

Date: Sept 19, 2018
 To: Mayor Olson, Common Council and Finance Committee Members
 From: Paul Rotzenberg, Director of Finance & Treasurer *PR*
 Subject: August 2018 Financial Report

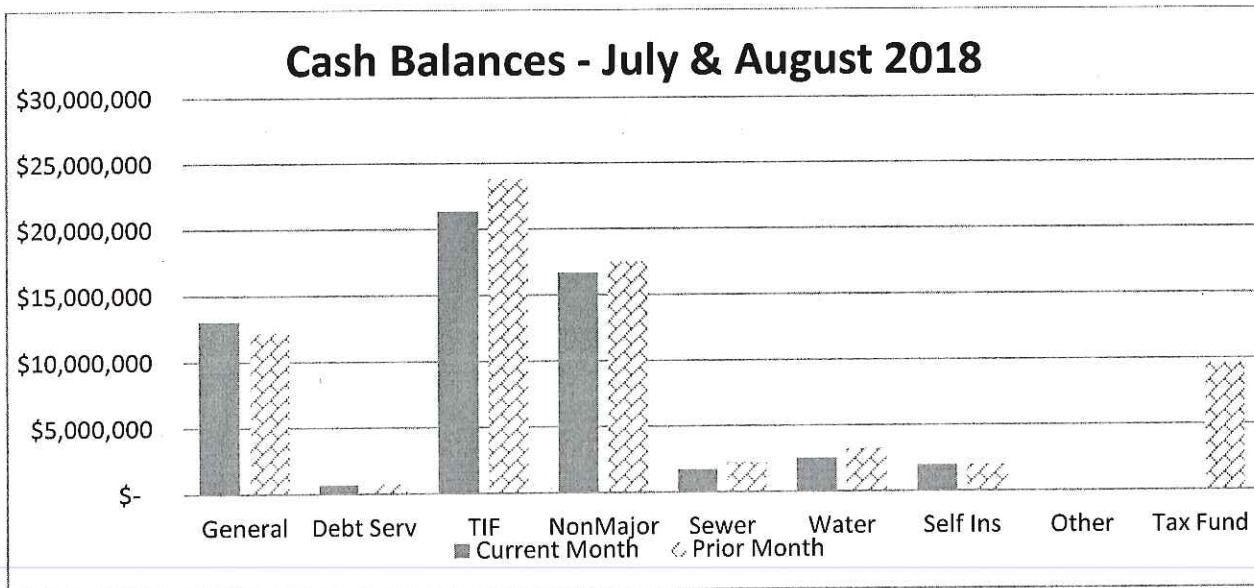
The Aug, 2018 financial reports for the General Fund, Debt Service Fund, TID Summary and TID Funds, Solid Waste Fund, Capital Outlay Fund, Equipment Replacement Fund, Street Improvement Fund, Capital Improvement Fund, Development Fund, Utility Development, Self Insurance Fund, and Post Employment Retirement Insurance Funds are attached.

The budget allocation is completed using an average of the last five years actual spending against the Amended Budget. Budget Amendments approved thru August 21, 2018 Common Council meeting have been included. Caution is advised in that spending patterns may have changed. Comments on specific and trending results are provided below to aid the reader in understanding or explaining current year financial results.

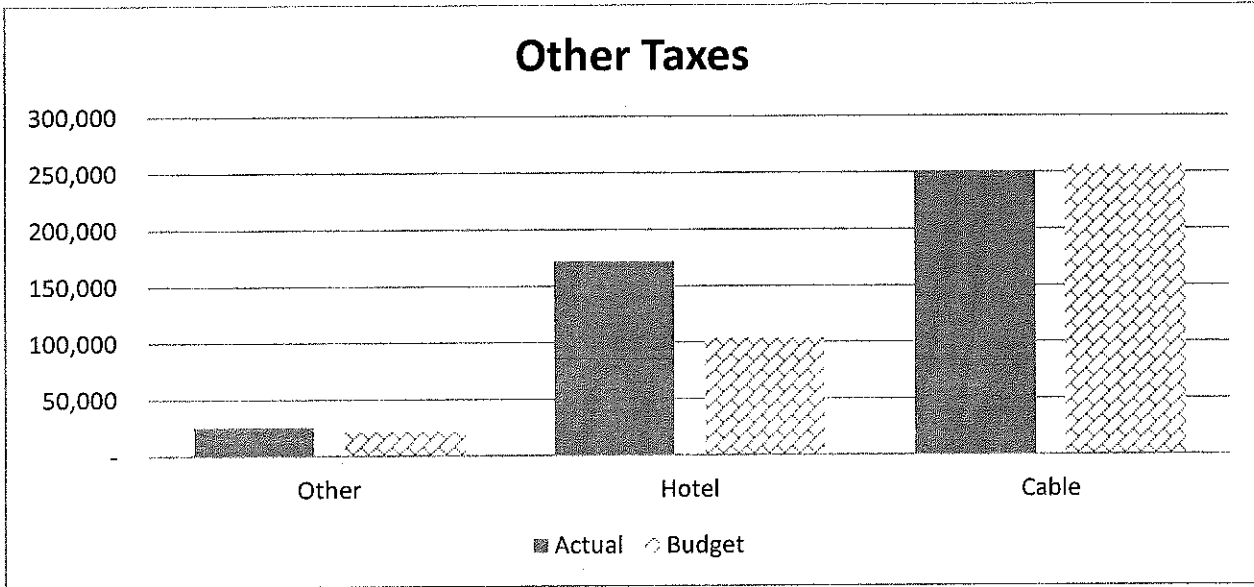
Cash & Investments Summary – is provided to aid in understanding the resources available to meet current activities. Cash & investments are positions with safety and liquidity as primary objectives as stated in the City’s Investment policy. Investment returns are secondary in the investment decisions, while return potential is not ignored. Recently increases in short term interest rates have aided short term investment returns, while generating losses on the multi year fixed income securities the City holds. Those are un-realized losses. So long as the City holds to maturity, those losses will not be realized.

Cash & Investments in the General Governmental Funds decreased \$2,499,508 to \$51,801,101 since last month. The Tax fund settled in August the State School aids collected in July.

A visual presentation of cash balances follows.

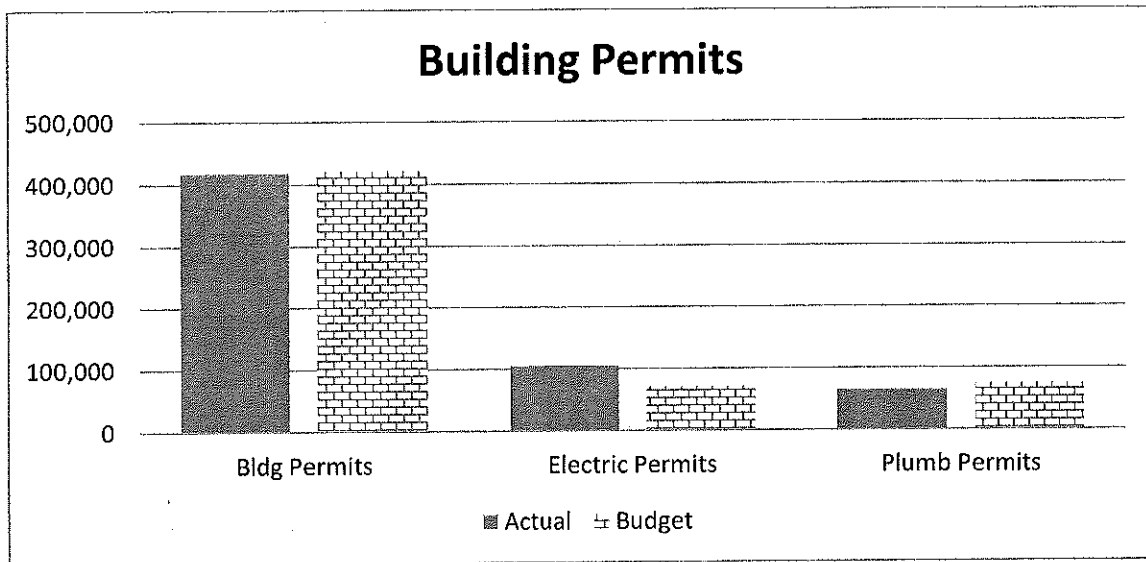


GENERAL FUND revenues of \$19,342,913 are \$225,956 more than budget. Hotel taxes are arriving earlier than prior years and will only match budget by year's end. A COPS Grant that was budgeted was not received and will fall behind budget all year.



Planning fees are greater than budget with more developments to review. Engineering fees on new subdivisions has generated \$54,900 in un-budgeted revenues. Landfill Siting revenues are arriving slower than budgeted.

Building permit revenues are in line with a planned increased level.



Other revenues include Insurance dividends and rental income for cell towers. These revenues have exceeded budget levels.

August's expenditures of \$16,642,302 are \$358,471 less than budget. Expenditure items of note are:

- Public Safety costs of \$11,663,499, are \$513,543 (4.6%) greater than budget. Three payrolls in August helped drive personnel costs over budget, which will smooth out some as the balance of the year moves along. Additional Public Safety Personnel appropriations will be needed by year's end.
 - Total Police personnel costs are \$240,296 over budget. Police Overtime is a major cause. 3-4 officers were on field training early in the year and overtime was needed to fill the vacant patrol positions. Also note that the requested Police overtime budget was \$230,000, while the adopted budget was only \$190,000. A budgeted grant funding a Police position will remain vacant when the grant did not get awarded. Police overtime thru August now exceeds the annual budget.
 - Total Fire personnel costs are \$338,385 (9.1%) over budget. Fire overtime costs (now \$281,182) reached the annual budget by the end of June.
- Public Works expenditures of \$1,939,591 are \$153,234 (7.3%) underspent.
- Culture and Recreation is \$35,607 (30%) overspent related to efforts in the parks.

A \$5,744,515 surplus is \$710,933 greater than budget. 96% of the surplus (\$680,000) is related to contingency reserves that are not expected to be spent. However the surplus is 50% the result of increased revenues and 50% the result of net under spending (related to contingency).

DEBT SERVICE – Debt payments were made timely as required.

TIF Districts – see the summary schedule of all TID activity.

TID 3 – the remaining debt balance was retired March 1. The Dept of Transportation has not yet billed the S 27th Street project costs, approximating \$1.3 million. The Developer incentives are awaiting completion of the new apartment units.

TID4 – In June the Council authorized a \$1.2 million engineering contract for infrastructure in a proposed business park.

TID5 – The Developer's Agreement was signed in late February 2018. The TID sold a \$23.4 million debt issue on May 1. The Developer has been making monthly draw requests. Just over \$7.2 million has been expended to date.

SOLID WASTE FUND – Activity is occurring as budgeted. Waste Management raised the placement fee for materials placed in the landfill. Since the City does not pay a fee for materials from the City, the revenue coming back to this fund are exceeding budget. The 2017 CPI index was larger than expected which raised the contracted hauler's fees more than expected. It is possible that a budget amendment maybe needed by years end.

CAPITAL OUTLAY FUND – revenues are in line with budget. The Police have ordered three Ford Explorers, one Taurus, one F-150 and a Chevy Tahoe and nine squad tablets. The City Hall phone system replacement (\$55,000) was placed in service in July.

EQUIPMENT REPLACEMENT FUND – Revenues are in line with budget.

Both of the Highway replacement vehicles (Tandem axle dump truck and flat-bed truck) have been ordered.

CAPITAL IMPROVEMENT FUND – Debt resources to fund the 2018 programs were received in December 2017. Debt sale proceeds are in the opening fund balance. A 2016 \$1.2 million transfer from the General Fund provided most of the resources for a City Hall roof and Heating, Ventilating and Air Conditioning project.

Three Public Safety projects are in process, the Squad Car, radio system dispatch console and Drug Vault ventilation system.

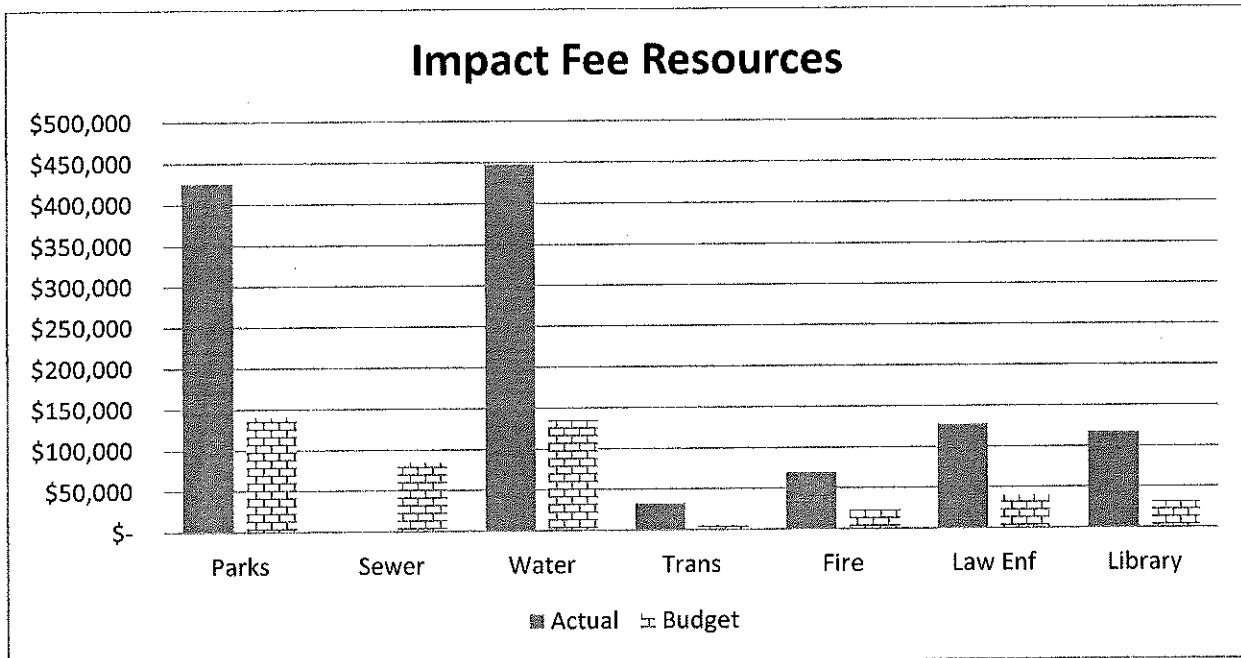
The Highway Salt storage barn is complete, and several other projects are in various states of progress.

Within Culture, a contract has been let for the River Park trail/bridge.

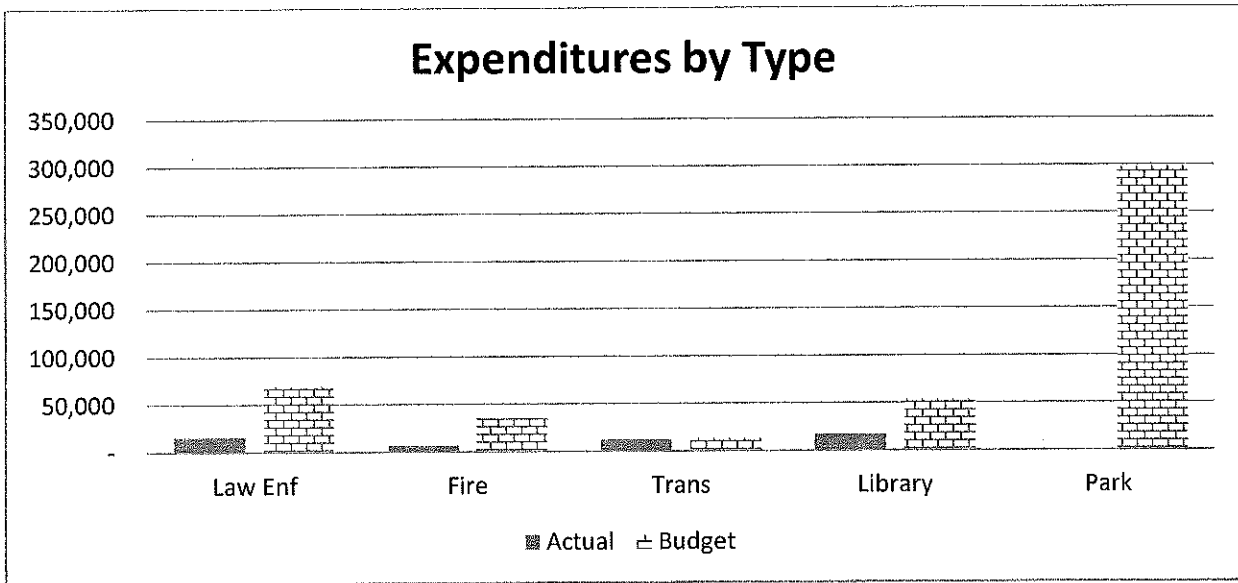
STREET IMPROVEMENT FUND – Revenues are in line with budget. The Grant will be applied for once the contractor has been paid.

The 2018 program is substantially complete at this time.

DEVELOPMENT FUND – Impact fee collections are stronger than budget. A S 27th Street apartment complex project is currently driving impact fee revenues over budget.



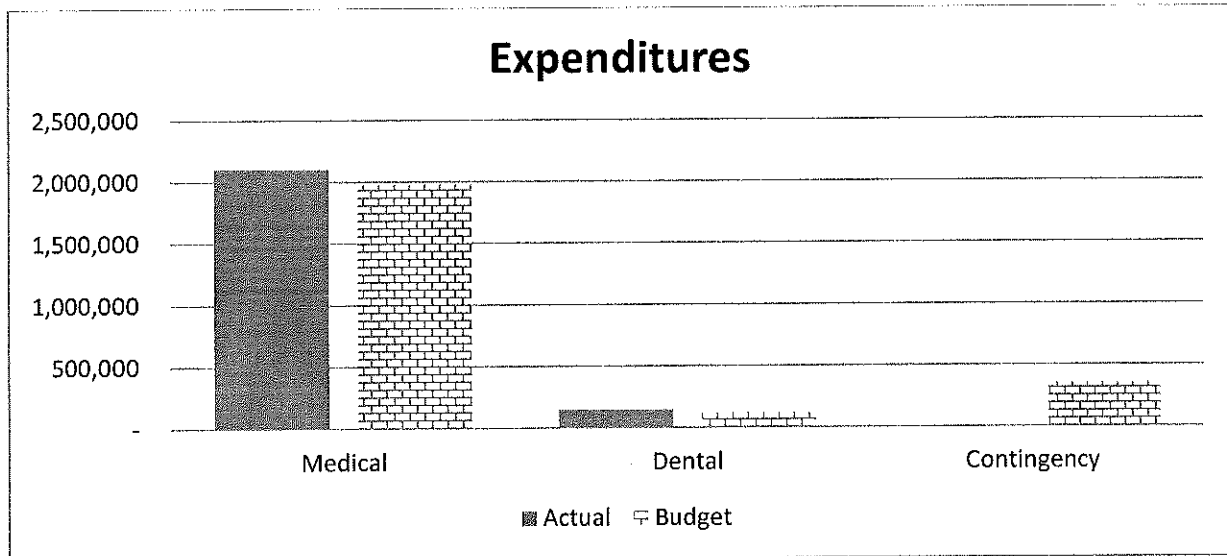
Transfers from the Development Fund to the Debt Service Fund have been minimal as receipts are not sufficient to pay the 2018 debt service for these programs. Those transfers will be re-examined in August for the September debt service payments.



UTILITY DEVELOPMENT FUND – The S 27th St apartment project is driving the activity in this fund. No projects have been approved for 2018.

SELF INSURANCE FUND – Revenues are very close to budget.

Medical expenditures are still greater than planned, but with lighter claims than normal in since May, the fund's deficit was reduced to \$136,983. After adjusting for the budgeted contingency, the deficit is greater than budgeted.



RETIREE HEALTH FUND – Insurance results are much worse than 2017, with claim costs 185% of the prior year. The fund has a \$111,027 insurance loss even considering the Implicit Rate Subsidy of \$143,235 for the older participants. With the small group size (25 participants), claims can be rather unpredictable.

Investment results reflect a \$283,333 gain, approximately an 8% annualized return. The fund is invested in passive index investments and is mirroring a blended equity/fixed income market. Equities have recovered the February swoon, and rising interest rates have tugged at Fixed Income returns. The rather short duration position of the portfolio mitigates much of the rising interest rate impact. Still the portfolio is 66% invested in equities, arguably an overweight position.

Caution is advised, as equity market returns can be volatile.

City of Franklin
Cash & Investments Summary
August 31, 2018

	Cash	American Deposit Management	Institutional Capital Management	Local Government Invest Pool	Fidelity Investments	Total	Prior Month Total
General Fund	\$ (99,045)	\$ 7,448,432	\$ 4,999,292	\$ 697,664	\$ -	\$ 13,046,344	\$ 12,230,807
Debt Service Funds	36,159	146,925	515,537	-	-	698,621	736,799
TIF Districts	79,463	19,604,560	1,681,079	-	-	21,365,102	23,846,848
Nonmajor Governmental Funds	727,135	7,369,062	8,594,838	-	-	16,691,035	17,486,155
Total Governmental Funds	743,712	34,568,979	15,790,746	697,664	-	51,801,101	54,300,609
Sewer Fund	182,511	817,632	731,652	-	-	1,731,795	2,281,706
Water Utility	40,193	2,098,404	401,439	-	-	2,540,036	3,272,962
Self Insurance Fund	4,723	152,920	1,851,756	-	-	2,009,399	2,016,724
Other Designated Funds	12,472	-	-	-	-	12,472	8,182
Total Other Funds	239,899	3,068,956	2,984,847	-	-	6,293,702	7,579,575
Total Pooled Cash & Investments	983,611	37,637,935	18,775,593	697,664	-	58,094,803	61,880,184
Retiree Health Fund	(44,758)	-	-	-	5,919,509	5,874,751	5,778,678
Property Tax Fund	43,933	53,873	-	-	-	97,805	9,613,917
Total Trust Funds	(825)	53,873	-	-	5,919,509	5,972,556	15,392,596
Grand Total Cash & Investments	982,785	37,691,808	18,775,593	697,664	5,919,509	64,067,359	77,272,779
Average Rate of Return		1.93%	1.46%	2.00%			
Maturities:							
Demand	982,785	29,922,858	12,698	697,664	80,620	31,696,624	39,574,899
Fixed Income & Equities	-	-	-	-	4,415,145	4,415,145	4,324,653
2018 - Q3	-	4,772,064	1,000,048	-	-	5,772,112	11,250,404
2018 - Q4	-	2,996,886	2,012,584	-	-	5,009,471	4,995,355
2019 - Q1	-	-	996,869	-	150,236	1,147,105	996,006
2019	-	-	2,952,296	-	-	2,952,296	3,097,115
2020	-	-	5,416,414	-	172,961	5,589,375	5,575,460
2021	-	-	3,903,420	-	173,970	4,077,390	4,065,137
2022	-	-	2,481,264	-	168,480	2,649,744	2,638,867
2023	-	-	-	-	171,150	171,150	170,450
2024	-	-	-	-	196,299	196,299	195,696
2025	-	-	-	-	197,233	197,233	196,177
2026	-	-	-	-	193,415	193,415	192,560
	982,785	37,691,808	18,775,593	697,664	5,919,509	64,067,359	77,272,779

City of Franklin
2018 Financial Report
General Fund Summary
For the Eight months ended August 31, 2018

Revenue	2018 Original Budget	2018 Amended Budget	2018 Year-to-Date Budget	2018 Year-to-Date Actual	Var to Budget Surplus (Deficiency)
Property Taxes	\$ 16,918,049	\$ 16,918,049	\$ 16,817,179	\$ 16,899,503	\$ 82,324
Other Taxes	725,100	725,100	375,838	436,172	60,334
Intergovernmental Revenue	2,432,926	2,432,926	1,567,534	1,559,056	(8,478)
Licenses & Permits	1,040,990	1,040,990	757,057	807,995	50,938
Law and Ordinance Violations	500,000	500,000	353,671	350,332	(3,339)
Public Charges for Services	1,805,350	1,805,350	1,144,299	1,192,780	48,481
Intergovernmental Charges	196,500	196,500	81,794	127,921	46,127
Investment Income	205,000	205,000	136,667	135,855	(812)
Miscellaneous Revenue	120,350	120,350	88,156	177,203	89,047
Transfer from Other Funds	1,050,000	1,050,000	712,160	700,000	(12,160)
Total Revenue	\$ 24,994,265	\$ 24,994,265	\$ 22,034,355	\$ 22,386,817	\$ 352,462
				101.60%	
Expenditures	2018 Original Budget	2018 Amended Budget	2018 Year-to-Date Budget	2018 Year-to-Date Actual	Var to Budget Surplus (Deficiency)
General Government	\$ 3,107,447	\$ 3,153,162	A \$ 2,200,774	\$ 2,138,824	E \$ 61,950
Public Safety	17,296,241	17,348,342	A 11,149,956	11,663,499	E (513,543)
Public Works	3,437,593	3,456,493	A 2,092,825	1,939,591	153,234
Health and Human Services	710,345	710,345	428,775	454,302	(25,527)
Other Culture and Recreation	173,914	201,874	A 115,664	151,271	E (35,607)
Conservation and Development	595,345	630,045	A 390,073	357,143	E 32,930
Contingency and Unclassified	1,487,500	1,425,500	A 682,961	2,327	680,634
Anticipated underexpenditures	(413,320)	(413,320)	-	-	-
Transfers to Other Funds	24,000	24,000	17,400	13,000	4,400
Encumbrances	-	-	-	(77,655)	-
Total Expenditures	\$ 26,419,065	\$ 26,536,441	\$ 17,078,428	\$ 16,642,302	\$ 358,471
				97.45%	
Excess of revenue over (under) expenditures	(1,424,800)	(1,542,176)	<u>\$ 4,955,927</u>	5,744,515	<u>\$ 710,933</u>
Fund balance, beginning of year	6,587,511	6,587,511		6,587,511	
Fund balance, end of period	<u>\$ 5,162,711</u>	<u>\$ 5,045,335</u>		<u>\$ 12,332,026</u>	

A Represents an amendment to Adopted Budget

E Represents an encumbrance for current year from prior year

**City of Franklin
Debt Service Funds
Balance Sheet
August 31, 2018 and 2017**

	2018 Special Assessment	2018 Debt Service	2018 Total	2017 Special Assessment	2017 Debt Service	2017 Total
Assets						
Cash and investments	\$ 677,941	\$ 20,680	\$ 698,621	\$ 636,245	\$ (19,766)	\$ 616,479
Special assessment receivable	83,018	-	83,018	132,795	-	132,795
Total Assets	<u>\$ 760,959</u>	<u>\$ 20,680</u>	<u>\$ 781,639</u>	<u>\$ 769,040</u>	<u>\$ (19,766)</u>	<u>\$ 749,274</u>
Liabilities and Fund Balance						
Unearned & unavailable revenue	\$ 83,018	\$ -	\$ 83,018	\$ 132,795	\$ -	\$ 132,795
Unassigned fund balance	677,941	20,680	698,621	636,245	(19,766)	616,479
Total Liabilities and Fund Balance	<u>\$ 760,959</u>	<u>\$ 20,680</u>	<u>\$ 781,639</u>	<u>\$ 769,040</u>	<u>\$ (19,766)</u>	<u>\$ 749,274</u>

**Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017**

	2018 Special Assessment	2018 Debt Service	2018 Year-to-Date Actual	2018 Amended Budget	2017 Special Assessment	2017 Debt Service	2017 Year-to-Date Actual
Revenue							
Property Taxes	\$ -	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ -	\$ 1,300,000	\$ 1,300,000
Special Assessments	51,449	-	51,449	-	63,025	-	63,025
Investment Income	2,541	2,658	5,199	-	6,430	735	7,165
Total Revenue	<u>53,990</u>	<u>1,302,658</u>	<u>1,356,648</u>	<u>1,300,000</u>	<u>69,455</u>	<u>1,300,735</u>	<u>1,370,190</u>
Expenditures:							
Debt Service:							
Principal	-	1,339,008	1,339,008	1,330,000	-	1,355,000	1,355,000
Interest	-	106,040	106,040	481,613	-	99,013	99,013
Total expenditures	<u>-</u>	<u>1,445,048</u>	<u>1,445,048</u>	<u>1,811,613</u>	<u>-</u>	<u>1,454,013</u>	<u>1,454,013</u>
Transfers in	-	111,999	111,999	328,644	-	49,004	49,004
Transfers out	(60,000)	-	(60,000)	-	-	-	-
Net change in fund balances	<u>(6,010)</u>	<u>(30,391)</u>	<u>(36,401)</u>	<u>(182,969)</u>	<u>69,455</u>	<u>(104,274)</u>	<u>(34,819)</u>
Fund balance, beginning of year	<u>683,951</u>	<u>51,071</u>	<u>735,022</u>	<u>735,022</u>	<u>566,790</u>	<u>84,508</u>	<u>651,298</u>
Fund balance, end of period	<u>\$ 677,941</u>	<u>\$ 20,680</u>	<u>\$ 698,621</u>	<u>\$ 552,053</u>	<u>\$ 636,245</u>	<u>\$ (19,766)</u>	<u>\$ 616,479</u>

**City of Franklin
Consolidating TID Funds
Balance Sheet
August 31, 2018**

	<u>TID 3</u>	<u>TID 4</u>	<u>TID 5</u>	<u>Total</u>
Assets				
Cash & investments	\$ 1,962,132	\$ 3,596,151	\$ 15,805,199	\$ 21,363,482
Total Assets	<u>\$ 1,962,132</u>	<u>\$ 3,596,151</u>	<u>\$ 15,805,199</u>	<u>\$ 21,363,482</u>
Liabilities and Fund Balance				
Accounts payable		\$ 41,533	\$ -	\$ 41,533
Accrued liabilities	1,323,600	-	-	1,323,600
Due to Other Funds	-	-	29,695	29,695
Interfund advance from Development Fund	-	-	75,000	75,000
Total Liabilities	<u>1,323,600</u>	<u>41,533</u>	<u>104,695</u>	<u>1,469,828</u>
Assigned fund balance	<u>638,532</u>	<u>3,554,618</u>	<u>15,700,504</u>	<u>19,893,654</u>
Total Liabilities and Fund Balance	<u>\$ 1,962,132</u>	<u>\$ 3,596,151</u>	<u>\$ 15,805,199</u>	<u>\$ 21,363,482</u>

**Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018**

	<u>TID 3</u>	<u>TID 4</u>	<u>TID 5</u>	<u>Total</u>
Revenue				
General property tax levy	\$ 1,381,191	\$ 1,059,413	\$ 30,500	\$ 2,471,104
Payment in Lieu of Taxes	-	132,871	-	132,871
State exempt computer aid	464,931	16,195	-	481,126
Investment income	18,187	27,020	92,252	137,459
Bond proceeds	-	-	23,386,959	23,386,959
Total revenue	<u>1,864,309</u>	<u>1,235,499</u>	<u>23,509,711</u>	<u>26,609,519</u>
Expenditures				
Transfer to other funds	-	-	-	-
Debt service principal	985,000	-	-	985,000
Debt service interest & fees	15,010	-	337,663	352,673
Administrative expenses	30,498	5,423	31,750	67,671
Professional Services	-	129,894	63,223	193,117
Interfund interest	148	-	-	148
Capital outlays	30,711	1,201,850	7,255,289	8,487,850
Development incentive & obligation payer	109,000	-	49,686	158,686
Encumbrances	<u>(29,713)</u>	<u>(1,250,287)</u>	<u>(27,279)</u>	<u>(1,307,279)</u>
Total expenditures	<u>1,140,654</u>	<u>86,880</u>	<u>7,710,332</u>	<u>8,937,866</u>
Revenue over (under) expenditures	723,655	1,148,619	15,799,379	17,671,653
Fund balance, beginning of year	<u>(85,123)</u>	<u>2,405,999</u>	<u>(98,875)</u>	<u>2,222,001</u>
Fund balance, end of period	<u>\$ 638,532</u>	<u>\$ 3,554,618</u>	<u>\$ 15,700,504</u>	<u>\$ 19,893,654</u>

City of Franklin
Tax Increment Financing District #3
Balance Sheet
August 31, 2018 and 2017

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash & investments	\$ 1,962,132	\$ 1,844,025
Total Assets	<u>\$ 1,962,132</u>	<u>\$ 1,844,025</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ -	\$ 23
Accrued liabilities	1,323,600	-
Interfund advance from Development Fund	-	550,000
Total Liabilities	<u>1,323,600</u>	<u>550,023</u>
Assigned fund balance	638,532	1,294,002
Total Liabilities and Fund Balance	<u>\$ 1,962,132</u>	<u>\$ 1,844,025</u>

Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017

	<u>2018</u> <u>Annual</u> <u>Budget</u>	<u>2018</u> <u>Amended</u> <u>Budget</u>	<u>2018</u> <u>Year-to-Date</u> <u>Budget</u>	<u>2018</u> <u>Year-to-Date</u> <u>Actual</u>	<u>2017</u> <u>Year-to-Date</u> <u>Actual</u>
Revenue					
General property tax levy	\$ 1,384,100	\$ 1,384,100	\$ 1,384,100	\$ 1,381,191	\$ 1,253,575
State exempt computer aid	584,400	584,400	584,400	464,931	458,196
Investment income	5,000	5,000	3,579	18,187	16,035
Bond proceeds	5,100,000	5,100,000	3,400,000	-	-
Transfer from other funds	-	-	-	-	-
Total revenue	<u>7,073,500</u>	<u>7,073,500</u>	<u>5,372,079</u>	<u>1,864,309</u>	<u>1,727,806</u>
Expenditures					
Transfer to other funds	-	-	-	-	-
Debt service principal	985,000	985,000	985,000	985,000	1,675,000
Debt service interest & fees	182,575	182,575	153,467	15,010	54,902
Administrative expenses	12,870	38,370	23,678	30,498	8,801
Interfund interest	1,634	1,634	850	148	9,546
Capital outlays	-	1,353,313	830,155	30,711	1,383,323
Development incentive & obligation payments	5,000,000	5,000,000	3,333,333	109,000	-
Encumbrances	-	-	-	(29,713)	(1,356,363)
Total expenditures	<u>6,182,079</u>	<u>7,560,892</u>	<u>5,326,483</u>	<u>1,140,654</u>	<u>1,775,209</u>
Revenue over (under) expenditures	891,421	(487,392)	<u>\$ 45,596</u>	723,655	(47,403)
Fund balance, beginning of year	(85,123)	(85,123)		(85,123)	1,341,405
Fund balance, end of period	<u>\$ 806,298</u>	<u>\$ (572,515)</u>		<u>\$ 638,532</u>	<u>\$ 1,294,002</u>

City of Franklin
Tax Increment Financing District #4
Balance Sheet
August 31, 2018 and 2017

<u>Assets</u>	2018	2017
Cash & investments	\$ 3,596,151	\$ 2,420,734
Taxes receivable	-	-
Total Assets	<u>\$ 3,596,151</u>	<u>\$ 2,420,734</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 41,533	\$ 365
Unearned revenue	-	-
Total Liabilities	<u>41,533</u>	<u>365</u>
Assigned fund balance	3,554,618	2,420,369
Total Liabilities and Fund Balance	<u>\$ 3,596,151</u>	<u>\$ 2,420,734</u>

Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017

	2018 Annual Budget	2018 Amended Budget	2018 Year-to-Date Budget	2018 Year-to-Date Actual	2017 Year-to-Date Actual
Revenue					
General property tax levy	\$ 1,061,600	\$ 1,061,600	\$ 1,061,600	\$ 1,059,413	\$ 1,013,892
Payment in Lieu of Taxes	90,000	90,000	90,000	132,871	148,173
State exempt computer aid	14,700	14,700	14,700	16,195	15,960
Investment income	15,000	15,000	10,000	27,020	19,685
Bond proceeds	10,000,000	10,000,000	6,666,667	-	-
Total revenue	<u>11,181,300</u>	<u>11,181,300</u>	<u>7,842,967</u>	<u>1,235,499</u>	<u>1,197,710</u>
Expenditures					
Debt service interest & fees	125,350	125,350	83,567	-	-
Administrative expenses	10,650	10,650	7,100	5,423	6,462
Professional services	104,500	155,693	69,667	129,894	74,500
Capital outlay	12,000,000	12,000,000	8,000,000	1,201,850	-
Development incentive/grant	980,000	980,000	653,333	-	-
Encumbrances	-	-	-	(1,250,287)	(61,339)
Total expenditures	<u>13,220,500</u>	<u>13,271,693</u>	<u>8,813,667</u>	<u>86,880</u>	<u>19,623</u>
Revenue over (under) expenditures	(2,039,200)	(2,090,393)	<u>\$ (970,700)</u>	1,148,619	1,178,087
Fund balance, beginning of year	<u>2,405,999</u>	<u>2,405,999</u>		<u>2,405,999</u>	<u>1,242,282</u>
Fund balance, end of period	<u>\$ 366,799</u>	<u>\$ 315,606</u>		<u>\$ 3,554,618</u>	<u>\$ 2,420,369</u>

City of Franklin
Tax Increment Financing District #5
Balance Sheet
August 31, 2018 and 2017

<u>Assets</u>	2018	2017
Cash & investments	\$ 15,805,199	\$ 10,299
Taxes receivable	-	-
Total Assets	<u>\$ 15,805,199</u>	<u>\$ 10,299</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ -	\$ -
Due to other funds	29,695	74,695
Advances from other funds	75,000	-
Unearned revenue	-	-
Total Liabilities	<u>104,695</u>	<u>74,695</u>
Fund balance	15,700,504	(64,396)
Total Liabilities and Fund Balance	<u>\$ 15,805,199</u>	<u>\$ 10,299</u>

Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017

	2018 Annual Budget	2018 Amended Budget	2018 Year-to-Date Budget	2018 Year-to-Date Actual	2017 Year-to-Date Actual
Revenue					
General property tax levy	\$ 30,100	\$ 30,100	\$ 20,067	\$ 30,500	\$ -
State exempt computer aid	300	300	200	-	-
Investment income	-	-	-	92,252	-
Bond proceeds	18,600,000	18,600,000	12,400,000	23,386,959	-
Transfer from other funds	-	-	-	-	-
Total revenue	<u>18,630,400</u>	<u>18,630,400</u>	<u>12,420,267</u>	<u>23,509,711</u>	<u>-</u>
Expenditures					
Debt service interest & fees	534,163	534,163	186,233	337,663	-
Administrative expenses	22,050	22,050	14,700	31,750	12,550
Professional services	50,000	78,741	52,495	63,223	27,148
Capital outlay	9,342,875	9,342,875	6,228,583	7,255,289	-
Land improvements	3,010,000	3,010,000	2,006,667	-	-
Development incentive/grant	-	-	-	49,686	-
Contingency	5,160,507	5,160,507	3,440,338	-	-
Encumbrances	-	-	-	(27,279)	(27,148)
Total expenditures	<u>18,119,595</u>	<u>18,148,336</u>	<u>11,929,016</u>	<u>7,710,332</u>	<u>12,550</u>
Revenue over (under) expenditures	510,805	482,064	<u>\$ 491,251</u>	15,799,379	(12,550)
Fund balance, beginning of year	<u>(98,875)</u>	<u>(98,875)</u>		<u>(98,875)</u>	<u>(51,846)</u>
Fund balance, end of period	<u>\$ 411,930</u>	<u>\$ 383,189</u>		<u>\$ 15,700,504</u>	<u>\$ (64,396)</u>

City of Franklin
Solid Waste Collection Fund
Balance Sheet
August 31, 2018 and 2017

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 1,007,923	\$ 959,435
Accrued Receivables	89	481
Total Assets	<u>\$ 1,008,012</u>	<u>\$ 959,916</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 131,498	\$ 127,765
Accrued salaries & wages	430	-
Restricted fund balance	876,084	832,151
Total Liabilities and Fund Balance	<u>\$ 1,008,012</u>	<u>\$ 959,916</u>

Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017

<u>Revenue</u>	<u>2018</u> <u>Adopted</u> <u>Budget</u>	<u>2018</u> <u>YTD</u> <u>Budget</u>	<u>2018</u> <u>Year-to-Date</u> <u>Actual</u>	<u>2017</u> <u>Year-to-Date</u> <u>Actual</u>
Grants	\$ 68,800	68,800	\$ 68,984	\$ 68,838
User Fees	1,211,000	1,210,339	1,211,378	1,210,068
Landfill Operations-tippage	350,000	206,451	204,527	199,880
Investment Income	7,500	5,395	10,331	8,082
Sale of Recyclables	-	-	954	28
Total Revenue	<u>1,637,300</u>	<u>1,490,985</u>	<u>1,496,174</u>	<u>1,486,896</u>
Expenditures:				
Personal Services	14,783	9,597	10,093	10,077
Refuse Collection	679,500	449,393	462,151	449,566
Recycling Collection	362,800	240,061	256,692	246,004
Leaf & Brush Pickups	60,000	40,000	20,000	18,086
Tippage Fees	455,300	303,533	263,671	260,106
Miscellaneous	3,500	2,333	1,160	1,789
Printing	1,800	1,200	-	-
Total expenditures	<u>1,577,683</u>	<u>1,046,117</u>	<u>1,013,767</u>	<u>985,628</u>
Revenue over (under) expenditures	59,617	<u>444,868</u>	482,407	501,268
Fund balance, beginning of year	<u>395,677</u>		<u>395,677</u>	<u>330,883</u>
Fund balance, end of period	<u>\$ 455,294</u>		<u>\$ 878,084</u>	<u>\$ 832,151</u>

**City of Franklin
Capital Outlay Fund
Balance Sheet
August 31, 2018 and 2017**

Assets	2018	2017
Cash and investments	\$ 540,080	\$ 434,519
Total Assets	\$ 540,080	\$ 434,519
Liabilities and Fund Balance		
Accounts payable	\$ 29,121	\$ 35,441
Encumbrance	99,905	94,315
Assigned fund balance	411,054	304,763
Total Liabilities and Fund Balance	\$ 540,080	\$ 434,519

**Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017**

Revenue	2018 Original Budget	2018 Amended Budget	2018 Year-to-Date Budget	2018 Year-to-Date Actual *	2017 Year-to-Date Actual
Property Taxes	\$ 450,500	\$ 450,500	\$ 450,500	\$ 450,500	\$ 444,300
Grants	-	-	-	2,021	4,280
Landfill Siting	147,000	147,000	129,430	116,800	92,000
Investment Income	6,000	6,000	4,000	4,695	4,696
Miscellaneous Revenue	39,000	39,000	19,494	22,070	47,342
Transfers from Other Funds	-	134,138	100,604	101,000	-
Total Revenue	642,500	776,638	704,028	697,086	592,618
Expenditures:					
General Government	132,762	241,247	142,763	97,420	59,615
Public Safety	431,508	582,841	435,047	467,052	493,270
Public Works	55,062	81,752	51,713	53,666	31,871
Health and Human Services	6,582	6,582	4,388	3,563	-
Culture and Recreation	4,000	13,250	6,746	9,828	13,453
Conservation and Development	1,682	1,682	1,121	1,018	1,618
Contingency	50,000	27,750	18,500	6,525	-
Transfers to Other Funds	-	-	-	-	26,950
Total expenditures	681,596	955,104	660,278	639,072	626,777
Revenue over (under) expenditures	(39,096)	(178,466)	<u>43,750</u>	58,014	(34,159)
Fund balance, beginning of year	353,040	353,040		353,040	338,922
Fund balance, end of period	<u>\$ 313,944</u>	<u>\$ 174,574</u>		<u>\$ 411,054</u>	<u>\$ 304,763</u>

* Amount shown is actual expenditures plus encumbrance

**City of Franklin
Equipment Replacement Fund
Balance Sheet
August 31, 2018 and 2017**

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 2,767,766	\$ 2,333,801
Total Assets	\$ 2,767,766	\$ 2,333,801
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 5,337	\$ -
Encumbrance	247,365	88,644
Assigned fund balance	2,515,064	2,245,157
Total Liabilities and Fund Balance	\$ 2,767,766	\$ 2,333,801

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017**

	<u>2018</u> <u>Original</u> <u>Budget</u>	<u>2018</u> <u>Amended</u> <u>Budget</u>	<u>2018</u> <u>Year-to-Date</u> <u>Budget</u>	<u>2018</u> <u>Year-to-Date</u> <u>Actual *</u>	<u>2017</u> <u>Year-to-Date</u> <u>Actual</u>
Revenue:					
Property Taxes	\$ 350,000	\$ 350,000	\$350,000	\$ 350,000	\$ 348,300
Landfill	200,000	200,000	173,091	158,900	125,300
Investment Income	29,000	29,000	19,333	8,964	30,006
Property Sales	7,500	7,500	5,229	19,231	21,626
Total revenue	586,500	586,500	547,653	537,095	525,232
Expenditures:					
Public Safety	44,754	88,754	60,176	84,162	233,517
Public Works	251,000	251,000	186,987	249,684	417,561
Total expenditures	295,754	339,754	247,163	333,846	651,078
Revenue over (under) expenditures	290,746	246,746	<u>300,490</u>	203,249	(125,846)
Fund balance, beginning of year	2,311,815	2,311,815		2,311,815	2,371,003
Fund balance, end of period	<u>\$ 2,602,561</u>	<u>\$ 2,558,561</u>		<u>\$ 2,515,064</u>	<u>\$ 2,245,157</u>

* Amount shown is actual expenditures plus emcumbrance

**City of Franklin
Capital Improvement Fund
Balance Sheet
August 31, 2018 and 2017**

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 3,420,846	\$ 2,728,688
Accrued receivables	847	847
Total Assets	<u>\$ 3,421,693</u>	<u>\$ 2,729,535</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 31,939	\$ 11,924
Contracts Payable	-	-
Escrow Balances Due	78,915	90,000
Fund Balance - Encumbrance	546,341	1,180,250
Assigned fund balance	2,764,498	1,447,361
Total Liabilities and Fund Balance	<u>\$ 3,421,693</u>	<u>\$ 2,729,535</u>

**Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017**

	<u>2018</u> <u>Original</u> <u>Budget</u>	<u>2018</u> <u>Amended</u> <u>Budget</u>	<u>2018</u> <u>Year-to-Date</u> <u>Totals</u>	<u>2017</u> <u>Year-to-Date</u> <u>Totals</u>
Revenue:				
Block Grants	\$ -	\$ -	\$ -	\$ -
Other Grants	-	638,000	-	-
Landfill Siting	276,000	276,000	81,268	118,679
Transfers from Other Funds	15,529,251	15,529,251	-	-
Transfers from Impact Fees	1,552,928	1,552,928	-	-
Transfers from Connection Fees	1,000,000	1,000,000	-	-
Bond Proceeds	5,600,000	5,600,000	-	-
Donations	150,000	150,000	11,085	-
Refunds & Reimbursements	-	-	-	97,480
Investment Income	5,000	5,000	21,166	31,454
Total revenue	<u>24,113,179</u>	<u>24,751,179</u>	<u>113,519</u>	<u>247,613</u>
Expenditures:				
General Government	1,925,000	1,925,000	4,539	39,123
Public Safety	291,250	429,946	112,069	274,867
Public Works	14,928,746	16,117,070	579,090	1,145,800
Culture and Recreation	1,443,445	1,443,445	344,732	54,650
Sewer & Water	4,869,500	4,869,500	-	-
Contingency	2,296,376	2,279,076	3,084	3,084
Bond/Note Issuance Cost	98,000	98,000	-	-
Transfers to Other Funds	-	101,000	101,000	-
Total expenditures	<u>25,852,317</u>	<u>27,263,037</u>	<u>1,144,514</u>	<u>1,517,524</u>
Revenue over (under) expenditures	(1,739,138)	(2,511,858)	(1,030,995)	(1,269,911)
Fund balance, beginning of year	3,795,493	3,795,493	3,795,493	2,717,272
Fund balance, end of period	<u>\$ 2,056,355</u>	<u>\$ 1,283,635</u>	<u>\$ 2,764,498</u>	<u>\$ 1,447,361</u>

**City of Franklin
Street Improvement Fund
Balance Sheet
August 31, 2018 and 2017**

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 290,621	\$ 1,040,844
Total Assets	<u>\$ 290,621</u>	<u>\$ 1,040,844</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 9,187	\$ 4,712
Encumbrances	75,151	837,433
Assigned fund balance	206,284	198,699
Total Liabilities and Fund Balance	<u>\$ 290,622</u>	<u>\$ 1,040,844</u>

**Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017**

	<u>2018 Original Budget</u>	<u>2018 Year-to-Date Totals</u>	<u>2017 Year-to-Date Totals</u>
Revenue:			
Property Taxes	\$ 714,700	\$ 714,700	\$ 704,900
Landfill Siting	133,000	97,100	83,400
Investment Income	2,500	8,344	5,818
Local Road Improvement Aids	75,000	-	-
Refunds and Reimbursements	-	-	-
Total revenue	<u>925,200</u>	<u>820,144</u>	<u>794,118</u>
Expenditures:			
Street Reconstruction Program - Current Year	920,000	900,126	852,747
Revenue over (under) expenditures	5,200	(79,982)	(58,629)
Fund balance, beginning of year	<u>286,266</u>	<u>286,266</u>	<u>257,328</u>
Fund balance, end of period	<u>\$ 291,466</u>	<u>\$ 206,284</u>	<u>\$ 198,699</u>

**City of Franklin
Development Fund
Balance Sheet
August 31, 2018 and 2017**

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 5,423,298	\$ 3,991,049
Due From TID 3	-	275,000
Total Assets	\$ 5,423,298	\$ 4,266,049
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ -	\$ -
Payable to Developers- Oversizing	59,799	79,732
Non-Spendable Fund Balance - Advances	-	275,000
Encumbrance	3,321	3,321
Assigned fund balance	5,360,178	3,907,996
Total Fund Balance	5,360,178	4,182,996
Total Liabilities and Fund Balance	\$ 5,423,298	\$ 4,266,049

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017**

	<u>2018 Original Budget</u>	<u>2018 Year-to-Date Budget</u>	<u>2018 Year-to-Date Actual</u>	<u>2017 Year-to-Date Actual</u>
Revenue:				
Impact Fee: Parks	\$ 192,000	\$ 140,490	\$ 425,529	\$ 47,565
Southwest Sewer Service Area	122,440	85,028	-	-
Administration	4,125	3,164	10,285	2,255
Water	185,000	135,313	447,409	101,610
Transportation	8,400	6,230	32,597	18,174
Fire Protection	32,250	23,546	69,444	15,009
Law Enforcement	55,930	40,747	127,287	27,526
Library	43,950	32,017	117,307	13,845
Total Impact Fees	644,095	466,535	1,229,858	225,984
Investment Income	43,750	25,521	19,067	45,668
Interfund Interest Income	817	477	74	4,773
Total revenue	688,662	492,533	1,248,999	276,425
Expenditures:				
Other Professional Services	10,000	5,561	3,321	3,321
Transfer to Debt Service:				
Law Enforcement	205,000	69,052	15,972	12,000
Fire	43,100	35,259	6,440	28,220
Transportation	73,250	13,455	12,216	-
Library	133,100	53,424	17,371	8,785
Total Transfers to Debt Service	454,450	171,190	51,999	49,005
Transfer to Capital Improvement Fund:				
Park	1,572,350	297,475	-	-
Total Transfers to Capital Improve	1,572,350	297,475	-	-
Sewer Fees	500,000	-	-	-
Water Fees	500,000	-	-	99,665
Total expenditures	3,036,800	474,226	55,320	151,991
Revenue over (under) expenditures	(2,348,138)	18,307	1,193,679	124,434
Fund balance, beginning of year	4,166,499		4,166,499	4,058,562
Fund balance, end of period	\$ 1,818,361		\$ 5,360,178	\$ 4,182,996

**City of Franklin
Utility Development Fund
Balance Sheet
August 31, 2018 and 2017**

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments - Water	\$ 639,561	\$ 539,290
Cash and investments - Sewer	889,267	713,616
Special Assessment - Water Current	140,867	212,416
Special Assessment - Water Deferred	314,587	332,962
Special Assessment - Sewer Current	241,026	297,705
Special Assessment - Sewer Deferred	70,898	76,728
Reserve for Uncollectible	(16,776)	(40,982)
Total Assets	<u>\$ 2,279,430</u>	<u>\$ 2,131,735</u>
 <u>Liabilities and Fund Balance</u>		
Accounts payable	\$ -	\$ -
Unearned Revenue	750,602	878,829
Total Fund Balance	1,528,828	1,252,906
Total Liabilities and Fund Balance	<u>\$ 2,279,430</u>	<u>\$ 2,131,735</u>

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017**

	<u>2018 Original Budget</u>	<u>2018 Year-to-Date Budget</u>	<u>2018 Year-to-Date Actual</u>	<u>2017 Year-to-Date Actual</u>
Revenue:				
Special Assessments				
Water	\$ 81,600	\$ 17,077	\$ 23,695	\$ 468
Sewer	82,000	15,377	5,830	-
Connection Fees				
Water	-	-	-	2,281
Sewer	18,000	13,273	70,200	15,780
Total Assessments & Connection Fees	181,600	45,727	99,725	18,529
Special Assessment Interest	34,000	298	213	17
Investment Income	-	-	15,512	10,170
Total revenue	<u>215,600</u>	<u>46,025</u>	<u>115,450</u>	<u>28,716</u>
 Transfer to Capital Improvement Fund:				
Water	500,000	-	-	-
Sewer	500,000	-	-	-
Total Transfers to Capital Improven	1,000,000	-	-	-
 Revenue over (under) expenditures	 (784,400)	 46,025	 115,450	 28,716
 Fund balance, beginning of year			 <u>1,413,378</u>	 <u>1,224,190</u>
 Fund balance, end of period			 <u>\$ 1,528,828</u>	 <u>\$ 1,252,906</u>

**City of Franklin
Self Insurance Fund - Actives
Balance Sheet
August 31, 2018 and 2017**

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 2,097,199	\$ 2,294,024
Accounts receivable	600	588
Interfund advance receivable	-	275,000
Prepaid expenses	1,500	23,500
Total Assets	<u>\$ 2,099,299</u>	<u>\$ 2,593,112</u>
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 59,386	\$ 4,056
Claims payable	290,700	270,500
Unrestricted net assets	1,749,213	2,318,556
Total Liabilities and Fund Balance	<u>\$ 2,099,299</u>	<u>\$ 2,593,112</u>

**City of Franklin Self Insurance Fund - Actives
Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017**

<u>Revenue</u>	<u>2018 Budget</u>	<u>2018 Year-to-Date Budget</u>	<u>2018 Year-to-Date Actual</u>	<u>2017 Year-to-Date Actual</u>
Medical Premiums-City	\$ 2,585,500	1,728,188	\$ 1,649,923	\$ 1,628,234
Medical Premiums-Employee	428,900	283,867	305,353	283,120
Other - Invest Income, Rx Rebates	18,300	12,200	46,252	48,642
Medical Revenue	<u>3,032,700</u>	<u>2,024,255</u>	<u>2,001,528</u>	<u>1,959,996</u>
Dental Premiums-City	118,300	66,460	72,218	72,474
Dental Premiums-Retirees	6,000	4,581	2,700	2,610
Dental Premiums-Employee	57,000	37,742	37,069	36,597
Dental Revenue	<u>181,300</u>	<u>108,783</u>	<u>111,987</u>	<u>111,681</u>
Total Revenue	<u>3,214,000</u>	<u>2,133,038</u>	<u>2,113,515</u>	<u>2,071,677</u>
Expenditures:				
Active Employees-Medical				
Medical claims - Current Year	2,376,800	1,350,059	1,174,146	1,351,874
Medical claims - Prior Year	-	-	240,310	263,115
Prescription drug claims	-	-	223,173	185,826
Refunds-Stop Loss Coverage	-	-	(18,130)	(4,349)
Total Claims-Actives	<u>2,376,800</u>	<u>1,350,059</u>	<u>1,619,499</u>	<u>1,796,466</u>
Medical Claim Fees	145,000	104,249	99,751	134,738
Memberships	-	-	3,075	3,180
Miscellaneous Wellness	77,000	27,754	11,427	16,300
Section 125 administration Fee	4,500	2,780	2,326	1,634
Stop Loss Premiums	664,000	468,050	365,829	418,586
ACA Fees	25,000	21,884	1,348	1,309
Total Medical Costs-Actives	<u>3,292,300</u>	<u>1,974,776</u>	<u>2,103,255</u>	<u>2,372,213</u>
Active Employees-Dental				
Dental Claims	165,300	104,926	133,832	108,407
Dental Claim Fees	12,000	8,527	9,483	14,008
Total Dental Costs-Actives	<u>177,300</u>	<u>113,453</u>	<u>143,315</u>	<u>122,415</u>
Retirees-Dental				
Dental Claims	6,000	3,855	3,780	4,352
Dental Claim Fees	200	147	148	216
Total Dental Costs-Retirees	<u>6,200</u>	<u>4,002</u>	<u>3,928</u>	<u>4,568</u>
Total Dental Costs	<u>183,500</u>	<u>117,455</u>	<u>147,243</u>	<u>126,983</u>
Claims contingency	528,000	352,000	-	-
Total Expenditures	<u>4,003,800</u>	<u>2,444,231</u>	<u>2,250,498</u>	<u>2,499,196</u>
Revenue over (under) expenditures	(789,800)	<u>\$ (311,193)</u>	(136,983)	(427,519)
Net assets, beginning of year	<u>1,886,196</u>		<u>1,886,196</u>	<u>2,746,075</u>
Net assets, end of period	<u>\$ 1,096,396</u>		<u>\$ 1,749,213</u>	<u>\$ 2,318,556</u>

City of Franklin
City of Franklin Post Employment Benefits Trust
Balance Sheet
August 31, 2018 and 2017

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ -	\$ -
Investments held in trust - Fixed Inc	1,990,717	1,880,359
Investments held in trust - Equities	3,928,792	3,462,612
Accounts receivable	6,775	4,360
Due from Water Utility	-	408
Total Assets	<u>\$ 5,926,284</u>	<u>\$ 5,347,739</u>
 <u>Liabilities and Net Assets</u>		
Accounts payable	\$ 4,357	\$ 353
Claims payable	131,100	45,000
Due to City	44,758	11,536
Net assets held in trust for post emp	5,746,069	5,290,850
Total Liabilities and Fund Balance	<u>\$ 5,926,284</u>	<u>\$ 5,347,739</u>

City of Franklin Post Employment Benefits Trust
Statement of Revenue, Expenses and Fund Balance
For the Eight months ended August 31, 2018 and 2017

<u>Revenue</u>	<u>2018</u> <u>Year-to-Date</u> <u>Actual</u>	<u>2017</u> <u>Year-to-Date</u> <u>Actual</u>
ARC Medical Charges - City	\$ 153,013	\$ 124,484
Medical Charges - Retirees	96,148	67,635
Implicit Rate Subsidy	143,235	79,562
Medical Revenue	<u>392,396</u>	<u>271,681</u>
 Expenditures:		
Retirees-Medical		
Medical claims - Current Year	235,083	117,828
Medical claims - Prior Year	110,888	18,944
Prescription drug claims	88,320	67,878
Refunds-Stop Loss Coverage	(642)	-
Total Claims-Retirees	<u>433,649</u>	<u>204,650</u>
Medical Claim Fees	12,869	14,679
Stop Loss Premiums	56,415	51,921
Miscellaneous Expense	330	300
ACA Fees	160	131
Total Medical Costs-Retirees	<u>503,423</u>	<u>271,681</u>
 Revenue over (under) expenditures	 (111,027)	 -
 Annual Required Contribution-Net	 -	 29,678
Other - Investment Income, etc.	283,333	375,336
Total Revenues	<u>283,333</u>	<u>405,014</u>
 Net Revenues (Expenditures)	 172,306	 405,014
 Net assets, beginning of year	 <u>5,573,763</u>	 <u>4,885,836</u>
 Net assets, end of period	 <u>\$ 5,746,069</u>	 <u>\$ 5,290,850</u>