



Date: April 5, 2017
To: Mayor Olson, Common Council and Finance Committee Members
From: Paul Rotzenberg, Director of Finance & Treasurer
Subject: December, 2016 Financial Report

The December, 2016 financial reports for the General Fund, Debt Service Fund, TID3 Fund, TID 4 Fund, Library, Solid Waste Fund, Capital Outlay Fund, Equipment Replacement Fund, Street Improvement Fund, Capital Improvement Fund, Development Fund, Utility Development, Self Insurance Fund, Employee Retirement Insurance Fund, Non-major Funds, Water Utility and Sanitary Sewer Funds are attached.

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.

Cash & Investments in the General Government decreased \$1,961,065 in the last month. Limited revenues and payroll costs caused expenditures to exceed revenues.

December begins the Real Estate tax collection cycle. The Property Tax Fund had \$55,680,286 at December 31, representing collections on the 2016 tax roll.

A maturity schedule is provided to aid the reader in understanding when investments will be available to meet expenditure needs. The Tax Fund distributes collections in January, February, April, June and August. The City will receive approximately 25% of the December balances in January.

GENERAL FUND revenues of \$23,684,737 are \$202,088 less than budget. Two categories account for most of the declines in revenues when compared to Budget. Building permit revenue is down \$82,181, on slower development activity. Only one major permit has been issued in 2016. Ambulance revenues of \$1,056,410 are \$43,590 behind budget. Fire Dept. staffing issues have also impacted fire inspection revenues, while the reduced commercial development is depressing Fire plan review revenues. Interest on the tax roll is \$37,922 less than budget (\$40,665 less than last year, which included a one-time \$34,000 benefit on some omitted taxes). Disability insurance recoveries make up much of the over budget Miscellaneous revenue.

Expenditure items of note are:

- General Government expenditures are under budget due to unused spending in the Information Systems, Administration, Legal and insurance departments.
- Public Safety – overtime issues in Fire pushed personnel costs higher. A budgeting accumulation issue excluded three police officers from the 2016 budget, the cost of which is being offset by reduced retiree health costs. A longer term vacancy in Dispatch has reduced those personnel costs (\$100,000 to budget).
- Public Works underspending is related to non-needed professional services programs, a planned Highway new hire in Q4 that was not hired and reduced fuel costs (\$36,459) (note that gallons used is comparable to prior years). A \$390,000 refund of previous year's overpaid landfill siting fees was expended in December, after a transfer of Contingency appropriations.
- Conservation had professional service appropriations which ultimately were charged to the TID's.

Overall, General Fund expenditures of \$25,043,961 are \$634,875 underspent to budget.

A \$1,359,224 deficit is \$432,787 smaller than budget and is principally the result of a \$1.2 million transfer to the Capital Improvement fund as a resource to the 2017 Capital Improvement fund. The General Fund anticipates the collection of a \$2.3 million long term receivable in January 2017. This \$1.2 million transfer to the Capital Improvement Fund now makes the funds available for 2017 spending without violating State qualifications for future expenditure restraint aids (\$220,248 in 2016)

DEBT SERVICE – Debt payments were made March 1 as required. The April/May refunding activity reflects a refunding of the 2001 Bonds (Police Building) with a \$390,000 savings over their remaining life (2021).

TID3 – Tax revenues were slightly greater than the Budget. Expenditures for the S 27th Street project are composed of the sidewalk, street lighting, streetscaping and utility elements. Contractor invoices for this work are slowly arriving. The cost (after a CDBG grant) for the College Ave pathway project has been included in TID 3.

TID4 – Tax receipts are \$89,709 greater than budget due to the overlapping taxing authority's tax levies. The TID retired the remaining portion of the Interfund Advance in February. No project costs occurred in 2016.

LIBRARY – resources were as expected, with Reciprocal borrowing greater than expected. Expenditures were 96.7% of budget including a \$25,000 replacement of a building air conditioner in the summer. The fund did operate at a \$35,492 deficit (considering the air conditioner replacement), which is \$70,177 small than budget.

SOLID WASTE FUND – Revenue is comparable to budget and 2015. Expenditures were 99.98% of budget. The \$69,939 surplus brings the total fund balance to \$330,883 – or 21.5% of the amended budget. This is the lower end of recommended fund balance levels.

CAPITAL OUTLAY FUND – revenues are in line with budget. Public Safety purchases relate to police squad cars and bullet proof vests, while the Public Works expenditure was the purchase of the stump grinder and trees. Culture expenditures relate to park equipment. The Contingency expenditure was a street sweeper, which was pulled forward from 2017 to capture a pricing opportunity.

EQUIPMENT REPLACEMENT FUND – Revenues exceeded budget as a result of better proceeds on retired equipment disposals. Purchases include the Utility Tractor, Super Duty 75, Snow blower, Tandem Axel Truck, Wheel Loader and a Ford F-550.

STREET IMPROVEMENT FUND – Revenues are in line with budget. A neighboring community participated in the costs for a shared street. The street improvement program addressed nearly 3 miles of city streets.

CAPITAL IMPROVEMENT FUND – Resources include landfill siting revenue which declined related to reduced waste to the landfill. Reduced Park project activity has slowed the Impact fees coming from the Development fund.

The City Hall roof project was delayed to 2017, and now combined with City Hall HVAC issues. Project expenditures for Public Safety include the Police radio Dispatch project and Fire Station #1 roof repairs. Public Works costs relate to the St Martin's Road project and Emergency Vehicle Preemption system. Culture & Recreation expenditures relate to Kayla's Playground (\$172,847), River Park bridge engineering (\$103,631) and Pleasant View trail (\$27,600).

The \$1.2 million transferred in from the General Fund for 2017 projects comprises the bulk of the \$1,572,246 fund balance at December 31, 2016.

DEVELOPMENT FUND – Impact fee collections were favorably impacted by the Building Permit on the Autumn Leaves project and substantially matched the budget.

Transfers to the Debt Service fund were made in March to support the prior Police, Fire and Library projects. However, impact fee collections on these prior projects are insufficient to meet current and prior debt service.

\$212,222 of park impact fees were transferred to the Capital Improvement fund. There continue to be substantial unspent Park Impact fees. Nearly 81% of the fund balance relates to unspent Park Impact fees. The Common Council has extended the expenditure period by three years, as permitted under State Statutes.

Water Impact fees funded an oversizing project.

UTILITY DEVELOPMENT FUND - Special Assessments related to the Evergreen Street extension were collected along with those assessments that rolled to the 2016 Tax Roll. No projects required resources in 2016.

SELF INSURANCE FUND – Premium revenues are approximately equal to budget. Claims costs of \$3.6 million are only \$215,850 less than budget. The budget includes a \$600,000

claims contingency to deal with extraordinary claims up to the Aggregate Insurance limit. Much of that was needed in 2016.

The fund operated at a \$715,807 deficit for the year...

RETIREE HEALTH FUND – Insurance results generated an implicit rate subsidy of \$50,793, none of which was covered by the ARC. Benefit results for 2016 used \$93,818 of the funds reserves. This reflects higher than normal claims for retirees as compared to active employees. The Annual Required Contribution is no longer large enough to cover the implicit rate subsidy. The purpose of the fund is to fund benefit costs in excess of the ARC without requiring current tax resources.

Investment results generated \$461,669 of returns. The fund is substantially invested in passive index investments, generating market returns (for the various investment classes – reduced by nominal investment expenses). Fixed Income investment mix has risen to 33% of the portfolio compared to 24% a year ago. Investment results in the equity markets can be volatile, caution is advised.

The Trustee provided the City \$200,000 of assets in late December 2016 to fund excess claims.

NON-MAJOR FUNDS – A report of results for these funds is included. The deficit in the St Martin's Fair fund will be addressed by staff in 2017. The largest donation fund balances relate to Kayla's Playground (\$52,758), Police forfeitures (\$36,121), Police Donations (\$17,303) and Watershed Mitigation (\$14,157). These represent 67% of the fund balance.

SANITARY SEWER FUND – \$3,328,551 of revenues nearly matched the 2016 budget, and are \$11,831 greater than 2015. A small rate reduction in 2016 was offset by increased water usage and volume charges. This is reflective of the reduced residential revenues (fixed charges) and the higher Commercial and Multifamily charges which have a volumetric component.

The \$11,612 of operating results (before depreciation on donated assets and non-operating items) reflect the expenditure controls.

The addition of the Ryan Creek Interceptor sewer as a donated asset from MMSD resulted in the huge Capital Contribution.

The Unrestricted fund balance now stands at \$1.3 million, only slightly larger than the 2015 balance.

WATER UTILITY - \$6,054,573 in revenues reflect the 8% rate increase granted by the PSC in June 2016 and the increased volume related to the dry summer conditions. 2016 revenues were 7.9% greater than 2015.

Despite the volume increase, purchased water costs nearly matched 2015 levels. A significant search for leaks resulted in cutting unbilled water by 33% from 2015 levels. Administrative fees include significant professional and legal costs to contest the wholesale supplier's construction authorization request at the PSC. In October 2016, the PSC refused the Construction Authorization, one of the few times that has occurred in state history.

Operating income of \$194,088 before depreciation on contributed assets was much better than 2015. This aided in the Utility generating \$360,640 in net positive cash flow. 77% of the Utility's assets have been donated by developers. These will eventually need to be replaced from water rates. Long term - current water rates are not sufficient to provide the capital for necessary replacements.

The Utility will need these cash reserves for future demands related to Water Tower painting costs and planned water main replacements. 2016 Capital expenditures included the purchase of 700 water meters for over \$139,000.

City of Franklin
Cash & Investments Summary - UNAUDITED
December 31, 2016

	Cash	American Deposit Management	Institutional Capital Management	Local Government Invest Pool	Fidelity Investments	Total	November Total
General Fund	\$ (406,932)	\$ (3,905,663)	\$ 6,720,585	\$ 3,537,957	\$ -	\$ 5,945,947	\$ 7,907,012
Debt Service Funds	27,686	155,512	436,294	-	-	619,492	599,103
TIF Districts	68,416	1,870,733	1,217,566	-	-	3,156,715	3,116,612
Nonmajor Governmental Funds	673,077	2,002,373	9,349,196	-	-	12,024,645	12,065,345
Total Governmental Funds	362,247	122,955	17,723,641	3,537,957	-	21,746,800	23,688,072
Sewer Fund	263,366	250,133	400,029	-	-	913,528	719,108
Water Utility	296,334	892,670	-	-	-	1,189,005	1,429,480
Self Insurance Fund	29,592	72	2,502,678	-	-	2,532,342	2,861,615
Retiree Health Fund	1,952	-	-	-	4,970,556	4,972,508	4,708,830
Property Tax Fund	20,576,257	35,102,659	-	1,369	-	55,680,286	30,563
Other Trust Funds	9,419	-	-	-	-	9,419	10,170
Total Other Funds	21,176,921	36,245,534	2,902,707	1,369	4,970,556	65,297,088	9,759,766
Grand Total Cash & Investments	21,539,168	36,368,489	20,626,348	3,539,326	4,970,556	87,043,888	33,447,838
Average Rate of Return		0.45%	1.16%	0.45%			
Maturities:							
Demand	21,539,168	36,123,489	42,930	3,539,326	661,344	61,906,258	7,190,438
Fixed Income & Equities	-	-	-	-	3,494,242	3,494,242	3,441,115
2016 - Q4	-	-	-	-	-	-	980,000
2017 - Q1	-	245,000	1,500,666	-	-	1,745,666	1,920,188
2017 - Q2	-	-	-	-	-	-	-
2017 - Q3	-	-	1,502,673	-	-	1,502,673	1,502,662
2017 - Q4	-	-	3,000,240	-	-	3,000,240	3,000,796
2018	-	-	4,145,016	-	171,271	4,316,287	4,321,662
2019	-	-	3,965,589	-	150,378	4,115,967	4,115,717
2020	-	-	5,497,519	-	149,463	5,646,982	5,657,600
2021	-	-	971,715	-	173,840	1,145,555	1,147,074
2022	-	-	-	-	170,019	170,019	170,586
	21,539,168	36,368,489	20,626,348	3,539,326	4,970,556	87,043,888	33,447,838

City of Franklin
General Fund
Comparative Statement of Revenue, Expenses and Fund Balance
For the 12 months ended December 31, 2016 and 2015

Revenue	2016 Original Budget	2016 Amended Budget	2016 Year-to-Date Actual	Var to Budget Surplus (Deficiency)	2015 Year-to-Date Actual
Property Taxes	\$ 16,248,800	\$ 16,248,800	\$ 16,297,268	\$ 48,468	\$ 16,230,066
Other Taxes	1,885,000	1,885,000	1,914,117	29,117	1,829,656
Intergovernmental Revenue	2,321,200	2,321,200	2,318,825	(2,375)	2,775,350
Regulation and Compliance	847,350	847,350	665,169	(182,181)	671,453
Law and Ordinance Violations	440,000	450,000	498,654	48,654	484,957
Public Charges for Services	1,544,975	1,565,975	1,452,601	(113,374)	1,544,611
Intergovernmental Charges	203,200	203,200	194,806	(8,394)	192,189
Investment Income	205,200	205,200	161,281	(43,919)	238,563
Miscellaneous Revenue	160,100	160,100	182,016	21,916	153,489
Total Revenue	\$ 23,855,825	\$ 23,886,825	\$ 23,684,737 99.15%	\$ (202,088)	\$ 24,120,334
Expenditures	2016 Original Budget	2016 Amended Budget	2016 Year-to-Date Actual	Var to Budget Surplus (Deficiency)	2015 Year-to-Date Actual
General Government	\$ 3,084,350	\$ 3,177,417	\$ 2,899,801	E \$ 277,616	\$ 2,723,136
Public Safety	16,128,832	15,793,741	15,793,590	E 151	16,003,550
Public Works	3,612,003	4,012,803	3,780,908	E 231,895	3,118,070
Health and Human Services	684,191	684,191	646,870	E 37,321	633,389
Other Culture and Recreation	167,911	194,911	184,883	E 10,028	177,796
Conservation and Development	579,858	646,573	530,767	115,806	606,795
Contingency and Unclassified	552,500	(19,200)	18,742	(37,942)	28,582
Transfers to Other Funds	1,224,000	1,250,025	1,250,025	-	574,000
Encumbrances	-	-	(61,625)	(61,625)	(147,118)
Total Expenditures	\$ 26,033,645	\$ 25,740,461	\$ 25,043,961 97.29%	\$ 634,875	\$ 23,718,200
Excess of revenue over (under) expenditures	(2,177,820)	(1,853,636)	(1,359,224)	<u>\$ 432,787</u>	402,134
Fund balance, beginning of year	9,049,908	9,049,908	9,049,908		8,633,112
Fund balance, end of period	<u>\$ 6,872,088</u>	<u>\$ 7,196,272</u>	<u>\$ 7,690,684</u>		<u>\$ 9,035,246</u>

Represents an amendment to Adopted Budget
Represents an encumbrance for current year from prior year

City of Franklin
General Fund
Comparative Statement of Revenue
For the 12 months ended December 31, 2016 and 2015

Revenue	2016 Original Budget	2016 Amended Budget	2016 Year-to-Date Actual	Var to Budget Surplus (Deficiency)	2015 Year-to-Date Actual
Taxes:					
General property	\$ 16,248,800	\$ 16,248,800	\$ 16,297,268	\$ 48,468	\$ 16,230,066
Water utility - tax equivalent	1,100,000	1,100,000	1,050,382	(49,618)	1,044,460
Cable television franchise fees	500,000	500,000	513,030	13,030	526,750
Mobile Home	25,000	25,000	23,514	(1,486)	22,649
Room tax	260,000	260,000	327,191	67,191	235,797
Total taxes	18,133,800	18,133,800	18,211,385	77,585	18,059,722
Intergovernmental Revenue:					
State shared revenue	476,000	476,000	484,882	8,882	488,837
Expenditure restraint revenue	220,100	220,100	220,258	158	284,070
State computer aid	277,000	277,000	271,212	(5,788)	589,797
State transportation aids	1,132,600	1,132,600	1,132,139	(461)	1,217,386
Fire insurance dues	133,000	133,000	141,878	8,878	130,513
Other grants	82,500	82,500	68,456	(14,044)	64,747
Total intergovernmental	2,321,200	2,321,200	2,318,825	(2,375)	2,775,350
Regulation and Compliance:					
Licenses	146,850	146,850	153,306	6,456	150,442
Permits	700,500	700,500	511,863	(188,637)	521,011
Fines, forfeitures and penalties	440,000	450,000	498,654	48,654	484,957
Total regulation and compliance	1,287,350	1,297,350	1,163,823	(133,527)	1,156,410
Public Charges for Services:					
Planning related fees	65,275	77,275	66,912	(10,363)	66,900
General government	6,650	15,650	15,159	(491)	11,124
Architectural Board Review	5,300	5,300	5,590	290	5,765
Police and related	7,000	7,000	14,252	7,252	3,572
Ambulance services - ALS	675,000	675,000	700,435	25,435	674,244
Ambulance services - BLS	425,000	425,000	355,975	(69,025)	436,123
Fire safety training	1,000	1,000	1,140	140	1,630
Fire Sprinkler Plan Review	70,000	70,000	33,052	(36,948)	54,435
Fire Inspections	25,000	25,000	16,230	(8,770)	20,176
Quarry reimbursement	42,000	42,000	40,185	(1,815)	39,410
Weed cutting	15,000	15,000	4,184	(10,816)	9,178
Engineering fees	9,500	9,500	1,290	(8,210)	10,712
Public works fees	15,000	15,000	12,452	(2,548)	29,169
Weights & Measures	8,000	8,000	8,709	709	8,909
Landfill Operations - Siting	19,500	19,500	-	(19,500)	-
Landfill Operations - Emerald Park	75,000	75,000	62,050	(12,950)	76,328
Health Department	80,750	80,750	114,986	34,236	96,936
Total charges for services	\$ 1,544,975	\$ 1,565,975	\$ 1,452,601	\$ (113,374)	\$ 1,544,611

Represents an amendment to Adopted Budget

Represents an encumbrance for current year from prior year

**City of Franklin
General Fund
Comparative Statement of Revenue
For the 12 months ended December 31, 2016 and 2015**

<u>Revenue</u>	<u>2016 Original Budget</u>	<u>2016 Amended Budget</u>	<u>2016 Year-to-Date Actual</u>	<u>Var to Budget Surplus (Deficiency)</u>	<u>2015 Year-to-Date Actual</u>
Intergovernmental Charges:					
Milwaukee County - paramedics	\$ 125,000	\$ 125,000	\$ 115,342	\$ (9,658)	\$ 118,278
School Liaison Officer	78,200	78,200	79,464	1,264	73,911
Total intergovernmental charges	203,200	203,200	194,806	(8,394)	192,189
Investment Income:					
Interest on investments	105,000	105,000	121,060	16,060	126,504
Market value change on investments	(15,000)	(15,000)	(29,803)	(14,803)	3,966
Interest - tax roll	114,700	114,700	69,868	(44,832)	107,885
Other interest	500	500	156	(344)	208
Total interest revenue	205,200	205,200	161,281	(43,919)	238,563
Miscellaneous Revenue:					
Rental of property	49,000	49,000	51,307	2,307	61,852
Refunds/reimbursements	10,000	10,000	79,908	69,908	26,315
Insurance dividend	35,000	35,000	38,308	3,308	52,162
Other revenue	66,100	66,100	12,493	(53,607)	13,160
Total miscellaneous revenue	160,100	160,100	182,016	21,916	153,489
Total revenue	\$ 23,855,825	\$ 23,886,825	\$ 23,684,737	\$ (202,088)	\$ 24,120,334
			99.15%		

Represents an amendment to Adopted Budget
Represents an encumbrance for current year from prior year

City of Franklin
General Fund
Comparative Statement of Expenditures
For the 12 months ended December 31, 2016 and 2015

Expenditures	2016 Original Budget	2016 Amended Budget	2016 Year-to-Date Actual	Var to Budget Surplus (Deficiency)	2015 Year-to-Date Actual
General Government:					
Mayor & Aldermen - Labor	\$ 65,979	\$ 65,979	\$ 65,945	\$ 34	\$ 65,999
Mayor & Aldermen - Non-Personnel	37,500	37,500	28,066	9,434	27,752
Municipal Court - Labor	181,151	185,151	184,729	422	170,612
Municipal Court - Non-Personnel	47,150	57,150	55,793	1,357	51,662
City Clerk Labor	288,640	292,640	288,673	3,967	283,578
City Clerk - Non-Personnel	31,000	31,000	22,916	8,084	29,627
Elections - Labor	35,548	74,548	72,277	2,271	15,513
Elections - Non-Personnel	25,600	25,600	13,094	12,506	5,596
Information Services - Labor	117,756	124,723	106,475	E 18,248	17,000
Information Services - Non-Personnel	364,789	369,189	334,809	34,380	353,304
Administration - Labor	285,888	285,888	282,607	3,281	280,594
Administration - Non-Personnel	157,045	176,745	104,768	E 71,977	136,635
Finance - Labor	416,636	416,636	409,536	7,100	411,359
Finance - Non-Personnel	98,930	98,930	86,734	12,196	83,055
Independent Audit	31,810	31,810	29,545	2,265	33,285
Assessor - Labor	55,300	17,200	7,735	9,465	54,205
Assessor - Non-Personnel	188,100	224,200	223,795	405	146,697
Legal Services	340,225	340,225	310,308	29,917	316,006
Municipal Buildings - Labor	95,800	95,800	94,319	1,481	55,524
Municipal Buildings - Non-Personnel	113,595	120,595	115,934	E 4,661	133,153
Property/liability insurance	105,908	105,908	61,743	44,165	51,980
Total general government	3,084,350	3,177,417	2,899,801	277,616	2,723,136
Public Safety:					
Police Department - Labor	7,950,563	8,015,563	7,891,783	123,780	8,064,446
Police Department - Non-Personnel	1,082,650	1,004,345	969,028	E 35,317	960,355
Fire Department - Labor	5,609,357	5,609,357	5,498,363	110,994	5,563,662
Fire Department - Non-Personnel	434,600	434,600	402,073	32,527	428,977
Public Fire Protection	273,200	275,200	274,635	565	260,763
Building Inspection - Labor	736,312	736,312	727,130	9,182	686,564
Building Inspection - Non-Personnel	34,550	35,344	22,978	E 12,366	25,183
Weights and Measures	7,600	7,600	7,600	-	6,800
Anticipated underexpenditures	-	(324,580)	-	(324,580)	6,800
Total public safety	16,128,832	15,793,741	15,793,590	151	16,003,550
Public Works:					
Engineering - Labor	603,481	603,481	553,392	50,089	497,128
Engineering - Non-Personnel	25,290	71,677	20,389	E 51,288	22,356
Highway - Labor	1,819,785	1,794,785	1,718,530	76,255	1,600,962
Highway - Non-Personnel	791,697	823,680	734,209	E 89,471	646,585
Solid Waste	-	390,000	390,000	-	-
Street Lighting	356,700	386,700	361,009	E 25,691	335,315
Weed Control	15,050	15,050	3,379	11,671	7,862
Anticipated underexpenditures	-	(72,570)	-	(72,570)	7,862
Total public works	\$ 3,612,003	\$ 4,012,803	\$ 3,780,908	\$ 231,895	\$ 3,118,070

Represents an amendment to Adopted Budget

Represents an encumbrance for current year from prior year

City of Franklin
General Fund
Comparative Statement of Revenue, Expenses and Fund Balance
For the 12 months ended December 31, 2016 and 2015

Expenditures	2016 Original Budget	2016 Amended Budget	2016 Year-to-Date Actual	Var to Budget Surplus (Deficiency)	2015 Year-to-Date Actual
Health and Human Services:					
Public Health - Labor	\$ 576,741	\$ 576,741	\$ 553,597	\$ 23,144	\$ 539,696
Public Health - Non-Personnel	68,950	68,950	61,323 E	7,627	62,752
Animal Control	38,500	38,500	31,950	6,550	30,941
Total health and human services	684,191	684,191	646,870	37,321	633,389
Culture and Recreation:					
St. Martins Fair	-	-	-	-	-
Civic Celebrations	-	-	-	-	-
Senior Travel & Activities	20,000	22,000	18,314	3,686	18,386
Parks - Labor	118,261	138,261	134,492	3,769	134,151
Parks - Non-Personnel	29,650	34,650	32,077	2,573	25,259
Total culture and recreation	167,911	194,911	184,883	10,028	177,796
Conservation and Development:					
Planning - Labor	332,469	332,469	324,303	8,166	326,358
Planning - Non-Personnel	61,200	61,200	54,187	7,013	53,017
Economic Dev - Labor	130,689	130,689	120,785	9,904	37,600
Economic Dev - Non-Personnel	55,500	122,215	31,492	90,723	189,820
Total conservation and development	579,858	646,573	530,767	115,806	606,795
Contingency and Unclassified:					
Restricted - other	375,000	-	-	-	25,000
Unrestricted	175,000	51,370	17,638 E	33,732	3,257
Unclassified	2,500	2,500	1,104	1,396	325
Anticipated underexpenditures	-	(73,070)	-	(73,070)	-
Total contingency	552,500	(19,200)	18,742	(37,942)	28,582
Transfers to other funds:					
Capital Improvement Fund	1,200,000	1,200,000	1,200,000	-	50,000
Other Funds	24,000	50,025	50,025	-	524,000
Total transfers to other funds	1,224,000	1,250,025	1,250,025	-	574,000
Total expenditures	\$ 26,033,645	\$ 25,740,461	\$ 25,105,586	\$ 634,875	\$ 23,865,318
Less Encumbrances			(61,625)		(147,118)
Net Expenditures			\$ 25,043,961		\$ 23,718,200
% of YTD Budget			97.29%		

Represents an amendment to Adopted Budget
Represents an encumbrance for current year from prior year

**City of Franklin
General Fund
Balance Sheet**

ASSETS	12/31/2016	12/31/2015
Cash and investments	\$ 5,945,947	\$ 7,592,935
Accounts & Taxes receivable	17,116,941	16,988,195
Due from/Advances to other funds	2,365,101	2,176,139
Due from other governments	24,549	71,352
Prepaid expenditures & inventories	46,341	41,186
Total Assets	<u>\$ 25,498,879</u>	<u>\$ 26,869,807</u>
 LIABILITIES		
Accounts payable	\$ 493,754	\$ 567,926
Accrued liabilities	672,619	639,870
Due to other funds & governments	108,763	139,864
Special deposits	98,629	141,250
Unearned revenue	16,434,430	16,330,989
Total Liabilities	<u>17,808,195</u>	<u>17,819,899</u>
 FUND BALANCES		
Nonspendable - Inventories, Prepaids, Advances, Assigned	2,411,442	2,217,325
Unassigned	5,279,242	6,832,583
Total fund balances	<u>7,690,684</u>	<u>9,049,908</u>
Total Liabilities and fund balances	<u>\$ 25,498,879</u>	<u>\$ 26,869,807</u>

City of Franklin
Debt Service Funds
Balance Sheet
December 31, 2016 and 2015 - UNAUDITED

	2016 Special Assessment	2016 Debt Service	2016 Total	2015 Special Assessment	2015 Debt Service	2015 Total
Assets						
Cash and investments	\$ 534,984	\$ 84,508	\$ 619,492	\$ 473,687	\$ 1,257	\$ 474,944
Taxes receivable	31,806	1,300,000	1,331,806	32,339	1,500,000	1,532,339
Special assessment receivable	86,356	-	86,356	111,456	-	111,456
Total Assets	\$ 653,146	\$ 1,384,508	\$ 2,037,654	\$ 617,482	\$ 1,501,257	\$ 2,118,739
Liabilities and Fund Balance						
Unearned & unavailable revenue	\$ 86,356	\$ 1,300,000	\$ 1,386,356	\$ 111,456	\$ 1,500,000	\$ 1,611,456
Due to other funds	-	-	-	-	-	-
Unassigned fund balance	566,790	84,508	651,298	506,026	1,257	507,283
Total Liabilities and Fund Balance	\$ 653,146	\$ 1,384,508	\$ 2,037,654	\$ 617,482	\$ 1,501,257	\$ 2,118,739

Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED

	2016 Special Assessment	2016 Debt Service	2016 Year-to-Date Actual	2016 Amended Budget	Variance to Budget	2015 Special Assessment	2015 Debt Service	2015 Year-to-Date Actual	2015 Annual Budget	Variance to Budget
Revenue										
Property Taxes	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ -
Special Assessments	50,583	-	50,583	-	50,583	47,683	47,683	47,683	-	47,683
Investment Income	10,181	2,495	12,676	-	12,676	12,105	395	12,500	-	12,500
Total Revenue	60,764	1,502,495	1,563,259	1,500,000	63,259	59,788	1,600,395	1,660,183	1,600,000	60,183
Expenditures:										
Debt Service:										
Principal	-	1,300,000	1,300,000	1,300,000	-	-	595,000	595,000	520,000	(75,000)
Interest	-	265,588	265,588	266,711	1,123	-	312,111	312,111	418,365	106,254
Bond Issuance Cost	-	53,789	53,789	53,789	-	-	-	-	-	-
Interfund Interest Expense	-	-	-	-	-	-	3,561	3,561	3,561	-
Total expenditures	-	1,619,377	1,619,377	1,620,500	1,123	-	910,672	910,672	941,926	31,254
Transfers in	-	170,931	170,931	205,000	(34,069)	-	282,493	282,493	416,926	(134,433)
Transfers out	-	-	-	-	-	(100,000)	-	(100,000)	-	100,000
Refunding Bond Issuance	-	5,770,000	5,770,000	5,770,000	-	-	-	-	-	-
Premium (Discount) on Refunding Bonds	-	154,202	154,202	154,202	-	-	-	-	-	-
Repayment of Refunded bonds	-	(5,895,000)	(5,895,000)	(5,895,000)	-	(40,212)	972,216	932,004	1,075,000	57,004
Net change in fund balances	60,764	83,251	144,015	113,702	28,067	546,238	(970,959)	(424,721)	(424,721)	-
Fund balance, beginning of year	506,026	1,257	507,283	507,283	-	\$ 506,026	\$ 1,257	\$ 507,283	\$ 650,279	\$ -
Fund balance, end of period	\$ 566,790	\$ 84,508	\$ 651,298	\$ 620,985	\$ 28,067	\$ 506,026	\$ 1,257	\$ 507,283	\$ 650,279	\$ -

City of Franklin
Tax Increment Financing District #3
Balance Sheet
December 31, 2016 and 2015

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Cash & investments	\$ 1,891,495	\$ 2,652,399
Accounts & interest receivable	-	44,061
Taxes receivable	1,253,575	1,730,642
Total Assets	\$ 3,145,070	\$ 4,427,102

Liabilities and Fund Balance

Accounts payable	\$ 90	\$ -
Interfund advance from Development Fund	550,000	1,700,000
Unearned revenue	1,253,575	1,730,642
Total Liabilities	1,803,665	3,430,642
Unassigned fund balance	1,341,405	996,460
Total Liabilities and Fund Balance	\$ 3,145,070	\$ 4,427,102

Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015

	<u>2016</u> <u>Annual</u> <u>Budget</u>	<u>2016</u> <u>Amended</u> <u>Budget</u>	<u>2016</u> <u>Year-to-Date</u> <u>Actual</u>	<u>2015</u> <u>Year-to-Date</u> <u>Actual</u>
Revenue				
General property tax levy	\$ 1,708,000	\$ 1,708,000	\$ 1,730,642	\$ 1,681,577
State exempt computer aid	420,000	420,000	355,862	421,710
Investment income	3,000	3,000	12,765	146,311
Transfer from other funds	-	-	113,515	-
Total revenue	2,131,000	2,131,000	2,212,784	2,249,598
Expenditures				
Transfer to other funds	-	-	62,289	-
Debt service principal	650,000	650,000	650,000	20,000
Debt service interest & fees	86,750	86,750	86,519	65,299
Administrative expenses	13,020	13,020	37,757	22,258
Interfund interest	22,668	22,668	22,670	64,618
Capital outlays	1,205,000	3,525,289	2,350,212	3,749,230
Encumbrances	-	-	(1,341,608)	(2,320,289)
Total expenditures	1,977,438	4,297,727	1,867,839	1,601,116
Revenue over (under) expenditures	153,562	(2,166,727)	344,945	648,482
Fund balance, beginning of year	996,460	996,460	996,460	347,978
Fund balance, end of period	\$ 1,150,022	\$ (1,170,267)	\$ 1,341,405	\$ 996,460

City of Franklin
Tax Increment Financing District #4
Balance Sheet
December 31, 2016 and 2015

<u>Assets</u>	2016	2015
Cash & investments	\$ 1,242,372	\$ 99,784
Taxes receivable	<u>1,013,892</u>	<u>1,289,708</u>
Total Assets	<u>\$ 2,256,264</u>	<u>\$ 1,389,492</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 90	\$ -
Interfund advance from Development Fund	-	238,000
Unearned revenue	<u>1,013,892</u>	<u>1,289,708</u>
Total Liabilities	<u>1,013,982</u>	<u>1,527,708</u>
Unassigned Fund Balance	<u>1,242,282</u>	<u>(138,216)</u>
Total Liabilities and Fund Balance	<u>\$ 2,256,264</u>	<u>\$ 1,389,492</u>

Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015

	2016	2015	2016	2015
	Annual	Amended	Year-to-Date	Year-to-Date
	Budget	Budget	Actual	Actual
Revenue				
General property tax levy	\$ 1,200,000	\$ 1,200,000	\$ 1,289,709	\$ 1,009,060
State exempt computer aid	19,000	19,000	18,043	19,631
Payment in Lieu of Taxes	92,000	92,000	91,206	92,021
Investment income	-	-	(5,035)	404
Total revenue	<u>1,311,000</u>	<u>1,311,000</u>	<u>1,393,923</u>	<u>1,121,116</u>
Expenditures				
Debt service/interfund interest	5,415	5,415	920	14,695
Administrative expenses	40,855	52,955	12,505	42,865
Capital outlays	-	-	-	-
Encumbrances	-	-	-	(12,100)
Total expenditures	<u>46,270</u>	<u>58,370</u>	<u>13,425</u>	<u>45,460</u>
Revenue over (under) expenditures	1,264,730	1,252,630	1,380,498	1,075,656
Fund balance, beginning of year	<u>(138,216)</u>	<u>(138,216)</u>	<u>(138,216)</u>	<u>(1,213,872)</u>
Fund balance, end of period	<u>\$ 1,126,514</u>	<u>\$ 1,114,414</u>	<u>\$ 1,242,282</u>	<u>\$ (138,216)</u>

City of Franklin
Library Fund
Balance Sheet

December 31, 2016 and 2015 - UNAUDITED

	Operating		Restricted	
	2016	2015	2016	2015
Assets				
Cash and investments	\$ 333,948	\$ 403,561	\$ 125,789	\$ 120,009
Accrued receivables	93,361	84,961	-	-
Taxes receivable	1,296,600	1,287,000	-	-
Prepaid expenses	624	-	650	650
Total Assets	<u>\$ 1,724,533</u>	<u>\$ 1,775,522</u>	<u>\$ 126,439</u>	<u>\$ 120,659</u>
Liabilities and Fund Balance				
Accounts payable	\$ 33,542	\$ 62,192	\$ 2,150	\$ 3,635
Accrued salaries & wages	23,020	19,467	-	-
Unearned revenue	1,296,600	1,287,000	-	-
Nonspendable fund balance	-	-	650	650
Assigned fund balance	371,371	406,863	123,639	116,374
Total Liabilities and Fund Balance	<u>\$ 1,724,533</u>	<u>\$ 1,775,522</u>	<u>\$ 126,439</u>	<u>\$ 120,659</u>

Statement of Revenue, Expenses and Fund Balance - Operating Fund
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED

	2016		2016 Amended Budget	2016		2015 Annual Budget	2015		2015 Year-to-Date Budget	2015 Year-to-Date Actual	Variance to Budget
	Annual Budget	Year-to-Date Actual		Year-to-Date Actual	Budget		Year-to-Date Budget	Year-to-Date Actual			
Revenue											
Property taxes	\$ 1,287,000	\$ 1,287,000	\$ 1,287,000	\$ -	\$ 1,240,000	\$ 1,240,000	\$ 1,240,000	\$ 1,240,000	\$ 1,240,000	\$ 84,961	\$ 74,961
Reciprocal borrowing (restricted)	78,000	93,361	78,000	15,361	100,000	10,000	-	-	2,766	2,766	-
Investment income	-	6,635	-	6,635	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	<u>1,365,000</u>	<u>1,386,996</u>	<u>1,365,000</u>	<u>21,996</u>	<u>1,340,000</u>	<u>1,250,000</u>	<u>1,327,727</u>	<u>1,327,727</u>	<u>1,327,727</u>	<u>77,727</u>	<u>77,727</u>
Expenditures:											
Salaries and benefits	961,081	942,567	961,081	18,514	879,565	879,565	910,009	879,565	910,009	(30,444)	8,082
Contractual services	18,750	18,344	18,750	406	26,500	26,500	18,418	26,500	18,418	8,082	5,147
Supplies	29,900	32,884	39,900	7,016	31,500	31,500	26,353	31,500	26,353	5,147	1,614
Services and charges	56,100	50,742	56,100	5,358	56,600	56,600	54,986	56,600	54,986	1,614	26,295
Facility charges	256,640	244,054	256,640	12,586	254,120	254,120	227,825	254,120	227,825	26,295	10,445
Capital outlay	111,500	133,897	138,198	4,301	164,200	164,200	-	164,200	153,755	10,445	-
Capital outlay (restricted)	-	-	-	-	-	-	-	-	-	-	-
Total Library Costs	<u>1,433,971</u>	<u>1,422,488</u>	<u>1,470,669</u>	<u>48,181</u>	<u>1,412,485</u>	<u>1,412,485</u>	<u>1,391,346</u>	<u>1,412,485</u>	<u>1,391,346</u>	<u>21,139</u>	<u>21,139</u>
Total expenditures	<u>1,433,971</u>	<u>1,422,488</u>	<u>1,470,669</u>	<u>48,181</u>	<u>1,412,485</u>	<u>1,412,485</u>	<u>1,391,346</u>	<u>1,412,485</u>	<u>1,391,346</u>	<u>21,139</u>	<u>21,139</u>
Revenue over (under) expenditures	(68,971)	(35,492)	(105,669)	70,177	(72,485)	(162,485)	(63,619)	(162,485)	(63,619)	98,866	98,866
Fund balance, beginning of year	406,863	406,863	406,863	406,863	470,482	470,482	470,482	470,482	470,482	406,863	406,863
Fund balance, end of period	<u>\$ 337,892</u>	<u>\$ 371,371</u>	<u>\$ 371,371</u>	<u>\$ 371,371</u>	<u>\$ 397,997</u>	<u>\$ 397,997</u>	<u>\$ 406,863</u>	<u>\$ 397,997</u>	<u>\$ 406,863</u>	<u>\$ 406,863</u>	<u>\$ 406,863</u>

City of Franklin
Solid Waste Collection Fund
Balance Sheet
December 31, 2016 and 2015 - UNAUDITED

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Cash and investments	\$ 466,109	\$ 395,130
User fees receivable	1,207,786	1,198,161
Accrued Receivables	27,673	30,640
Total Assets	<u>\$ 1,701,568</u>	<u>\$ 1,623,931</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 162,899	\$ 164,534
Accrued salaries & wages	-	292
Unearned Revenue	1,207,786	1,198,161
Restricted fund balance	330,883	260,944
Total Liabilities and Fund Balance	<u>\$ 1,701,568</u>	<u>\$ 1,623,931</u>

Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED

Revenue	2016 Adopted Budget	2016 Amended Budget	2016 Year-to-Date Actual	2015 Year-to-Date Actual
Grants	\$ 69,200	69,200	\$ 65,995	\$ 69,191
User Fees	1,179,915	1,186,915	1,199,836	1,172,069
Landfill Operations-tippage	335,000	335,000	338,333	340,951
Investment Income	2,000	2,000	5,137	2,415
Sale of Recyclables	5,050	5,050	905	390
Total Revenue	<u>1,591,165</u>	<u>1,598,165</u>	<u>1,610,206</u>	<u>1,585,016</u>
Expenditures:				
Personal Services	23,669	23,669	17,328	19,172
Refuse Collection	667,931	667,931	658,869	657,534
Recycling Collection	357,306	357,306	363,767	362,908
Leaf & Brush Pickups	54,345	54,345	53,360	53,268
Tippage Fees	425,000	432,000	441,056	443,292
Miscellaneous	3,500	3,500	4,072	2,783
Printing	1,800	1,800	1,815	1,500
Total expenditures	<u>1,533,551</u>	<u>1,540,551</u>	<u>1,540,267</u>	<u>1,540,457</u>
 Revenue over (under) expenditures	 57,614	 <u>57,614</u>	 69,939	 44,559
 Fund balance, beginning of year	 <u>260,944</u>		 <u>260,944</u>	 <u>216,385</u>
 Fund balance, end of period	 <u>\$ 318,558</u>		 <u>\$ 330,883</u>	 <u>\$ 260,944</u>

**City of Franklin
Capital Outlay Fund
Balance Sheet
December 31, 2016 and 2015 - UNAUDITED**

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Cash and investments	\$ 510,187	\$ 707,407
Taxes receivable	444,300	437,100
Total Assets	<u>\$ 954,487</u>	<u>\$ 1,144,507</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 164,843	\$ 28,738
Miscellaneous claims payable	6,422	12,508
Unearned Revenue	444,300	437,100
Encumbrance	181,468	45,854
Assigned fund balance	157,454	620,306
Total Liabilities and Fund Balance	<u>\$ 954,487</u>	<u>\$ 1,144,506</u>

**Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED**

<u>Revenue</u>	<u>2016 Original Budget</u>	<u>2016 Amended Budget</u>	<u>2016 Year-to-Date Actual *</u>	<u>2015 Year-to-Date Actual</u>
Property Taxes	\$ 437,100	\$ 437,100	\$ 437,100	\$ 433,200
Grants	-	-	4,425	8,131
Landfill Siting	67,000	67,000	67,000	67,000
Investment Income	4,500	4,500	5,940	6,792
Miscellaneous Revenue	25,000	25,000	30,999	24,360
Transfers from Other Funds	-	26,025	26,025	475,000
Transfers from Fund Balance	-	-	-	-
Total Revenue	<u>533,600</u>	<u>559,625</u>	<u>571,489</u>	<u>1,014,483</u>
Expenditures:				
General Government	105,800	287,289	220,694	63,986
Public Safety	620,868	680,800	696,425	458,664
Public Works	86,850	137,149	86,919	145,042
Health and Human Services	3,500	3,500	2,656	-
Culture and Recreation	29,000	31,169	30,818	12,313
Conservation and Development	4,250	4,250	833	3,820
Contingency	50,000	2,893	41,850	13,700
Total expenditures	<u>900,268</u>	<u>1,147,050</u>	<u>1,080,195</u>	<u>697,525</u>
Revenue over (under) expenditures	(366,668)	(587,425)	(508,706)	316,958
Encumbrances	-	-	181,468	45,854
Fund balance, beginning of year	<u>662,952</u>	<u>662,952</u>	<u>666,160</u>	<u>303,348</u>
Fund balance, end of period	<u>\$ 296,284</u>	<u>\$ 75,527</u>	<u>\$ 338,922</u>	<u>\$ 666,160</u>

* Amount shown is actual expenditures plus encumbrance
3/31/2017

Findata:Qtrrpt Capital Outlay December 2016

**City of Franklin
Equipment Replacement Fund
Comparative Balance Sheet
December 31, 2016 and 2015 - UNAUDITED**

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Cash and investments	\$ 2,420,785	\$ 2,328,289
Taxes receivable	348,300	342,600
Line of Credit advance	-	-
Total Assets	<u>\$ 2,769,085</u>	<u>\$ 2,670,889</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 49,782	\$ 23,646
Unearned revenue	348,300	342,600
Encumbrance	36,891	-
Assigned fund balance	2,334,112	2,304,643
Total Liabilities and Fund Balance	<u>\$ 2,769,085</u>	<u>\$ 2,670,889</u>

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED**

	<u>2016 Original Budget</u>	<u>2016 Year-to-Date Budget</u>	<u>2016 Year-to-Date Actual *</u>	<u>2015 Year-to-Date Actual</u>
Revenue:				
Property Taxes	\$ 342,600	\$342,600	\$ 342,600	\$ 339,500
Landfill	200,000	200,000	200,000	100,000
Investment Income	20,000	20,000	9,370	26,845
Transfers from Other Funds	-	-	-	-
Property Sales	15,000	15,000	95,625	9,305
Total revenue	<u>577,600</u>	<u>577,600</u>	<u>647,595</u>	<u>475,650</u>
Expenditures:				
Public Safety	-	-	-	180,131
Public Works	655,000	655,000	618,126	180,549
Total expenditures	<u>655,000</u>	<u>655,000</u>	<u>618,126</u>	<u>360,680</u>
Revenue over (under) expenditures	(77,400)	<u>(77,400)</u>	29,469	114,970
Encumbrances			36,891	-
Fund balance, beginning of year	<u>2,304,643</u>		<u>2,304,643</u>	<u>2,189,673</u>
Fund balance, end of period	<u>\$ 2,227,243</u>		<u>\$ 2,371,003</u>	<u>\$ 2,304,643</u>

* Amount shown is actual expenditures plus emcumbance

**City of Franklin
Street Improvement Fund
Balance Sheet
December 31, 2016 and 2015 - UNAUDITED**

<u>Assets</u>	2016	2015
Cash and investments	\$ 164,453	\$ 245,955
Taxes receivable	704,900	693,500
Accrued receivables	92,875	-
Total Assets	\$ 962,228	\$ 939,455

<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ -	\$ -
Unearned revenue	704,900	693,500
Assigned fund balance	257,328	245,955
Total Liabilities and Fund Balance	\$ 962,228	\$ 939,455

**Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED**

	2016 Original Budget	2016 Amended Budget	2016 Year-to-Date Totals	2015 Year-to-Date Totals
Revenue:				
Property Taxes	\$ 693,500	\$ 693,500	\$ 693,500	\$ 687,300
Landfill Siting	133,000	133,000	133,000	133,000
Investment Income	5,500	5,500	3,688	5,334
Local Road Improvement Aids	70,000	70,000	92,875	-
Refunds and Reimbursements	-	20,000	28,855	2,441
Transfer from General Fund	-	-	-	25,000
Total revenue	902,000	922,000	951,918	853,075
Expenditures:				
Street Reconstruction Program - Current Year	940,000	960,000	940,545	836,557
Street Reconstruction Program - Prior Year(s)	-	-	-	1,399
Total expenditures	940,000	960,000	940,545	837,956
Revenue over (under) expenditures	(38,000)	(38,000)	11,373	15,119
Fund balance, beginning of year	245,955	245,955	245,955	230,836
Fund balance, end of period	\$ 207,955	\$ 207,955	\$ 257,328	\$ 245,955

City of Franklin
Capital Improvement Fund
Balance Sheet
December 31, 2016 and 2015 - UNAUDITED

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Cash and investments	\$ 2,774,817	\$ 2,712,197
Accrued receivables	130,837	214,569
Total Assets	\$ 2,905,654	\$ 2,926,766
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 129,851	\$ 1,198,834
Contracts Payable	6,531	38,096
Accrued payables	52,000	-
Encumbrance	1,145,026	575,497
Assigned fund balance	1,572,246	1,114,339
Total Liabilities and Fund Balance	\$ 2,905,654	\$ 2,926,766

Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED

	<u>2016</u> <u>Original</u> <u>Budget</u>	<u>2016</u> <u>Amended</u> <u>Budget</u>	<u>2016</u> <u>Year-to-Date</u> <u>Totals</u>	<u>2015</u> <u>Year-to-Date</u> <u>Totals</u>
Revenue:				
Block Grants	\$ 65,193	\$ 65,193	\$ 67,942	\$ -
Landfill Siting	498,000	557,000	533,843	623,473
Transfers from Other Funds	-	-	62,289	-
Transfers from General Funds	1,200,000	1,200,000	1,200,000	50,000
Transfers from Impact Fees	420,953	420,953	212,222	607,300
Transfers from Connection Fees	500,000	500,000	-	-
Bond Proceeds	1,000,000	1,000,000	-	-
Refunds & Reimbursements	-	-	87,355	-
Investment Income	5,000	5,000	(7,945)	4,681
Total revenue	3,689,146	3,748,146	2,155,706	1,285,454
Expenditures:				
General Government	495,000	479,500	4,343	-
Public Safety	548,800	666,364	531,570	96,997
Public Works	921,000	1,182,918	1,013,410	262,037
Culture and Recreation	1,242,209	1,491,217	567,034	1,604,032
Sewer & Water	500,000	614,849	43,424	148,417
Contingency	68,350	7	-	35,233
Bond/Note Issuance Cost	50,000	50,000	-	-
Transfers to Other Funds	-	-	113,515	-
Total expenditures	3,825,359	4,484,855	2,273,296	2,146,716
Revenue over (under) expenditures	(136,213)	(736,709)	(117,590)	(861,262)
Fund balance, beginning of year	1,689,836	1,689,836	1,689,836	1,975,601
Fund balance, end of period	\$ 1,553,623	\$ 953,127	\$ 1,572,246	\$ 1,114,339

**City of Franklin
Development Fund
Comparative Balance Sheet
December 31, 2016 and 2015 - UNAUDITED**

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Cash and investments	\$ 3,804,264	\$ 3,001,653
Due From TID 3	275,000	850,000
Total Assets	\$ 4,079,264	\$ 3,851,653
 <u>Liabilities and Fund Balance</u>		
Accounts payable	\$ -	\$ -
Payable to Developers- Oversizing	20,702	-
Non-Spendable Fund Balance - Advances	275,000	850,000
Encumbrance	3,321	3,321
Assigned fund balance	3,780,241	2,998,332
Total Fund Balance	4,055,241	3,848,332
Total Liabilities and Fund Balance	\$ 4,079,264	\$ 3,851,653

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED**

	<u>2016 Original Budget</u>	<u>2016 Amended Budget</u>	<u>2016 Year-to-Date Budget</u>	<u>2016 Year-to-Date Actual</u>	<u>2015 Year-to-Date Actual</u>
Revenue:					
Impact Fee: Parks	\$ 175,000	\$ 175,000	\$ 175,000	\$ 209,983	\$ 137,670
Impact Fee: Southwest Sewer Serv	-	-	-	-	2,928
Impact Fee: Administration	5,000	5,000	5,000	5,060	3,630
Impact Fee: Water	200,000	200,000	200,000	210,581	133,352
Impact Fee: Transportation	37,000	37,000	37,000	8,738	20,533
Impact Fee: Fire Protection	40,000	40,000	40,000	31,058	27,116
Impact Fee: Law Enforcement	73,000	73,000	73,000	57,694	50,222
Impact Fee: Library	55,000	55,000	55,000	59,483	38,526
Total Impact Fees	585,000	585,000	585,000	582,597	413,977
Investment Income	25,000	25,000	25,000	22,008	26,409
Interfund Interest Income	11,334	11,334	11,334	11,335	37,473
Total revenue	621,334	621,334	621,334	615,940	477,859
Expenditures:					
Other Professional Services	15,000	18,321	18,321	-	10,073
Transfer to Debt Service:					
Law Enforcement	205,006	205,006	205,006	63,044	67,122
Fire	42,958	42,958	42,958	42,957	42,974
Transportation	73,613	73,613	73,613	10,000	23,393
Library	134,040	134,040	134,040	54,930	49,004
Total Transfers to Debt Service	455,617	455,617	455,617	170,931	182,493
Transfer to Capital Improvement Fund:					
Park	420,953	420,953	301,499	212,222	607,300
Total Transfers to Capital Improve	420,953	420,953	301,499	212,222	607,300
Water Fees	500,000	500,000	458,333	25,878	-
Total expenditures	1,391,570	1,394,891	1,233,770	409,031	799,866
Revenue over (under) expenditures	(770,236)	(773,557)	<u>(612,436)</u>	206,909	(322,007)
Fund balance, beginning of year	3,851,653	3,851,653		3,851,653	4,170,339
Fund balance, end of period	<u>\$ 3,081,417</u>	<u>\$ 3,078,096</u>		<u>\$ 4,058,562</u>	<u>\$ 3,848,332</u>

City of Franklin
Development Fund Financial Report
For the twelve months ended December 31, 2016 - UNAUDITED

Effective with all permits applied for after May 31, 2002, in accordance with our Impact Fee Ordinance 2002-1712 new impact fees were adopted. The fees are automatically increased 5% in January of each year. The components of the fees for 2016 are as follows.

	Single Family	Two Family	Multi Family per Unit
Park and Playground Facilities	\$ 3,015.00	\$ 6,030.00	\$ 2,141.00
Fire Protection Facilities	430.00	860.00	299.00
Law Enforcement Facilities	799.00	1,598.00	556.00
Water system ¹ per every 169 gallons of daily use	2,172.00	4,344.00	2,172.00 ¹
Transportation Facilities	84.00	168.00	59.00
Administrative Fee	55.00	110.00	55.00
Library Facilities	879.00	1,758.00	587.00
Sanitary Sewer - Ryan Creek	2,928.00	5,856.00	see note ²
	\$ 10,362.00	\$ 20,724.00	\$ 5,869.00

In addition to the above, there is an established commercial impact fee of \$.523 psf, an industrial impact fee of \$.136 psf and an institutional impact fee of \$.738 psf. There is also a charge on each commercial, industrial or institutional building for water of \$2,069 per REC (residential equivalency) and an administrative fee of \$55 for the first 10,000 sq. ft. plus \$55 for each additional 10,000 sq. ft.

The funds generated are available for capital projects or related debt service of those municipal activities. Interest revenue is credited to each account balance.

²

On May 21, 2013, the Common Council adopted Ordinance 2013-2105 to provide for the extension of and cost recovery of public sanitary sewer within the southwest sanitary sewer service area served by the Ryan Creek Interceptor public sanitary sewer. The fee for a single family dwelling with a 0.75" meter is \$2,928.00. For a multi family dwelling the fee is \$2,928.00 for the first unit and \$1,464.00 for each additional unit.

City of Franklin

Development Fund

Summary of Impact Fee Activity
For the twelve months ended December 31, 2016 - UNAUDITED

Cash Acct	4292	4293	4294	4295	4296	4297	4299	Net Cash Balance
Revenue Acct	SW Sewer	Admin Fee *	Water	Transportation	Fire Protection	Law Enforcement	Library	
Expenditure Acct	Parks Recreation							
Beginning Bal, 12/31/15	33,512.51	61,308.83	430,396.64	4,297.86	38,812.91	14,824.81	9,825.75	3,851,653.09
1st Quarter								
Impact Fees	0.00	385.00	24,875.00	584.00	2,990.00	5,556.00	6,111.00	61,548.00
Expenditures	(108,698.00)	0.00	0.00	0.00	(37,637.00)	(21,680.90)	(10,480.96)	(178,496.86)
Transfers	3,171,022.78	61,693.83	455,271.64	4,881.86	4,165.91	(1,300.09)	5,455.79	3,734,704.23
Investment Income	26,490.52	506.79	3,648.98	37.82	177.07	55.72	62.96	31,256.00
Ending balance 3/31/2016	33,788.65	62,200.62	458,920.62	4,919.68	4,342.98	(1,244.37)	5,518.75	3,765,960.23
2nd Quarter								
Impact Fees	0.00	3,520.00	133,578.00	5,342.00	19,700.00	36,586.00	37,550.00	370,942.00
Expenditures	(18,473.78)	0.00	592,498.62	10,261.68	24,042.98	35,341.63	43,068.75	(18,473.78)
Transfers	3,313,705.52	65,720.62	592,498.62	10,261.68	24,042.98	35,341.63	43,068.75	4,118,428.45
Investment Income	13,533.44	268.41	2,419.81	41.91	98.19	144.34	175.90	16,820.00
Ending balance 6/30/2016	33,926.65	65,989.03	594,918.43	10,303.59	24,141.17	35,485.97	43,244.65	4,135,248.45
3rd Quarter								
Impact Fees	0.00	770.00	28,236.00	2,224.00	5,358.00	9,959.00	9,669.00	89,381.00
Expenditures	(10,147.11)	0.00	(10,000.00)	(10,000.00)	(5,320.25)	(41,362.90)	(44,449.26)	(111,279.52)
Transfers	3,350,256.85	66,759.03	623,154.43	2,527.59	24,178.92	4,082.07	8,464.39	4,113,349.93
Investment Income	3,048.61	60.76	567.05	2.30	22.00	3.71	7.70	3,743.00
Ending balance 9/30/2016	33,957.52	66,819.79	623,721.48	2,529.89	24,200.92	4,085.78	8,472.09	4,117,092.93
4th Quarter								
Impact Fees	0.00	385.00	23,892.00	588.00	3,010.00	5,593.00	6,153.00	60,726.00
Expenditures	(74,903.10)		(25,878.00)					(100,781.10)
Transfers	3,299,507.36	67,204.79	621,735.48	3,117.89	27,210.92	9,678.78	14,625.09	4,077,037.83
Investment Income	(14,952.45)	(304.55)	(2,817.53)	(14.13)	(123.31)	(43.86)	(66.28)	(18,476.00)
Ending balance 12/31/2016	33,803.63	66,900.24	618,917.95	3,103.76	27,087.61	9,634.92	14,558.81	4,058,561.83
Number of Months	23.09	137.70	31.55	0.72	6.75	1.31	3.37	
2016 Impact Fees	0.00	5,060.00	210,581.00	8,738.00	31,058.00	57,694.00	59,483.00	582,597.00
2015 Impact Fees	2,928.00	3,630.00	133,352.00	20,533.00	27,116.00	50,222.00	38,526.00	413,977.00
2014 Impact Fees	184,592.00	5,830.00	235,415.00	51,436.00	48,134.00	88,431.00	51,821.00	683,227.00
2013 Impact Fees	317,206.00	6,160.00	427,429.00	31,829.00	45,110.00	82,280.00	66,179.00	987,905.00
* Funded by an Administrative Fee not an impact fee								
1 Debt service payments								
2 Oversizing payments made								
3 Transfer to Water Utility for Puetz Road Water Tower Project								
20,702.40 Oversizing payments due in future periods								
73,635.62 42,974.50 205,021.90								
899,899.74 359,200.00 1,863,400.00								
1,099,029.73								

**City of Franklin
Utility Development Fund
Comparative Balance Sheet
December 31, 2016 and 2015 - UNAUDITED**

Assets	2016	2015
Cash and investments - Water	\$ 436,368	\$ 258,520
Cash and investments - Sewer	628,705	449,443
Taxes receivable	159,118	199,041
Special Assessment - Water Current	212,883	330,677
Special Assessment - Water Deferred	332,962	355,716
Special Assessment - Sewer Current	297,705	393,369
Special Assessment - Sewer Deferred	76,728	108,128
Reserve for Uncollectable	(40,982)	(95,135)
Total Assets	\$ 2,103,487	\$ 1,999,759
Liabilities and Fund Balance		
Accounts payable	\$ -	\$ -
Unearned Revenue	879,297	1,092,755
Total Fund Balance	1,224,190	907,004
Total Liabilities and Fund Balance	\$ 2,103,487	\$ 1,999,759

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED**

	2016 Original Budget	2016 Year-to-Date Budget	2016 Year-to-Date Actual	2015 Year-to-Date Actual
Revenue:				
Special Assessments				
Water	\$ 101,150	\$ 101,150	\$ 133,982	\$ 71,431
Sewer	94,100	94,100	118,685	81,116
Connection Fees				
Water	4,100	4,100	-	2,069
Sewer	35,000	35,000	18,300	25,980
				-
Total Impact Fees	234,350	234,350	270,967	180,596
Special Assessment Interest	58,000	58,000	41,742	52,440
Investment Income	1,650	1,650	4,478	1,537
Total revenue	<u>294,000</u>	<u>294,000</u>	<u>317,187</u>	<u>234,573</u>
Transfer to Capital Improvement Fund:				
Water	250,000	250,000	-	-
Sewer	250,000	250,000	-	-
Total Transfers to Capital Improven	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>-</u>
Revenue over (under) expenditures	(206,000)	(206,000)	317,187	234,573
Fund balance, beginning of year			<u>907,003</u>	<u>672,431</u>
Fund balance, end of period			<u>\$ 1,224,190</u>	<u>\$ 907,004</u>

City of Franklin
Self Insurance Fund - Actives
Balance Sheet
December 31, 2016 and 2015 - UNAUDITED

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Cash and investments	\$ 2,617,342	\$ 2,587,068
Accounts receivable	-	192
Interfund advance receivable	275,000	1,088,000
Prepaid expenses	150,965	57,500
Total Assets	<u>\$ 3,043,307</u>	<u>\$ 3,732,760</u>
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 26,732	\$ 378
Claims payable	270,500	270,500
Unrestricted net assets	2,746,075	3,461,882
Total Liabilities and Fund Balance	<u>\$ 3,043,307</u>	<u>\$ 3,732,760</u>

City of Franklin Self Insurance Fund - Actives
Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED

	<u>2016</u>	<u>2016</u>	<u>2016</u>	<u>2015</u>
<u>Revenue</u>	<u>Budget</u>	<u>Year-to-Date</u>	<u>Year-to-Date</u>	<u>Year-to-Date</u>
		<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Medical Premiums-City	\$ 2,419,184	2,419,184	\$ 2,470,381	\$ 2,574,897
Medical Premiums-Employee	384,955	384,955	418,259	414,028
Other - Investment Income, etc.	56,004	56,004	31,196	68,294
Medical Revenue	<u>2,860,143</u>	<u>2,860,143</u>	<u>2,919,836</u>	<u>3,057,219</u>
Dental Premiums-City	112,600	112,600	106,971	104,418
Dental Premiums-Retirees	5,750	5,750	3,456	3,456
Dental Premiums-Employee	55,150	55,150	56,391	52,920
Dental Revenue	<u>173,500</u>	<u>173,500</u>	<u>166,818</u>	<u>160,794</u>
Total Revenue	<u>3,033,643</u>	<u>3,033,643</u>	<u>3,086,654</u>	<u>3,218,013</u>
Expenditures:				
Active Employees-Medical				
Medical claims - Current Year	2,275,000	2,383,833	2,513,483	1,914,796
Excess claims	600,000	491,167	-	-
Medical claims - Prior Year	-	-	258,074	102,942
Prescription drug claims	-	-	310,647	325,370
Refunds-Stop Loss Coverage	-	-	(423,054)	(175,723)
Total Claims-Actives	<u>2,875,000</u>	<u>2,875,000</u>	<u>2,659,150</u>	<u>2,167,385</u>
Medical Claim Fees	215,000	215,000	173,880	166,193
Memberships	-	-	3,120	3,180
Miscellaneous Wellness	18,876	18,876	81,817	77,178
Section 125 administration Fee	6,200	6,200	3,341	2,417
Stop Loss Premiums	675,000	675,000	648,325	589,964
ACA Fees	70,000	70,000	43,355	35,203
Total Medical Costs-Actives	<u>3,860,076</u>	<u>3,860,076</u>	<u>3,612,988</u>	<u>3,041,520</u>
Active Employees-Dental				
Dental claims - Current Year	150,000	150,000	156,403	137,555
Dental claims - Prior Year	2,000	2,000	12,625	1,708
Dental Claim Fees	12,000	12,000	12,221	9,969
Total Dental Costs-Actives	<u>164,000</u>	<u>164,000</u>	<u>181,249</u>	<u>149,232</u>
Retirees-Dental				
Dental claims - Current Year	5,200	5,200	7,370	3,846
Dental claims - Prior Year	900	900	668	1,563
Dental Claim Fees	200	200	186	141
Total Dental Costs-Retirees	<u>6,300</u>	<u>6,300</u>	<u>8,224</u>	<u>5,550</u>
Total Dental Costs	<u>170,300</u>	<u>170,300</u>	<u>189,473</u>	<u>154,782</u>
Total Expenditures	<u>4,030,376</u>	<u>4,030,376</u>	<u>3,802,461</u>	<u>3,196,302</u>
Revenue over (under) expenditures	(996,733)	<u>\$ (996,733)</u>	(715,807)	21,711
Net assets, beginning of year	<u>3,461,882</u>		<u>3,461,882</u>	<u>3,440,171</u>
Net assets, end of period	<u>\$ 2,465,149</u>		<u>\$ 2,746,075</u>	<u>\$ 3,461,882</u>

City of Franklin
City of Franklin Post Employment Benefits Trust
Balance Sheet
December 31, 2016 and 2015 - UNAUDITED

<u>Assets</u>	<u>2016</u>	<u>2015</u>
Cash and investments	\$ 1,952	\$ -
Investments held in trust - Fixed Inc	1,685,616	1,232,922
Investments held in trust - Equities	3,284,940	3,475,966
Accounts receivable	(806)	941
Prepaid expenses	10,653	-
Total Assets	<u>\$ 4,982,355</u>	<u>\$ 4,709,829</u>
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 1,519	\$ -
Claims payable	45,000	45,000
Due to City	50,000	146,844
Net assets held in trust for post emp	4,885,836	4,517,985
Total Liabilities and Fund Balance	<u>\$ 4,982,355</u>	<u>\$ 4,709,829</u>

City of Franklin Post Employment Benefits Trust
Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2016 and 2015
UNAUDITED

<u>Revenue</u>	<u>2016</u> <u>Year-to-Date</u> <u>Actual</u>	<u>2015</u> <u>Year-to-Date</u> <u>Actual</u>
ARC Medical Charges - City	\$ 191,757	\$ 198,475
Medical Charges - Retirees	84,137	85,444
Implicit Rate Subsidy	-	208,416
Medical Revenue	<u>275,894</u>	<u>492,335</u>
Expenditures:		
Retirees-Medical		
Medical claims - Current Year	142,214	599,002
Medical claims - Prior Year	28,213	10,023
Prescription drug claims	95,165	88,845
Refunds-Stop Loss Coverage	8,935	(283,798)
Total Claims-Retirees	<u>274,527</u>	<u>414,072</u>
Medical Claim Fees	16,840	10,187
Stop Loss Premiums	74,347	52,337
Miscellaneous Expense	255	225
ACA Fees	3,743	3,031
Total Medical Costs-Retirees	<u>369,712</u>	<u>479,852</u>
Revenue over (under) expenditures	(93,818)	12,483
Annual Required Contribution-Net	-	68,560
Other - Investment Income, etc.	461,669	18,705
Total Revenues	<u>461,669</u>	<u>87,265</u>
Net Revenues (Expenditures)	367,851	99,748
Net assets, beginning of year	<u>4,517,985</u>	<u>4,418,239</u>
Net assets, end of period	<u>\$ 4,885,836</u>	<u>\$ 4,517,987</u>

CITY OF FRANKLIN, WI
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 NONMAJOR GOVERNMENTAL FUNDS FOR CITY OF FRANKLIN
 Period Ending 12/31/2016

GL Number	FUND 16	FUND 20	FUND 24	FUND 25	FUND 26	FUND 28	FUND 29	TOTAL
REVENUES								
INTERGOVERNMENTAL	\$ -	\$ 4,658	\$ -	\$ 108,556	\$ 19,055	\$ -	\$ -	\$ 132,269
LICENSES & PERMITS	-	-	27,355	-	-	-	-	27,355.00
CHARGES FOR SERVICES	8,273	-	-	-	-	-	-	109,628
MISCELLANEOUS REVENUE	82,379	-	250	8,590	-	71,180	20,375	182,774.06
INVESTMENT EARNINGS	106	-	-	-	-	-	-	105.73
Total Revenues	90,758	4,658	27,605	117,146	19,055	71,180	130,003	460,404.21
EXPENDITURES								
PERSONAL SERVICES	-	-	24,181	4,680	-	-	-	23,456
EMPLOYEE BENEFITS	-	-	7,369	49,686	-	-	-	7,794
CONTRACTUAL SERVICES	11,922	-	350	32,330	-	-	-	62,900
SUPPLIES	30,822	2,591	1,239	18,029	-	24,144	28,285	105,111.29
SERVICES & CHARGES	12,192	-	11,224	13,797	-	(141)	19,917	56,989.39
Total Expenditures	54,937	2,591	44,364	118,523	-	24,003	142,353	386,769.87
Excess (deficiency) of Revenues vs. Exp	35,821	2,067	(16,759)	(1,377)	19,055	47,177	(12,350)	73,634.34
OTHER FINANCING SOURCES								
FUND TRANSFERS	-	-	11,000	-	-	-	-	13,000
OTHER FINANCING USES								
CAPITAL OUTLAY	28,556	781	-	931	16,465	3,522	-	50,255.16
Net Change in Fund Balance	7,265	1,286	(5,759)	(2,307)	2,590	43,655	650	47,379.18
Fund Balance - Beginning:	117,024	13,583	(12,712)	148,694	(2,275)	133,678	47,736	445,729.62
Fund Balance - Ending:	124,289	14,869	(18,470)	146,387	315	177,333	48,386	493,108.80

**City of Franklin
Park Commission
Statement of Revenue and Expenses
For the Twelve months ended December 31, 2016 - UNAUDITED**

	2016 Amended Budget	2016 Year-to-Date Budget	Current Year-to-Date Totals	2015 Year-to-Date Totals
General Fund Operating Expenses:				
Personal Services	\$ 138,261	\$ 138,261	\$ 134,492	\$ 134,151
Park Maintenance	21,000	21,000	13,676	14,453
Uniforms	250	250	249	250
Allocated insurance	4,900	4,900	4,900	4,900
Mileage	500	500	1,244	242
Utilities	8,000	8,000	7,059	5,415
Total Operating Fund Expenses	\$ 172,911	\$ 172,911	\$ 161,620	\$ 159,411
Capital Outlay Fund Expenses:				
Landscaping-Park/Tree Maint	\$ 1,000	\$ 1,000	\$ 1,110	\$ 300
Park Improvements-Development	2,169	2,169	2,169	8,501
Park Equipment & Supplies	28,000	28,000	27,539	3,513
Total Capital Outlay Expenditures	\$ 31,169	\$ 31,169	\$ 30,818	\$ 12,314
Development Fund Expenses:				
Appraisal services	\$ -	\$ -	\$ -	\$ -
Transfer to Capital Improvement Fund	420,953	420,953	212,222	607,300
Total Capital Improvement Expenditures	420,953	420,953	212,222	607,300
Capital Improvement Fund Expenses:				
General Park Development	\$ 777,209	\$ 777,209	\$ -	\$ -
Equipment Kayla's Playground	24,280	24,280	25,160	24,280
Franklin Historical Society Barn	20,000	20,000	210	-
Pleasant View Park - Improvements	-	-	-	103,529
Kayla's Playground - Franklin Woods	150,941	150,941	134,475	1,158,038
Pedestrian Walkway - College Ave 27 to 35	227,100	227,100	127,482	9,100
North Cape Road Recreation & Bike Trail	-	-	-	423
Franklin Bike & Hiking Trail	-	-	-	130,771
Pleasant View/Victory Creek Trail	37,000	37,000	27,600	-
Robinwood Trail	139,463	139,463	136,237	13,011
Playground Equipment-Neighborhood Parks	-	-	-	50,000
Ernie Lake Park - Park Equipment	-	-	-	5,980
Kayla's Playground - Park Equipment & Supp	11,593	11,593	12,239	5,271
River Park Trail Bridge	103,631	103,631	103,631	103,631
Total Capital Improvement Expenditures	1,491,217	1,491,217	567,034	1,604,034
Less Impact Fees Transfer	-	-	-	-
Amount Due From Impact Fees	\$ 1,491,217	\$ 1,491,217	\$ 567,034	\$ 1,604,034

City of Franklin
Sanitary Sewer Fund
Statement of Revenue, Expenditures,
and Changes in Net Assets
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED

	2016 Amended Budget	2016 Year-to-Date Budget	Current Year-to-Date Totals	Prior Year-to-Date Totals
Operating Revenue				
Residential	\$ 1,899,800	\$ 1,899,800	\$ 1,789,296	\$ 1,871,113
Commercial	467,000	467,000	487,249	467,975
Industrial	420,000	420,000	406,631	406,203
Public Authority	140,000	140,000	151,190	133,395
Penalties/Other	32,000	32,000	36,384	36,936
Multi Family	420,000	420,000	457,801	424,760
Total Operating Revenue	<u>3,378,800</u>	<u>3,378,800</u>	<u>3,328,551</u>	<u>3,340,382</u>
Operating Expenditures				
Salaries and benefits	\$ 454,927	\$ 454,927	\$ 436,870	\$ 446,743
Contractual services	127,500	127,500	93,461	92,218
Supplies	103,600	103,600	87,705	64,670
Facility charges	70,900	70,900	59,545	38,761
Shared meter costs	4,800	4,800	8,105	6,995
Sewer service - MMSD	2,203,300	2,203,300	2,141,409	2,090,220
Other operating costs	30,336	30,336	18,585	22,637
Allocated expenses	113,500	113,500	122,528	114,471
Sewer improvements	170,000	170,000	60,612	29,971
Retirement - GASB 68	-	-	65,783	9,913
Depreciation	106,100	106,100	122,336	103,890
Total operating expenditures	<u>3,384,963</u>	<u>3,384,963</u>	<u>3,216,939</u>	<u>3,020,489</u>
Operating Income (Loss)	(6,163)	(6,163)	111,612	319,893
Non-Operating Revenue (Expenditures)				
Miscellaneous income	-	-	2,515	6,127
Refunds/Reimbursements	-	-	38,975	-
Investment income	541,193	541,193	435,320	589,760
Interest expense	(536,193)	(536,193)	(531,445)	(559,703)
Total non-operating revenue (expenditures)	<u>5,000</u>	<u>5,000</u>	<u>(54,635)</u>	<u>36,184</u>
Income (Loss) before Capital Contributions	<u>(1,163)</u>	<u>(1,163)</u>	<u>56,977</u>	<u>356,077</u>
Retained Earnings- Beginning	1,537,815	1,537,815	1,537,815	2,864,465
Transfer (to) from Invested in Capital Assets	(1,314,300)	(1,314,300)	61,412	(1,682,727)
Retained Earnings- Ending	<u>222,352</u>	<u>222,352</u>	<u>1,656,204</u>	<u>1,537,815</u>
Capital Contributions	600,000	600,000	24,674,621	24,831
Depreciation - CIAC	(598,000)	(598,000)	(4,150,236)	(589,019)
Transfer (to) from Retained Earnings	1,314,300	1,314,300	(61,412)	1,682,727
Change in Net Investment in Capital Assets	1,316,300	1,316,300	20,462,973	1,118,539
Net Investment in Capital Assets-Beginning	44,608,914	44,608,914	44,608,914	43,490,375
Net Investment in Capital Assets-Ending	<u>45,925,214</u>	<u>45,925,214</u>	<u>65,071,887</u>	<u>44,608,914</u>
Total net assets	<u>\$ 46,147,566</u>	<u>\$ 46,147,566</u>	<u>\$ 66,728,091</u>	<u>\$ 46,146,729</u>

**City of Franklin
Sanitary Sewer Fund
Statement of Cash Flows
For the Twelve months ended December 31, 2016 and 2015 - UNAUDITED**

	2016	2015
Cash Flows from Operating Activities		
Operating income (loss)	\$ 111,612	\$ 319,893
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	122,336	103,890
allocated from water utility	(12,363)	(12,435)
(Increase) decrease in assets:		
Accounts receivable	3,989	50,583
Taxes receivable	2,694	(14,328)
Due from other funds	33,049	(15,834)
Miscellaneous receivable	272,656	-
Prepaid expenses	2,214	(4,428)
Increase (decrease) in liabilities:		
Accounts payable	(31,133)	(233,886)
Accrued expenses	(22,637)	11,927
Due to other funds	(29,538)	39,820
Due to general fund	(4,801)	(4,581)
GASB 68 pension	61,591	108,210
Compensated absences reserve	6,837	5,920
Total Adjustments	404,893	34,858
Net Cash Provided by Operating Activities	\$ 516,505	\$ 354,751
 Cash Flows From Capital & Related Financing Activities		
Due from MMSD & Other Governments	1,356,800	744,031
Notes payable	(1,157,048)	(1,129,246)
Acquisition of capital assets	(48,560)	(1,774,182)
Investment in deferred assets	4,192	(80,922)
Net Cash Provided (Used) in Capital and Financing Activities	155,384	(2,240,319)
 Cash Flows from Investing Activities		
Interest and other income	476,810	595,887
Interest expense	(531,445)	(559,703)
Net Change in Cash and Cash Equivalents	617,254	(1,849,384)
 Cash and Cash Equivalents, beginning of period	296,274	2,145,658
 Cash and Cash Equivalents, end of period	\$ 913,528	\$ 296,274

**City of Franklin
Sanitary Sewer Fund
Comparative Balance Sheet
December 31, 2016 and 2015 - UNAUDITED**

	<u>2016</u>	<u>2015</u>
<u>Assets</u>		
Current assets:		
Cash and investments	\$ 913,528	\$ 296,274
Accounts receivable	859,610	863,599
Taxes receivable	121,939	124,633
Due from Franklin Water Utility	56,171	89,220
Miscellaneous receivable	7,129	279,785
Prepaid expenses	2,214	4,428
Total current assets	<u>1,960,591</u>	<u>1,657,939</u>
Non current assets:		
Due from MMSD	23,955,099	25,311,899
Sanitary Sewer plant in service:		
Land	725,594	358,340
Buildings and improvements	3,292,878	3,277,771
Improvements other than buildings	78,725,672	54,380,957
Machinery and equipment	811,870	796,670
Construction in progress	-	19,095
	<u>83,556,014</u>	<u>58,832,833</u>
Less accumulated depreciation	<u>(18,484,127)</u>	<u>(14,223,919)</u>
Net sanitary sewer plant in service	<u>65,071,887</u>	<u>44,608,914</u>
Deferred assets:		
Pension assets	<u>76,730</u>	<u>80,922</u>
Total Assets	<u><u>\$ 91,064,307</u></u>	<u><u>\$ 71,659,674</u></u>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	\$ 558,085	\$ 589,218
Accrued liabilities	27,937	50,574
Due to Franklin Water Utility	20,492	50,030
Due to General Fund - non-interest bearing	<u>2,285,607</u>	<u>2,290,408</u>
Total current liabilities	2,892,121	2,980,230
Non current liabilities:		
Accrued compensated absences	74,066	67,229
Pension liability (GASB 68)	169,801	108,210
General Obligation Notes payable - CWF	<u>21,200,228</u>	<u>22,357,276</u>
Total liabilities	<u>24,336,216</u>	<u>25,512,945</u>
Net Assets:		
Invested in capital assets, net of related debt	65,071,887	44,608,914
Sewer equipment replacement	356,106	356,106
Retained earnings	<u>1,300,098</u>	<u>1,181,709</u>
Total net assets	<u>66,728,091</u>	<u>46,146,729</u>
Total Liabilities and Net Assets	<u><u>\$ 91,064,307</u></u>	<u><u>\$ 71,659,674</u></u>

Franklin Municipal Water Utility
Comparative Statement of Revenue, Expenditures,
and Changes in Net Assets
For the period ended December 31, 2016 and 2015 - UNAUDITED

	<u>2016</u>	<u>2015</u>
Operating Revenue		
Total metered sales	5,315,380	4,906,324
Fire protection	656,318	638,777
Forfeited discounts, penalties and other	82,875	64,828
Total Operating Revenue	<u>6,054,573</u>	<u>5,609,929</u>
Operating Expenditures		
Operation and maintenance expenses:		
Source of supply	3,048,291	3,039,702
Pumping	132,150	145,378
Water treatment	2,767	3,915
Transmission and distribution	437,739	432,479
Customers' accounts	47,054	47,375
Administrative and general	480,843	468,556
Total operation and maintenance expenses	<u>4,148,844</u>	<u>4,137,405</u>
Depreciation	419,385	414,697
Amortization and Pension Expenses	220,642	431,857
Taxes	1,071,614	1,068,819
Total Operating Expenditures	<u>5,860,485</u>	<u>6,052,778</u>
Operating Income (Loss)	<u>194,088</u>	<u>(442,849)</u>
Non-Operating Revenue (Expenses)		
Sundry	95,292	67,475
Interest on investments	2,589	3,368
Interest on long term debt	(36,000)	(10,937)
Depreciation - CIAC	(782,893)	(775,266)
Total Non-Operating Revenue (Expenses)	<u>(721,012)</u>	<u>(715,360)</u>
Income before Capital Contributions	<u>(526,924)</u>	<u>(1,158,209)</u>
Capital Contributions-Developer & Municipality	<u>923,248</u>	<u>541,420</u>
Net change in net assets	396,324	(616,789)
Net Assets, beginning of period	<u>45,924,817</u>	<u>46,541,606</u>
Net Assets, end of period	<u>\$ 46,321,141</u>	<u>\$45,924,817</u>

Franklin Municipal Water Utility
Comparative Statement of Cash Flows
For the period ended December 31, 2016 and 2015 - UNAUDITED

	2016	2015
Cash Flows from Operating Activities		
Operating income (loss)	\$ 194,088	\$ (442,849)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation & Amortization	550,051	782,248
Depreciation-shared meters	12,363	12,435
(Increase) decrease in assets:		
Accounts receivable	(108,815)	(28,586)
Due from other funds	84,117	(94,348)
Taxes receivable	(16,410)	22,825
Prepaid expenses	4,054	(6,358)
Increase (decrease) in liabilities:		
Accounts payable	(99,718)	19,273
Accrued expenses	(21,109)	(193,291)
Due to other funds	(115,386)	128,057
Customer deposits	-	(100)
GASB 68 pension	69,190	212,661
Compensated absences reserve	6,837	5,920
Total Adjustments	365,174	860,736
Net Cash Provided (Used) by Operating Activities	559,262	417,887
 Cash Flows From Capital & Related Financing Activities		
Acquisition of capital assets	(1,151,050)	(1,600,628)
Investment in Deferred Assets	20,786	(949,963)
Capital Contribution - Impact Fees	923,248	541,420
Interest paid on long term debt	(35,633)	(826)
Principal on long term debt	(53,854)	(54,174)
Net Cash Provided (Used) in Capital and Financing Activities	(296,503)	(2,064,171)
 Cash Flows from Investing Activities		
Interest, property rental & other income	97,881	70,843
Net Change in Cash and Cash Equivalents	360,640	(1,575,441)
Cash and Cash Equivalents, beginning of period	828,364	2,403,805
Cash and Cash Equivalents, end of period	\$ 1,189,004	\$ 828,364

Franklin Municipal Water Utility
Comparative Balance Sheet
December 31, 2016 & 2015 - UNAUDITED

Assets	<u>2016</u>	<u>2015</u>
Current Assets:		
Cash and investments	\$ 1,189,004	\$ 828,364
Accounts receivable	1,416,049	1,307,234
Taxes receivable	183,462	167,052
Due from City of Franklin	26,275	110,392
Prepaid expenses	2,304	6,358
Total current assets	<u>2,817,094</u>	<u>2,419,400</u>
Utility plant in service:		
Land	162,885	162,885
Buildings and improvements	3,384,279	3,369,172
Construction in Progress	-	21,389
Improvements other than buildings	55,599,147	54,748,756
Machinery and equipment	4,393,571	4,320,402
	<u>63,539,882</u>	<u>62,622,604</u>
Less accumulated depreciation	<u>18,128,361</u>	<u>17,147,492</u>
Net utility plant in service	<u>45,411,521</u>	<u>45,475,112</u>
Deferred Assets:		
Pension Assets	127,569	148,355
Deferred Costs	303,391	434,057
Total deferred assets	<u>430,960</u>	<u>582,412</u>
Total Assets	<u><u>\$ 48,659,575</u></u>	<u><u>\$48,476,924</u></u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 730,483	\$ 830,201
Accrued liabilities	12,618	33,360
Due to City of Franklin	70,950	186,336
Pension liability	281,851	212,661
Compensated absences reserve	74,066	67,229
Bond Payable	1,168,466	1,222,320
Total liabilities	<u>2,338,434</u>	<u>2,552,107</u>
Net Assets		
Invested in capital assets, net of related debt	45,644,335	45,909,169
Retained earnings	676,806	15,648
Total net assets	<u>46,321,141</u>	<u>45,924,817</u>
Total Liabilities and Net Assets	<u><u>\$ 48,659,575</u></u>	<u><u>\$48,476,924</u></u>

Franklin Municipal Water Utility
Notes to the Financial Statements
For the period ended December 31, 2016 and 2015 - UNAUDITED

¹ Operating revenue is \$68,573 greater than budget at December 31, 2016.

The 2016 budget anticipated a rate increase as of January 1, 2016 from a 2015 rate case application with the PSC. That rate increase became effective July 1, 2016.

² Operating expenditures are \$44,080 greater than budget for the year.

Water Connection Fee

Prior to May 31, 2002, the City collected a water connection fee on new construction and connections to existing properties, to be used to fund water main construction projects. The water connection fees on hand on December 31, 2016 total \$436,368.

Water Impact Fee

Since May 31, 2002 a water impact fee on residential and commercial construction replaced the water connection fee. Water Impact Fees collected in 2016 total \$210,581. Water Impact fees on hand at December 31, 2016 total \$618,918.

Franklin Municipal Water Utility
Detailed Statement of Revenue, Expenditures
and Changes in Net Assets
For the period ended December 31, 2016 and 2015 - UNAUDITED

<u>Account Description</u>	<u>Annual Budget</u>	<u>Year to Date Budget</u>	<u>Current Year to Date</u>	<u>Prior Year to Date</u>
Operating Revenue				
Metered Sales-Residential	\$ 2,964,100	\$ 2,964,100	\$ 3,040,247	\$ 2,822,151
Metered Sales-Commercial	797,000	797,000	667,943	667,054
Metered Sales-Industrial	403,300	403,300	467,973	392,069
Other Sales to Public Authority	292,800	292,800	270,342	250,751
Metered Sales-Multifamily	784,100	784,100	717,806	663,537
Metered Sales-Irrigation	24,000	24,000	151,069	110,762
Total Metered Sales	5,265,300	5,265,300	5,315,380	4,906,324
Unmetered Sales	5,000	5,000	27,284	11,385
Private Fire Protection	124,100	124,100	122,290	121,055
Public Fire Protection	540,100	540,100	534,028	517,722
Forfeited Discount	51,500	51,500	55,591	53,443
Total Operating Revenue	\$ 5,986,000	\$ 5,986,000	\$ 6,054,573	\$ 5,609,929
Operating Expenditures				
Operation and maintenance expense				
Source of Supply-Oper Labor	\$ 1,600	\$ 1,600	\$ 376	\$ 531
Operations Supplies & Expense	20,135	20,135	17,408	8,350
Wholesale Water	3,085,800	3,085,800	3,030,045	3,030,790
Maint of Water Source plant	5,000	5,000	462	31
Source of Supply	3,112,535	3,112,535	3,048,291	3,039,702
Pumping-Fuel	58,758	58,758	42,927	46,340
Pumping-Operations Labor	73,000	73,000	82,128	86,730
Pumping-Main Labor Pumping	2,000	2,000	487	1,857
Pumping-Main Expense Pumping	17,000	17,000	6,608	10,451
Pumping	150,758	150,758	132,150	145,378
Water Treat Chemicals	600	600	-	343
Water Treat Operation Labor	580	580	-	244
Water Treat Tests	15,000	15,000	2,767	2,805
Water Treat Maint Labor	500	500	-	255
Water Treat Maint Expenses	600	600	-	268
Water Treatment	17,280	17,280	2,767	3,915
Storage Software Maintenance	13,500	13,500	7,403	8,750
Trans & Distr Labor	35,961	35,961	15,545	25,561
Trans & distr Supp Exp	25,000	25,000	22,666	19,578
Trans & Distr Safety Supplies & Expense	4,000	4,000	2,446	2,137
Maint Labor-Distr Reservoir	10,000	10,000	343	453
Maint Expenses-Distr Reservoir	4,800	4,800	4,113	3,918
Maintenance Labor-Mains	17,300	17,300	6,806	11,516
Maintenance Expense-Mains	58,000	58,000	-	44,457
Locating Labor-Mains	12,500	12,500	12,241	10,464
Maint Labor-Services	24,000	24,000	27,369	39,686
Maint Expense-Services	80,000	80,000	178,977	107,995
Locating Labor-Services	12,500	12,500	12,319	9,191
Maint Labor-Meters	22,600	22,600	38,662	27,079
Maint Expenses-Meters	4,000	4,000	2,265	1,928
Maint Labor-Hydrants	32,000	32,000	25,487	36,218
Maint Expenses-Hydrants	55,000	55,000	43,084	43,628
Maint Labor-Plant	12,700	12,700	25,712	36,253
Maint Expenses-Plant	17,200	17,200	12,301	3,667
Transmission & Distribution	441,061	441,061	437,739	432,479

Franklin Municipal Water Utility
Detailed Statement of Revenue, Expenditures
and Changes in Net Assets
For the period ended December 31, 2016 and 2015 - UNAUDITED

<u>Account Description</u>	<u>Annual Budget</u>	<u>Year to Date Budget</u>	<u>Current Year to Date</u>	<u>Prior Year to Date</u>
Meter Reading Labor	8,840	8,840	4,059	3,521
Acct & Collection Labor	24,991	24,991	10,514	10,044
Acctg & Coll Payroll Exp	14,375	14,375	13,200	13,150
Supplies & Expense	8,200	8,200	9,071	6,855
Bank Fees	10,200	10,200	8,992	9,132
Uncollectible Accounts	2,500	2,500	1,218	4,673
Customer Accounts	69,106	69,106	47,054	47,375
Admin & General Payroll Exp	47,585	47,585	48,760	48,714
Office Supplies	1,800	1,800	1,436	986
Conferences/Dues/Subscriptions	6,500	6,500	6,918	4,331
Mileage	1,000	1,000	204	193
Outside Services	201,960	201,960	157,614	134,716
Insurance	25,400	25,400	25,400	24,970
Employee Leave Time & Benefits	184,101	184,101	204,598	223,160
Regulatory Commision Exp	7,250	7,250	12,607	7,529
Misc General Expense	1,000	1,000	18	83
Maintenance of General Plant	14,000	14,000	13,580	18,376
Transportation Expenses	22,500	22,500	9,708	5,498
Administrative and general	513,096	513,096	480,843	468,556
Total Operation and Maintenance Expenditures	4,303,836	4,303,836	4,148,844	4,137,405
Depreciation	386,850	386,850	419,385	414,697
Taxes-Property Tax Equivalent	1,100,000	1,100,000	1,047,053	1,041,040
Amortization	-	-	130,666	367,551
Retirement-GASB 68	-	-	89,976	64,306
Taxes-FICA	25,719	25,719	24,561	27,779
Total Operating Expenditures ²	5,816,405	5,816,405	5,860,485	6,052,778
Operating Income	\$ 169,595	\$ 169,595	\$ 194,088	\$ (442,849)
Non-Operating Revenue (Expenditures)				
Interest Income	-	-	2,589	3,368
Misc Revenue	2,000	2,000	40,242	1,628
Interest on LTD	(34,138)	(34,138)	(36,000)	(10,937)
Water Property Rent	54,800	54,800	51,307	61,851
Other Water Revenue	3,000	3,000	3,743	3,996
Total non-operating revenue	25,662	25,662	61,881	59,906
Income before capital contributions	\$ 195,257	\$ 195,257	\$ 255,969	\$ (382,943)
Retained earnings - beginning	449,705	449,705	449,705	1,464,724
Transfer (to) from invested in capital assets	(1,735,680)	(1,735,680)	(28,868)	(1,066,133)
Retained earnings - ending	\$ (1,090,718)	\$ (1,090,718)	\$ 676,806	\$ 15,648
Capital contributions	750,000	750,000	923,248	541,420
Depreciation - CIAC	(770,400)	(770,400)	(782,893)	(775,266)
Transfer (to) from retained earnings	1,735,680	1,735,680	28,868	1,066,133
Change in net investment	(466,156)	(2,201,836)	169,223	832,287
Net investment in capital assets - beginning	45,475,112	45,475,112	45,475,112	45,076,882
Net investment in capital assets - ending	\$ 45,008,956	\$ 43,273,276	\$ 45,644,335	\$ 45,909,169
Total net assets	\$ 43,918,238	\$ 42,182,558	\$ 46,321,141	\$ 45,924,817