGET	2022 DEPT REQUEST BUDGET	2021 PROJECTED ACTIVITY	2021 ORIGINAL BUDGET	2020 ACTIVITY	2019 ACTIVITY
Dept 0000 - GENERAL							
MISCELLANEOUS							
01-0000-4798	CASH OVER(SHORT)	0	0	0	0	3	(280)
01-0000-4799	MISCELLANEOUS REVENUE	366	1,000	0	1,000	192	379
	MISCELLANEOUS	<u>215,366</u>	<u>167,000</u>	<u>142,350</u>	<u>133,250</u>	<u>188,469</u>	<u>179,509</u>
UNK_REV							
01-0000-4782	REFUND/REIMBURSEMNT-ELECTION	0	0	8,500	0	0	0
	UNK_REV	<u>0</u>	<u>0</u>	<u>8,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals for dept 0000 - GENERAL		<u>28,213,729</u>	<u>27,802,063</u>	<u>27,101,138</u>	<u>27,369,168</u>	<u>26,757,909</u>	<u>27,067,368</u>
* NOTES TO BUDGET DEPARTMENT 0000 GENERAL							
4011	GENERAL PROPERTY TAX						
	Tax Levy before growth and shift from other funds	19,184,900	19,184,900	19,184,900			
70	Plus Estimated 2022 1 5% growth	221,700	221,700	0			
	Actual Growth 2 48%	282,600	282,600	0			
	Revised Pers Prop Aids	(17,700)	0	0			
	Mayor's Recommend	250,000	0	0			
	Move Library Levy back to Gen Fund	10,000	0	0			
	ACCOUNT '4011' TOTAL	<u>19,931,500</u>	<u>19,689,200</u>	<u>19,184,900</u>			
4025	CABLE TV&VIDEO FRANCHISE FEE						
		443,000	443,000	443,000			
	For 2022, used the combined total of Cable TV Fees and Video Service Aids should equal \$498,000						
4124	EXPENDITURE RESTRAINT						
		0	0	45,000			
	Franklin equated tax rate fell below \$5 in 2020, do not qualify for any Expend Restraint resource in 2022						
4144	GEN TRANS AIDS						
	Dept Request	550,000	550,000	0			
	Mayor's Recommend	50,000	0	0			

City of Franklin, WI
General Revenues

GL NUMBER	DESCRIPTION	2022 MAYOR RECOMMEN BUDGET	2022 DEPT REQUEST BUDGET	2021 PROJECTED ACTIVITY	2021 ORIGINAL BUDGET	2020 ACTIVITY	2019 ACTIVITY
Dept 0000 - GENERAL							
	ACCOUNT '4144' TOTAL	600,000	550,000				
4157	OTHER POLICE GRANTS						
	Starting in 2021, Police Grant are recorded in Fund 21, with personnel costs allocated out of Fund 01 to match the expenditures received thru the Grant						
	Bullet Proof Vests recovery	0	4,000	0			
	Moved Bullet Proof Vest grant to Police Grants						
4456	HEALTH LABOR CHARGED TO GRANTS						
	Dept Request	7,500	7,500	0			
	Mayor's Recommended increase	35,000	0	0			
	ACCOUNT '4456' TOTAL	42,500	7,500				
4479	ENGINEERING FEES						
	Forecast - keep same as prior year, increment in Dept Req process	250,000	250,000	230,000			
4485	INVESTMENT MNGT FEES						
	Dept Request - 5 months of OPEB Management	30,000	30,000	0			
	Mayor's Recommend to reflect Fin Dir retirement in 2021	(30,000)	0	0			
	ACCOUNT '4485' TOTAL	0	30,000				
4625	FIRE INSPECTION SERVICES						
	AGREEMENT WITH OAK CREEK TO SHARE FIRE INSPECTOR	50,000	0	0			
4715	INTEREST-TAX ROLL						
	Dept Request	80,000	80,000	0			
	Mayor's Recommend increase	20,000	0	0			
	ACCOUNT '4715' TOTAL	100,000	80,000				
4716	INTERFUND INTEREST						

City of Franklin, WI
General Revenues

GL NUMBER	DESCRIPTION	2022 MAYOR RECOMMEN BUDGET	2022 DEPT REQUEST BUDGET	2021 PROJECTED ACTIVITY	2021 ORIGINAL BUDGET	2020 ACTIVITY	2019 ACTIVITY
Dept 0000 - GENERAL							
		2,230	2,230	2,230			
	Water Fund Pension Loan	208	208	208			
	TID 8 Advance						
	ACCOUNT '4716' TOTAL	2,438	2,438	2,438			
4725 RENTAL-MUNICIPAL PROP							
		80,000	80,000	0			
	Dept Request	10,000	0	0			
	Mayor's Recommend increase						
	ACCOUNT '4725' TOTAL	90,000	80,000				
4771 INSURANCE DIVIDEND							
		50,000	50,000	0			
	Dept Request	15,000	0	0			
	Mayor's Recommend increase						
	ACCOUNT '4771' TOTAL	65,000	50,000				
4781 REFUNDS/REIMBURSEMENTS							
		25,000	25,000	0			
	Dept Request	25,000	0	0			
	Mayor's Recommend increase						
	ACCOUNT '4781' TOTAL	50,000	25,000				
	DEPT '0000' TOTAL	21,624,438	21,211,138	19,905,338			
Dept 0181 - MUNICIPAL BUILDINGS							
MISCELLANEOUS							
01-0181-4781	DISABILITY PAY REIMBURSEMENT	0	0	0	0	0	2,267
	MISCELLANEOUS	0	0	0	0	0	2,267
Totals for dept 0181 - MUNICIPAL BUILDINGS		0	0	0	0	0	2,267
Dept 0211 - POLICE DEPT							
MISCELLANEOUS							
01-0211-4781	DISABILITY PAY REIMBURSEMENT	0	0	0	0	4,825	7,830
	MISCELLANEOUS	0	0	0	0	4,825	7,830
UNK_REV							

City of Franklin, WI
General Revenues

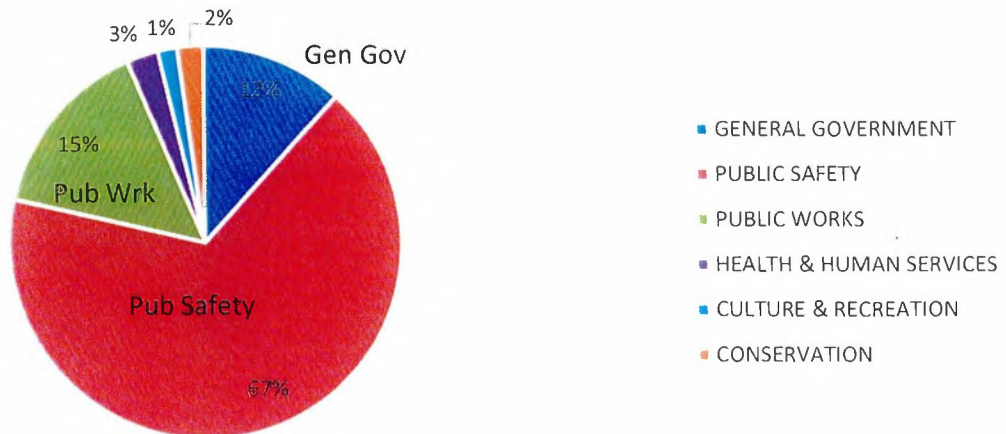
GL NUMBER	DESCRIPTION	2022 MAYOR RECOMMEN BUDGET	2022 DEPT REQUEST BUDGET	2021 PROJECTED ACTIVITY	2021 ORIGINAL BUDGET	2020 ACTIVITY	2019 ACTIVITY
Dept 0211 - POLICE DEPT							
UNK_REV							
01-0211-4782	REFUND/REIMBURSEMNT-INSURANCE	0	0	0	0	17,652	0
UNK_REV		0	0	0	0	17,652	0
Totals for dept 0211 - POLICE DEPT		0	0	0	0	22,477	7,830
Dept 0221 - FIRE DEPT							
MISCELLANEOUS							
01-0221-4781	DISABILITY PAY REIMBURSEMENT	0	0	0	0	24	0
MISCELLANEOUS		0	0	0	0	24	0
Totals for dept 0221 - FIRE DEPT		0	0	0	0	24	0
Dept 0321 - ENGINEERING							
MISCELLANEOUS							
01-0321-4781	DISABILITY PAY REIMBURSEMENT	0	0	0	0	4	0
MISCELLANEOUS		0	0	0	0	4	0
Totals for dept 0321 - ENGINEERING		0	0	0	0	4	0
ESTIMATED REVENUES - FUND 01		28,213,729	27,802,063	27,101,138	27,369,168	26,780,414	27,077,465

City of Franklin General Fund Expenditures

City General Fund expenditures are divided into Activities and further reported by categories/departments. The activities consist of general government, public safety, public works, health & human services, culture & recreation, and conservation and development. A summary of the expenditures by Activity (in thousands) follows:

	2017	2018	2019	2020	2021 Bud	2021 Proj	2022	Inc (Dec)
Gen Gov	2,941	2,944	2,954	3080	3,162	3,067	3,321	159
Pub Safety	16,661	17,077	17,157	17471	18,352	17,715	18,966	614
Pub Works	3,852	3,388	4,140	4066	4,289	4,342	4,271	(18)
Health	676	670	647	664	713	705	752	39
Culture & Rec	188	241	223	288	218	209	451	233
Conservation	520	512	606	597	600	563	618	18
Transfers & Other	57	84	52	48	24	574	24	0
Contingency		1			2,760	0	2,310	(450)
Total	24,895	24,917	25,779	26215	30,119	27,175	30,714	595

Expenditures by Activity



General Government

General government is comprised of 12 departments that provide either specific services for the City or provide services to or on behalf of the departments. General Government expenditures are approximately 11.7% of the General Fund expenditure budget. General Government expenditures have a disproportionate component of contract services as several functions have been contracted out, including Assessing, Legal and Information Services. Certain General Government services provide oversight for other funds, such as financial services to the Utilities and TIDs. Those funds then provide resources back to the General Fund for those services.

Public Safety

Public safety is comprised of Police, Fire, Public Fire Protection, Building Inspection, and Weights and Measures. Public Safety expenditures comprise approximately 66.8% of the General Fund budget. A breakdown by expenditure category within Public Safety follows:

Public Safety (000's)	2017	2018	2019	2020	2021 Bud	2021 Proj	2022	Inc (Dec)
Salaries	10,511	10,779	10,822	11,425	11568	11,318	12,071	503
Benefits	4,418	4,435	4,357	4,116	4587	4,464	4,611	24
Contract Services	491	528	688	641	754	681	733	(21)
Facilities	642	656	613	611	683	588	659	(24)
Services & Charges	237	243	239	273	262	242	267	5
All Other	360	437	438	406	498	423	624	126
Total Pub Safety	16,660	17,077	17,157	17,471	18,352	17,715	18,966	613
Inc (dec) Pr Yr Pct	5 5	2 5	0 5	1 8	5 0	1 4		

In 2020, the City made a one time \$325,000 contribution to the retiree health care plan.

Public Works

Public Works is comprised of Engineering, Highway, Street Lighting, and Weed Control. Public Works comprises approximately 15% of General Fund Expenditures. Not surprisingly, supplies costs (including fuel to run trucks and road salt) make a sizable portion of this Activity, along with the labor cost to provide the service.

Public Works (000's)	2017	2018	2019	2020	2021 Bud	2021 Proj	2022	Inc (Dec)
Salaries	1743	1629	1721	1,725	2,020	1,955	1,883	(137)
Benefits	1,038	425	469	707	595	600	534	(61)
Contract Services	122	476	748	614	447	454	493	46
Facilities	319	316	320	355	391	335	410	19
Supplies	521	430	766	544	683	867	787	104
All Other	109	112	117	121	152	130	163	11
Total Pub Works	3852	3388	4140	4,066	4,289	4,342	4270	(19)
Inc (dec) Pr Yr Pct	2 9	-12 1	22 2	-1 8	5 5	6 8		

In 2017, there was a one-time contribution to the retirement plan for this group which spiked the expenditure that year. In 2019, the City returned \$390,000 to the Solid Waste hauler related to an audit. In 2020, the City made another \$200,000 extra retirement plan contribution.

The reduction in Public Works personnel costs relates to more staff time budgeted in Parks.

Health & Human Services

Health & Human Services is comprised of the health and the animal control expenses. Health & Human Services expenditures amount to approximately 2.6% of the General Fund expenditure budget. The pandemic emergency in 2020 demonstrated the need for this service to the community.

Culture & Recreation

Culture & Recreation is comprised of the Parks and Recreation expenses. Recreation expense includes amounts paid for St. Martins Fair and Civic Celebrations. Culture & Recreation expenditures amount to approximately 1.7% of the General Fund expenditure budget.

Conservation & Development

Conservation & Development is comprised of the Economic Development and Planning functions. Conservation & Development expenditures amount to approximately 2.2% of the General Fund expenditure budget. In 2016, the City added a full time Economic Development Director to foster greater development.

Transfers out and Contingency

Transfers out relate to contributions to Recreation as well as one-time uses of excess reserves for capital expenditures.

Contingency

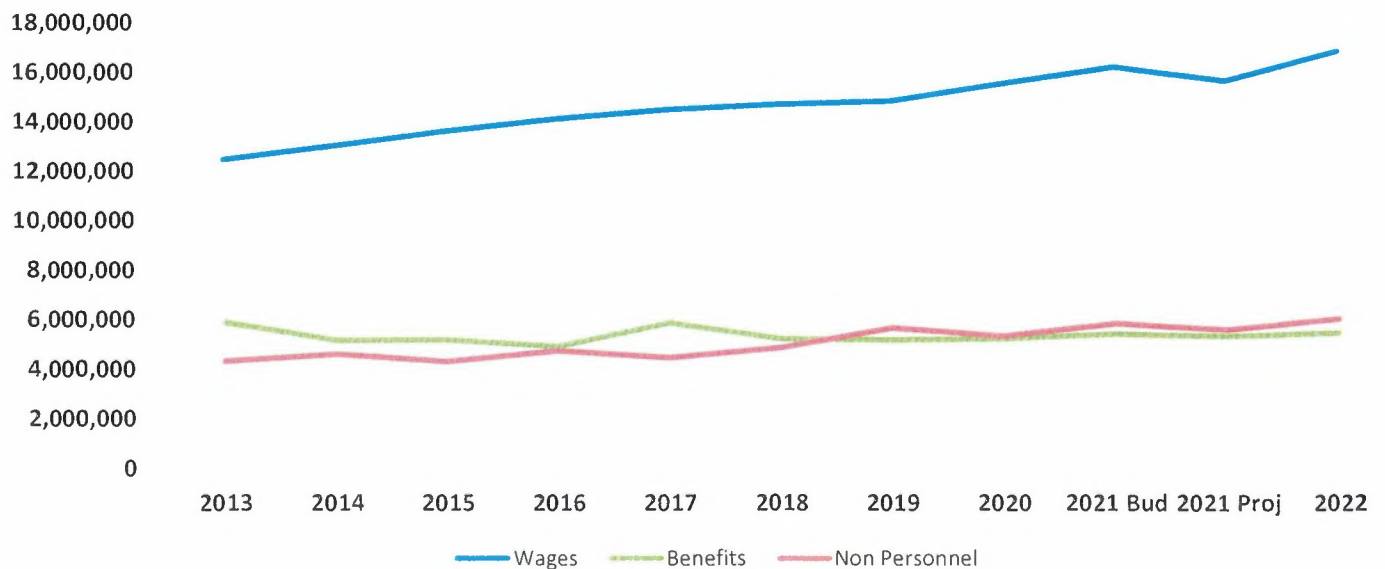
Contingency includes a provision for unexpected expenditures and to provide Restricted reserves for emergencies, such as the 2020 Pandemic.

General Fund Expenditures By Functional Category

The 2022 General Fund expenditure budget is presented, on a following page, by functional categories. Salaries, wages and benefits comprise 74% of the General Fund budget.

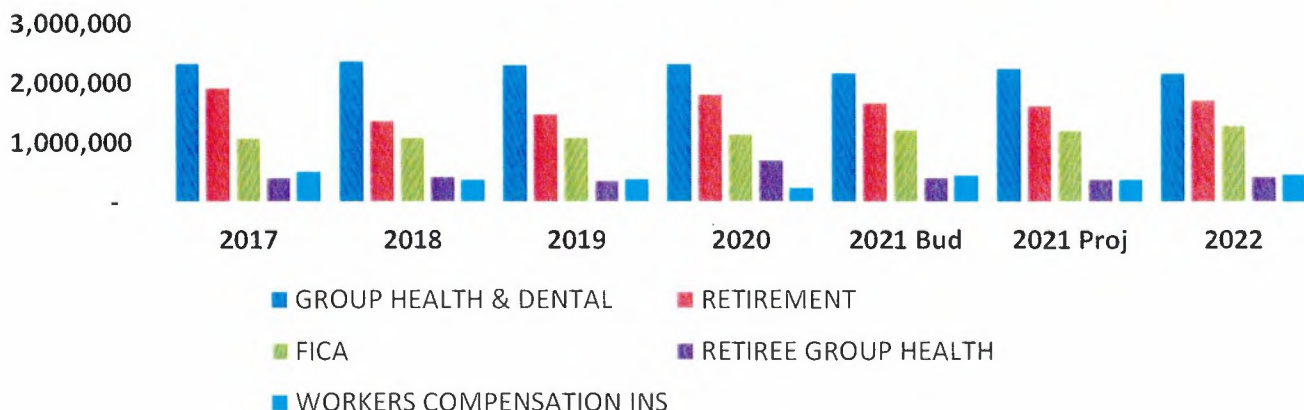
Wages have grown from \$12.5 million in 2013 to \$ 16.9 million in 2022 or 35%, while the Full Time Equivalent has increased marginally. In 2022, 2.5 FTE's are being added to Fire staff.

Wages & Benefits



Employee benefits which consist of Group Health & Dental, Retirement, Retiree Health, Life Insurance and Employment Taxes have declined from \$6.3 million in 2017 to \$6.1 million in 2022. The reduction was possible by controlling health care costs and sharing the cost of retirement benefits and the 2017 one-time pension contribution.

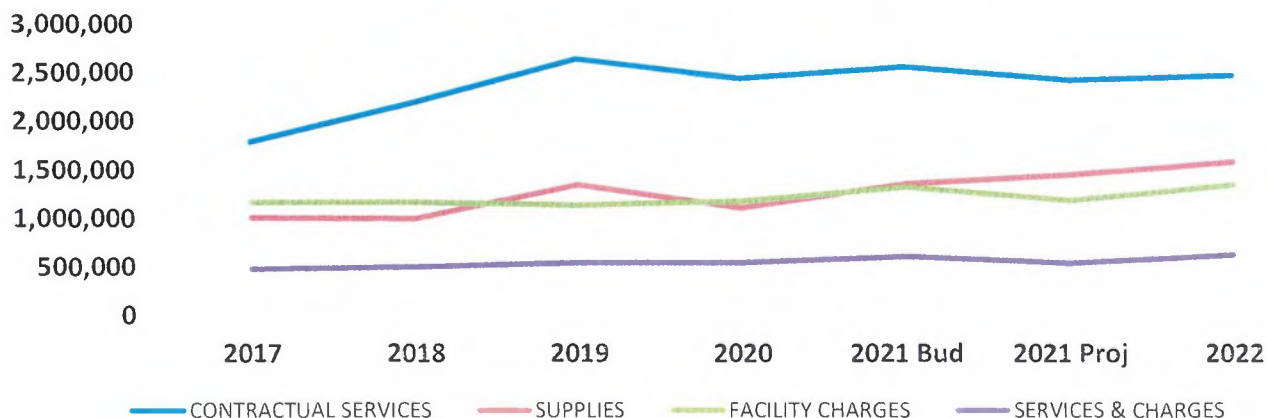
Benefit Costs



The 2017 spike in Retirement costs includes a one-time \$630,000 contribution to the Public Works retirement plan. In 2019, the City elected the Wisconsin Retirement System pension plan for all new employees. Those employees in the old plans were provided the option of remaining in the old plans. In the short term, Public Works retirement costs will be elevated as the unpaid benefit costs of the old Public Works plan work through the system. In 2020, the City made a \$325,000 special contribution to the Retiree Health Plan. Also, in 2020, the City General Fund made a \$200,000 contribution to the Public Works Pension plan.

Health costs declined in 2020 due to increased employee contributions, reducing the City's share.

Gen Fund - Non-Personnel Costs

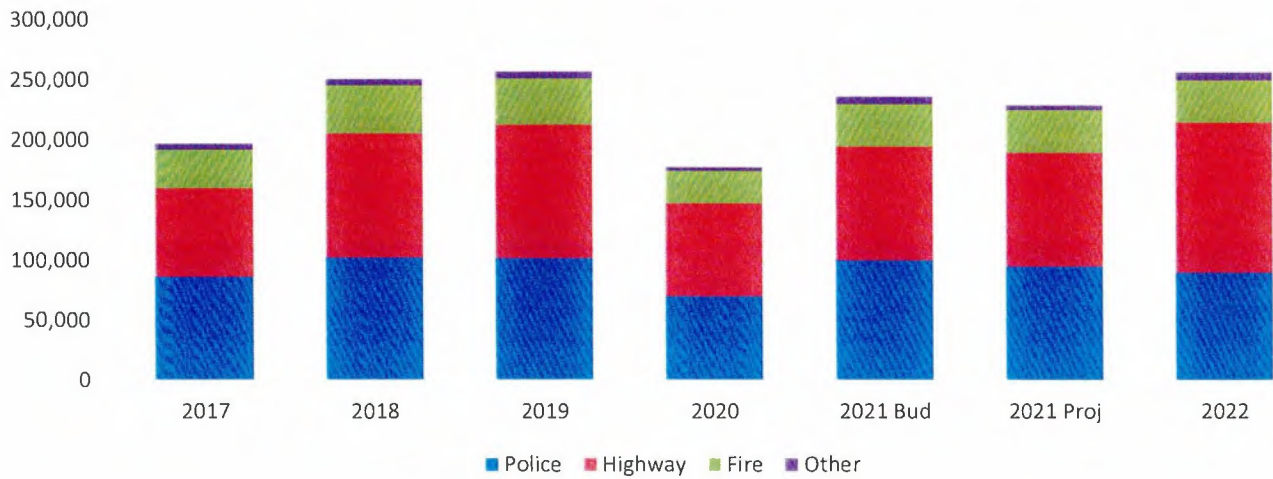


Non-personnel costs consist of Property Insurance, Contracted Services, Utilities, Operating Supplies, Services & Charges, Facility Charges, Other Costs and Contingency.

Beginning in 2018, Engineering contract services includes inspection services for new development activity.

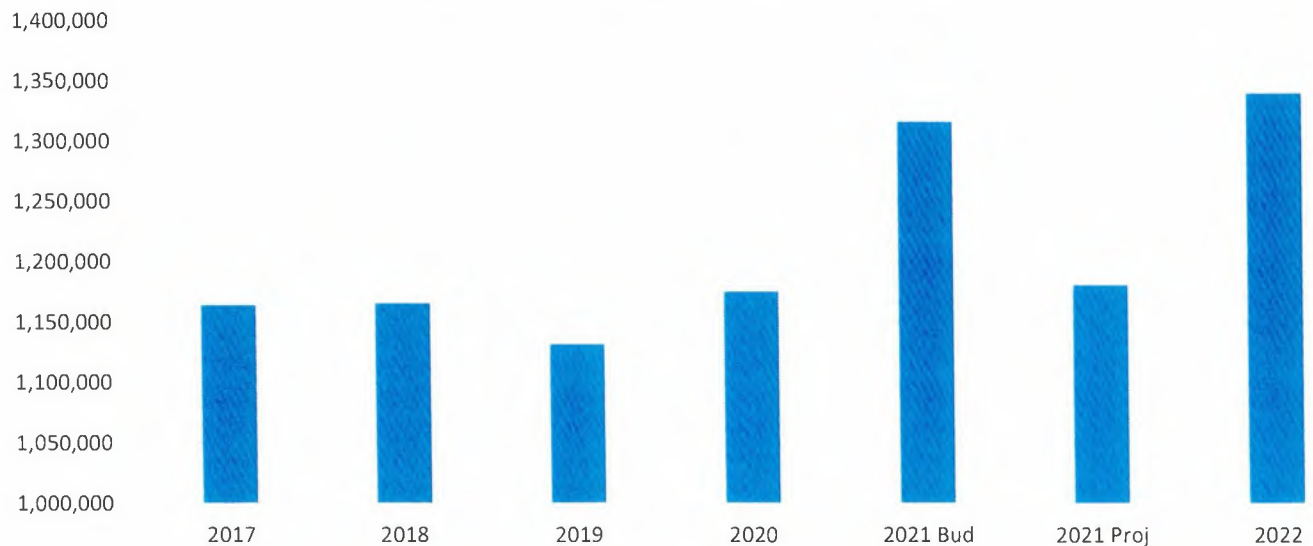
Fuel costs are another major expenditure and vary with the cost of oil. In 2017, the City spent \$197,000 on fuel and will spend \$256,700 in 2022. Fuel costs vary closely with the price of oil. This demonstrates the impact of volatile fuel prices on the City's operating costs.

Gen Fund - Fuel Usage



The City's aging municipal building inventory will require more maintenance costs, which can be seen in the steady rising facility charges.

Gen Fund - Facilities Charges



City of Franklin, WI
Gen Fund Expenditures by Expense Category
10 Years to Dec 31, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021 Bud	2021 Proj	2022
Wages	12,474,912	13,035,815	13,617,678	14,121,239	14,507,032	14,723,472	14,855,011	15,563,964	16,240,327	15,669,425	16,870,711
Benefits	5,890,108	5,159,972	5,180,308	4,913,436	5,862,487	5,231,047	5,189,018	5,244,208	5,428,416	5,332,100	5,466,885
Total Personnel Costs	18,365,020	18,195,787	18,797,986	19,034,675	20,369,519	19,954,519	20,044,029	20,808,172	21,668,743	21,001,525	22,337,596
Pct Inc (Dec)		-0.92%	3.31%	1.26%	7.01%	-2.04%	0.45%	3.81%	4.14%	0.93%	3.09%
CONTRACTUAL SERVICES	1,604,164	1,676,058	1,878,021	2,127,643	1,786,293	2,190,794	2,637,356	2,436,832	2,556,236	2,419,830	2,466,246
SUPPLIES	1,115,471	1,268,569	874,098	985,440	1,005,337	994,711	1,343,997	1,103,237	1,353,865	1,444,945	1,577,940
SERVICES & CHARGES	445,205	451,527	468,261	469,664	479,639	500,408	543,339	542,847	605,294	540,510	622,672
FACILITY CHARGES	1,127,596	1,178,300	1,050,734	1,134,168	1,164,133	1,165,445	1,131,743	1,175,481	1,316,230	1,181,112	1,339,875
CLAIMS, CONTRIB AND AWARD:	18,524	16,064	19,651	19,799	21,382	26,263	27,429	4,197	34,800	16,250	35,400
PRINCIPAL	13,475	12,126	12,482	12,567	11,572						
INTEREST	674										
CAPITAL OUTLAY	57							96,021			
Total Expenditures	4,325,166	4,602,644	4,303,247	4,749,281	4,468,356	4,877,621	5,683,864	5,358,615	5,866,425	5,602,647	6,042,133
		6.42%	-6.50%	10.37%	-5.92%	9.16%	16.53%	-5.72%	9.48%	4.55%	3.00%
CONTINGENCY	400	68,045	28,315	9,988		1,200			2,560,000		2,310,000
TRANSFERS OUT	109,982	24,000	574,000	1,250,025	57,138	84,000	52,100	48,379	24,000	324,000	24,000
Total Expenditures	22,800,568	22,890,476	23,703,548	25,043,969	24,895,013	24,917,340	25,779,993	26,215,166	30,119,168	26,928,172	30,713,729