

Date: August 22, 2018
To: Mayor Olson, Common Council and Finance Committee Members
From: Paul Rotzenberg, Director of Finance & Treasurer
Subject: July 2018 Financial Report

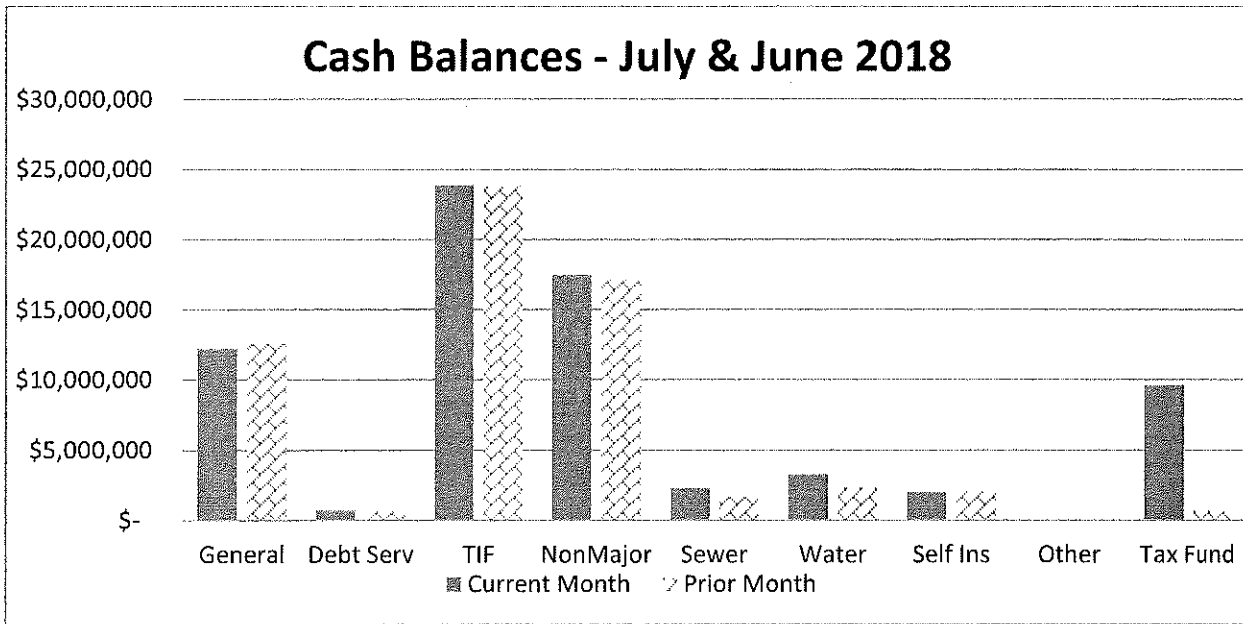
The July, 2018 financial reports for the General Fund, Debt Service Fund, TID Summary and TID Funds, Solid Waste Fund, Capital Outlay Fund, Equipment Replacement Fund, Street Improvement Fund, Capital Improvement Fund, Development Fund, Utility Development, Self Insurance Fund, and Post Employment Retirement 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 July 17, 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.

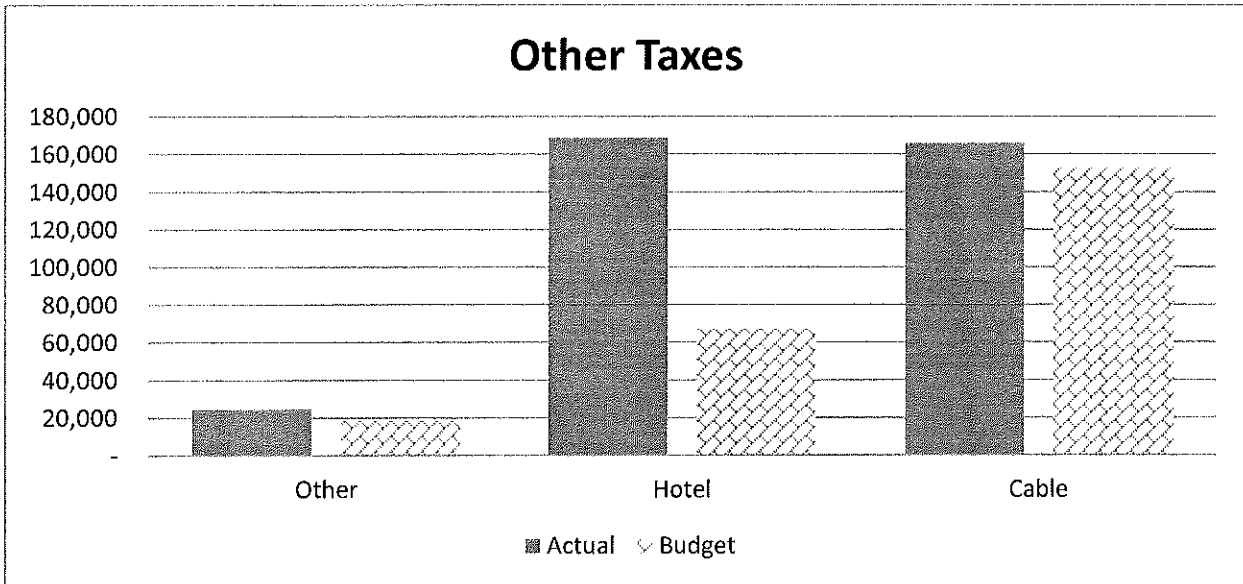
Cash & Investments Summary – is provided to aid in understanding the resources available to meet current activities. Cash & investments are positions with safety and liquidity as primary objectives as stated in the City's Investment policy. Investment returns are secondary in the investment decisions, 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 increased \$10,826,584 to \$77,272,779 since last month. The Tax fund collected the State School aids in July for settlement with the other taxing authorities in August.

A visual presentation of cash balances follows.



GENERAL FUND revenues of \$19,342,913 are \$225,956 more than budget. Hotel taxes arrived earlier than prior years and appear strong in July, but will fall back to budget in August. 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 \$69,940 in un-budgeted fees. Landfill Siting revenues are arriving slower than budgeted.

Rising interest rates has depressed the market value of 3-5 year investments. Interest income on investments totals \$95,915 in 2018. Unrealized losses total \$49,313 in 2018 related to rising interest rates.

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

June's expenditures of \$14,052,453 are \$892,915 less than budget. Expenditure items of note are:

- General Government expenditures of \$1,819,917 are \$109,488 under spent.
- Public Safety costs are \$9,919,295, are \$150,352 (1.3%) greater than budget.
 - Total Police personnel costs are \$50,875 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 position. About half of the budget overage has been funded by planned Police grants. Also note that the requested Police overtime budget was \$230,000, while the adopted budget was only \$190,000. A budgeted grant funded Police position will remain vacant.
 - Total Fire personnel costs are \$159,660 (4.9%) over budget. Fire overtime costs (now \$246,027) reached the annual budget by the end of June.
- Public Works expenditures of \$1,630,524 are \$225,000 (12%) underspent.
- Culture and Recreation is \$16,578 (17%) overspent related to efforts in the parks.
- Conservation & Development is \$44,894 underspent.

A \$5,290,460 surplus is \$1,118,871 greater than budget. 60% of the surplus (\$680,000) is related to contingency reserves that are not expected to be spent.

DEBT SERVICE – Debt payments were made timely as required.

TIF Districts – there is a 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.

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 \$23.4 million in debt on May 1. The Developer has been making monthly draw requests. Just over \$5 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, revenues 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 the December 2017 Debt sale and 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.

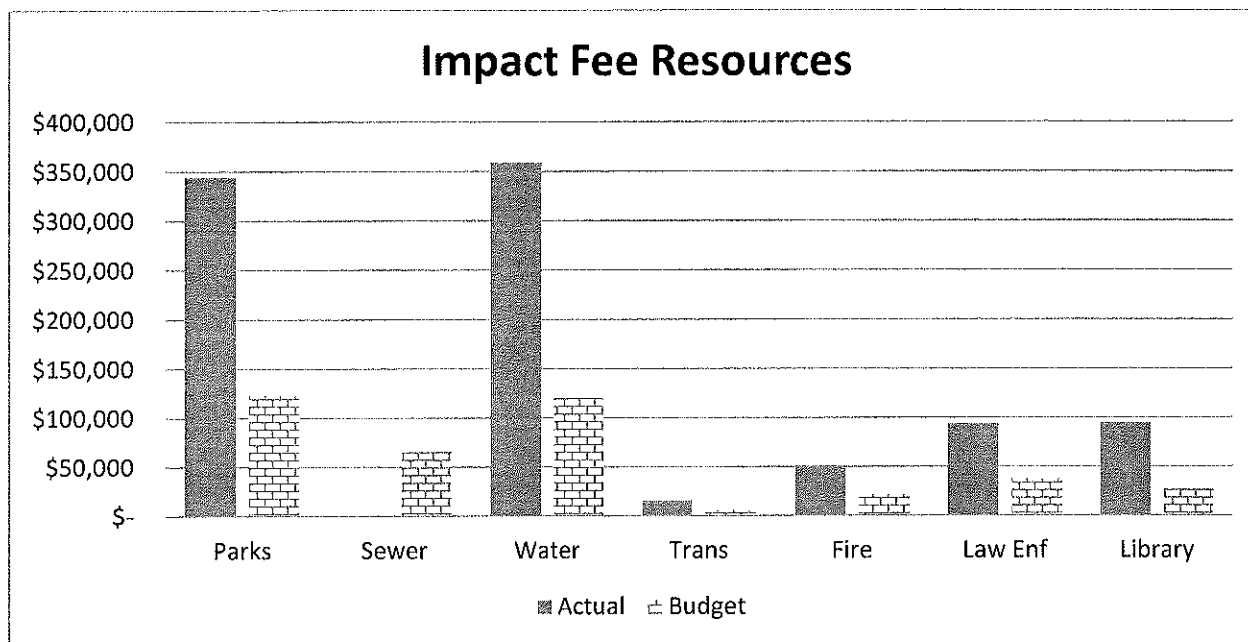
Three Public Safety projects are in process, the Squad Car, radio system dispatch console and Drug Vault ventilation system.

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

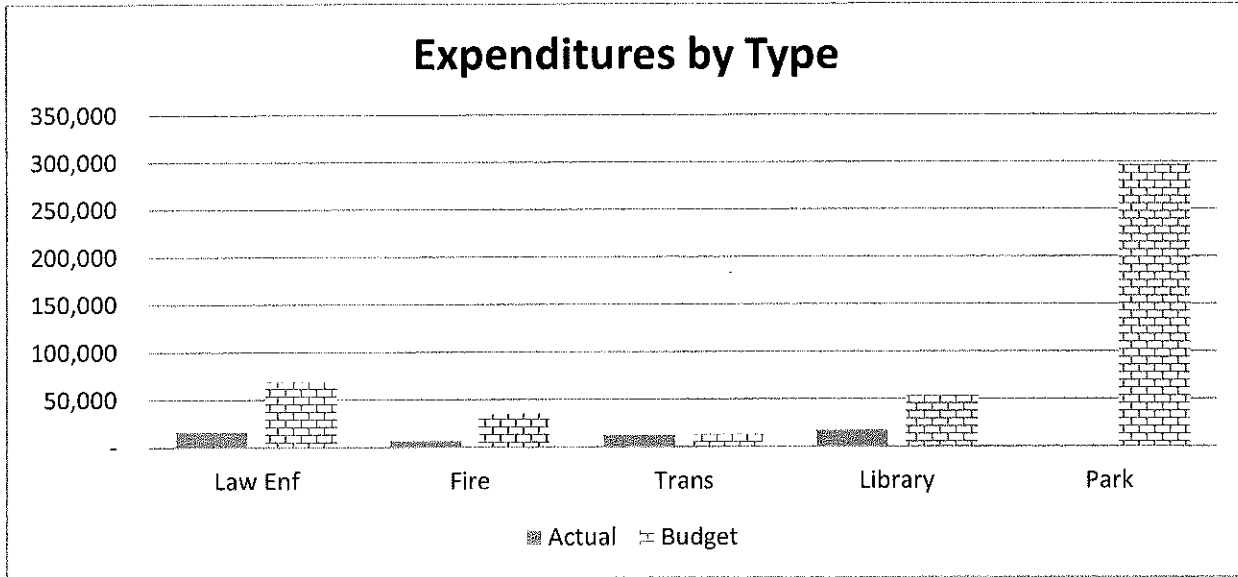
Within Culture, a contract has been let for the River Park trail/bridge.

STREET IMPROVEMENT FUND – Revenues are in line with budget. The Grant will be applied for once the contractor has been paid. An April contract initiated the 2018 program.

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



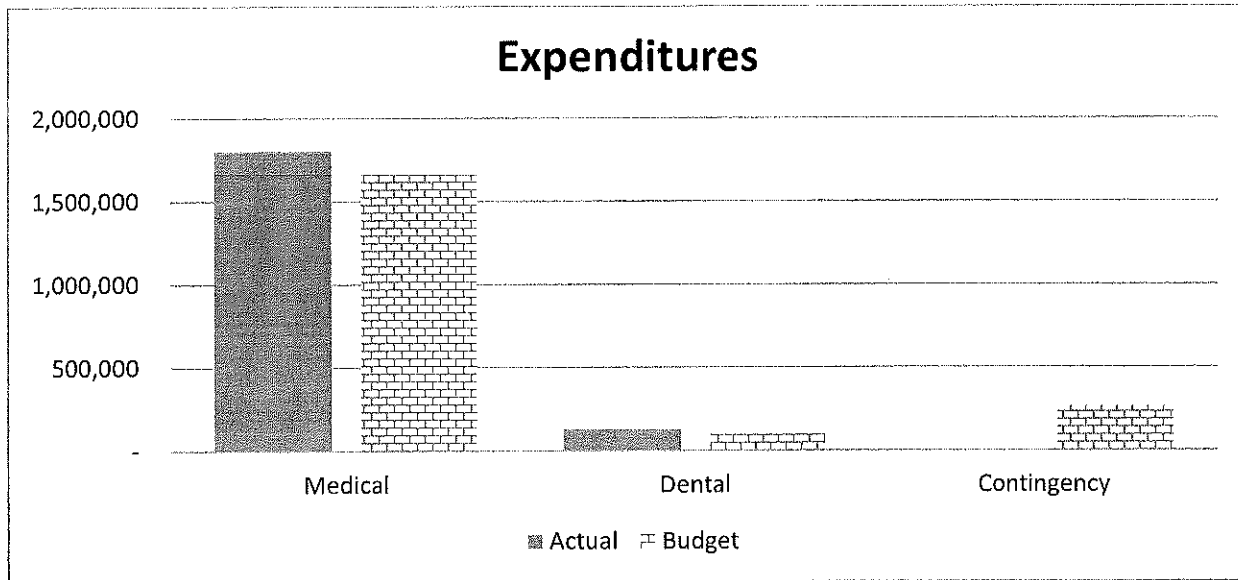
Transfers to the Debt Service Fund have been minimal as receipts are not sufficient to pay the 2018 debt service for these programs. Those transfers will be re-examined in August for the September debt service payments.



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 \$74,239. 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 180% of the prior year. The fund has an \$88,875 insurance loss even considering the Implicit Rate Subsidy of \$106,204 for the older participants. With the small group size (25 participants), claims can be rather unpredictable.

Investment results reflect a \$175,633 gain. 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, a slight overweight position.

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

City of Franklin
Cash & Investments Summary
July 31, 2018

	Cash	American Deposit Management	Institutional Capital Management	Local Government Invest Pool	Fidelity Investments	Total	Prior Month Total
General Fund	\$ 2,298,595	\$ 4,801,338	\$ 4,983,823	\$ 147,051	\$ -	\$ 12,230,807	\$ 12,565,033
Debt Service Funds	26,241	196,869	513,689	-	-	736,799	691,886
TIF Districts	12,789	22,159,006	1,675,053	-	-	23,846,848	23,777,661
Nonmajor Governmental Funds	738,247	8,158,969	8,588,940	-	-	17,486,155	17,108,282
Total Governmental Funds	3,075,871	35,316,182	15,761,505	147,051	-	54,300,609	54,142,862
Sewer Fund	212,627	1,340,050	729,029	-	-	2,281,706	1,622,108
Water Utility	55,124	2,817,839	400,000	-	-	3,272,962	2,323,718
Self Insurance Fund	18,979	152,626	1,845,119	-	-	2,016,724	2,061,146
Other Designated Funds	8,182	-	-	-	-	8,182	13,097
Total Other Funds	294,912	4,310,515	2,974,148	-	-	7,579,575	6,020,068
Total Pooled Cash & Investments	3,370,783	39,626,696	18,735,653	147,051	-	61,880,184	60,162,930
Retiree Health Fund	(41,136)	-	-	-	5,819,814	5,778,678	5,640,867
Property Tax Fund	363,432	9,250,486	-	-	-	9,613,917	642,398
Total Trust Funds	322,296	9,250,486	-	-	5,819,814	15,392,596	6,283,265
Grand Total Cash & Investments	3,693,079	48,877,182	18,735,653	147,051	5,819,814	77,272,779	66,446,195
Average Rate of Return		1.86%	1.44%	1.95%			
Maturities:							
Demand	3,693,079	35,644,377	14,995	147,051	75,397	39,574,899	28,833,963
Fixed Income & Equities	-	-	-	-	4,324,653	4,324,653	4,212,878
2018 - Q3	-	10,250,000	1,000,404	-	-	11,250,404	11,250,500
2018 - Q4	-	2,982,805	2,012,550	-	-	4,995,355	4,995,488
2019 - Q1	-	-	996,006	-	-	996,006	993,891
2019	-	-	2,946,950	-	150,165	3,097,115	3,096,775
2020	-	-	5,402,663	-	172,797	5,575,460	5,582,918
2021	-	-	3,891,374	-	173,763	4,065,137	4,077,832
2022	-	-	2,470,711	-	168,156	2,638,867	2,648,509
2023	-	-	-	-	170,450	170,450	170,380
2024	-	-	-	-	195,696	195,696	195,454
2025	-	-	-	-	196,177	196,177	195,689
2026	-	-	-	-	192,560	192,560	191,919
	3,693,079	48,877,182	18,735,653	147,051	5,819,814	77,272,779	66,446,195

City of Franklin
2018 Financial Report
General Fund Summary
For the Seven months ended July 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	\$ 14,456,835	\$ 14,433,776	\$ (23,059)
Other Taxes	725,100	725,100	233,667	347,512	113,845
Intergovernmental Revenue	2,432,926	2,432,926	1,549,088	1,557,436	8,348
Licenses & Permits	1,040,990	1,040,990	672,432	660,754	(11,678)
Law and Ordinance Violations	500,000	500,000	317,671	316,947	(724)
Public Charges for Services	1,805,350	1,805,350	979,091	1,031,554	52,463
Intergovernmental Charges	196,500	196,500	81,794	90,922	9,128
Investment Income	205,000	205,000	119,583	97,587	(21,996)
Miscellaneous Revenue	120,350	120,350	83,656	193,925	110,269
Transfer from Other Funds	1,050,000	1,050,000	623,140	612,500	(10,640)
Total Revenue	\$ 24,994,265	\$ 24,994,265	\$ 19,116,957	\$ 19,342,913	\$ 225,956
				101.18%	
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	\$ 1,929,405	\$ 1,819,917 E	\$ 109,488
Public Safety	17,296,241	17,348,342 A	9,768,943	9,919,295 E	(150,352)
Public Works	3,437,593	3,456,493 A	1,855,524	1,630,524	225,000
Health and Human Services	710,345	710,345	377,694	380,206	(2,512)
Other Culture and Recreation	173,914	201,874 A	97,014	113,592 E	(16,578)
Conservation and Development	595,345	630,045 A	332,353	287,459 E	44,894
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	15,341	13,000	2,341
Encumbrances	-	-	-	(113,867)	-
Total Expenditures	\$ 26,419,065	\$ 26,536,441	\$ 15,059,235	\$ 14,052,453	\$ 892,915
				93.31%	
Excess of revenue over (under) expenditures	(1,424,800)	(1,542,176)	<u>\$ 4,057,722</u>	5,290,460	<u>\$ 1,118,871</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>\$ 11,877,971</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
July 31, 2018 and 2017**

	2018 Special Assessment	2018 Debt Service	2018 Total	2017 Special Assessment	2017 Debt Service	2017 Total
Assets						
Cash and investments	\$ 675,810	\$ 60,989	\$ 736,799	\$ 634,946	\$ (197)	\$ 634,749
Special assessment receivable	83,018	-	83,018	132,795	-	132,795
Total Assets	<u>\$ 758,828</u>	<u>\$ 60,989</u>	<u>\$ 819,817</u>	<u>\$ 767,741</u>	<u>\$ (197)</u>	<u>\$ 767,544</u>
Liabilities and Fund Balance						
Unearned & unavailable revenue	\$ 83,018	\$ -	\$ 83,018	\$ 132,795	\$ -	\$ 132,795
Unassigned fund balance	675,810	60,989	736,799	634,946	(197)	634,749
Total Liabilities and Fund Balance	<u>\$ 758,828</u>	<u>\$ 60,989</u>	<u>\$ 819,817</u>	<u>\$ 767,741</u>	<u>\$ (197)</u>	<u>\$ 767,544</u>

**Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 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	410	2,561	2,971	-	5,131	735	5,866
Total Revenue	<u>51,859</u>	<u>1,302,561</u>	<u>1,354,420</u>	<u>1,300,000</u>	<u>68,156</u>	<u>1,300,735</u>	<u>1,368,891</u>
Expenditures:							
Debt Service:							
Principal	-	1,339,008	1,339,008	1,330,000	-	1,355,000	1,355,000
Interest	-	65,634	65,634	481,613	-	79,444	79,444
Total expenditures	<u>-</u>	<u>1,404,642</u>	<u>1,404,642</u>	<u>1,811,613</u>	<u>-</u>	<u>1,434,444</u>	<u>1,434,444</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>(8,141)</u>	<u>9,918</u>	<u>1,777</u>	<u>(182,969)</u>	<u>68,156</u>	<u>(84,705)</u>	<u>(16,549)</u>
Fund balance, beginning of year	683,951	51,071	735,022	735,022	566,790	84,508	651,298
Fund balance, end of period	<u>\$ 675,810</u>	<u>\$ 60,989</u>	<u>\$ 736,799</u>	<u>\$ 552,053</u>	<u>\$ 634,946</u>	<u>\$ (197)</u>	<u>\$ 634,749</u>

City of Franklin
Consolidating TID Funds
Balance Sheet
July 31, 2018

	<u>TID 3</u>	<u>TID 4</u>	<u>TID 5</u>	<u>Total</u>
Assets				
Cash & investments	\$ 1,959,759	\$ 3,612,892	\$ 18,274,197	\$ 23,846,848
Total Assets	<u>\$ 1,959,759</u>	<u>\$ 3,612,892</u>	<u>\$ 18,274,197</u>	<u>\$ 23,846,848</u>
Liabilities and Fund Balance				
Accounts payable	\$ 45	\$ 45	\$ -	\$ 90
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>1,323,645</u>	<u>45</u>	<u>104,695</u>	<u>1,428,385</u>
Assigned fund balance	<u>636,114</u>	<u>3,612,847</u>	<u>18,169,502</u>	<u>22,418,463</u>
Total Liabilities and Fund Balance	<u>\$ 1,959,759</u>	<u>\$ 3,612,892</u>	<u>\$ 18,274,197</u>	<u>\$ 23,846,848</u>

Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 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	15,334	18,030	64,508	97,872
Bond proceeds	-	-	23,415,111	23,415,111
Total revenue	<u>1,861,456</u>	<u>1,226,509</u>	<u>23,510,119</u>	<u>26,598,084</u>
Expenditures				
Transfer to other funds	-	-	-	-
Debt service principal	985,000	-	-	985,000
Debt service interest & fees	15,010	-	110,143	125,153
Administrative expenses	30,063	4,394	27,155	61,612
Professional Services	-	66,460	62,473	128,933
Interfund interest	148	-	-	148
Capital outlays	1,354,311	1,201,850	5,041,400	7,597,561
Development incentive & obligation paymer	109,000	-	27,850	136,850
Encumbrances	<u>(1,353,313)</u>	<u>(1,253,043)</u>	<u>(27,279)</u>	<u>(2,633,635)</u>
Total expenditures	<u>1,140,219</u>	<u>19,661</u>	<u>5,241,742</u>	<u>6,401,622</u>
Revenue over (under) expenditures	721,237	1,206,848	18,268,377	20,196,462
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>\$ 636,114</u>	<u>\$ 3,612,847</u>	<u>\$ 18,169,502</u>	<u>\$ 22,418,463</u>

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash & investments	\$ 1,959,759	\$ 1,858,091
Total Assets	<u>\$ 1,959,759</u>	<u>\$ 1,858,091</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 45	\$ 113
Accrued liabilities	1,323,600	-
Interfund advance from Development Fund	-	550,000
Total Liabilities	<u>1,323,645</u>	<u>550,113</u>
Assigned fund balance	636,114	1,307,978
Total Liabilities and Fund Balance	<u>\$ 1,959,759</u>	<u>\$ 1,858,091</u>

Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 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	3,327	15,334	14,449
Bond proceeds	5,100,000	5,100,000	2,975,000	-	-
Transfer from other funds	-	-	-	-	-
Total revenue	<u>7,073,500</u>	<u>7,073,500</u>	<u>4,946,827</u>	<u>1,861,456</u>	<u>1,726,220</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	128,644	15,010	40,127
Administrative expenses	12,870	38,370	21,384	30,063	8,014
Interfund interest	1,634	1,634	850	148	9,546
Capital outlays	-	1,353,313	753,642	1,354,311	1,383,323
Development incentive & obligation payments	5,000,000	5,000,000	2,916,667	109,000	-
Encumbrances	-	-	-	(1,353,313)	(1,356,363)
Total expenditures	<u>6,182,079</u>	<u>7,560,892</u>	<u>4,806,187</u>	<u>1,140,219</u>	<u>1,759,647</u>
Revenue over (under) expenditures	891,421	(487,392)	<u>\$ 140,640</u>	721,237	(33,427)
Fund balance, beginning of year	<u>(85,123)</u>	<u>(85,123)</u>		<u>(85,123)</u>	<u>1,341,405</u>
Fund balance, end of period	<u>\$ 806,298</u>	<u>\$ (572,515)</u>		<u>\$ 636,114</u>	<u>\$ 1,307,978</u>

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

<u>Assets</u>	2018	2017
Cash & investments	\$ 3,612,892	\$ 2,421,139
Taxes receivable	-	-
Total Assets	<u>\$ 3,612,892</u>	<u>\$ 2,421,139</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 45	\$ 3,845
Unearned revenue	-	-
Total Liabilities	<u>45</u>	<u>3,845</u>
Assigned fund balance	<u>3,612,847</u>	<u>2,417,294</u>
Total Liabilities and Fund Balance	<u>\$ 3,612,892</u>	<u>\$ 2,421,139</u>

Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 31, 2018 and 2017

	2018	2018	2018	2018	2017
	Annual	Amended	Year-to-Date	Year-to-Date	Year-to-Date
	Budget	Budget	Budget	Actual	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	8,750	18,030	15,810
Bond proceeds	10,000,000	10,000,000	5,833,333	-	-
Total revenue	<u>11,181,300</u>	<u>11,181,300</u>	<u>7,008,383</u>	<u>1,226,509</u>	<u>1,193,835</u>
Expenditures					
Debt service interest & fees	125,350	125,350	73,121	-	-
Administrative expenses	10,650	10,650	6,212	4,394	5,662
Professional services	104,500	155,693	60,958	66,460	74,500
Capital outlay	12,000,000	12,000,000	7,000,000	1,201,850	-
Development incentive/grant	980,000	980,000	571,667	-	-
Encumbrances	-	-	-	(1,253,043)	(61,339)
Total expenditures	<u>13,220,500</u>	<u>13,271,693</u>	<u>7,711,958</u>	<u>19,661</u>	<u>18,823</u>
Revenue over (under) expenditures	(2,039,200)	(2,090,393)	<u>\$ (703,575)</u>	1,206,848	1,175,012
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>\$ 3,612,847</u>	<u>\$ 2,417,294</u>

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

Assets	2018	2017
Cash & investments	\$ 18,274,197	\$ 16,499
Taxes receivable	-	-
Total Assets	\$ 18,274,197	\$ 16,499
Liabilities and Fund Balance		
Accounts payable	\$ -	\$ -
Due to other funds	29,695	74,695
Advances from other funds	75,000	-
Unearned revenue	-	-
Total Liabilities	104,695	74,695
Fund balance	18,169,502	(58,196)
Total Liabilities and Fund Balance	\$ 18,274,197	\$ 16,499

Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 31, 2018 and 2017

	2018	2018	2018	2018	2017
	Annual	Amended	Year-to-Date	Year-to-Date	Year-to-Date
	Budget	Budget	Budget	Actual	Actual
Revenue					
General property tax levy	\$ 30,100	\$ 30,100	\$ 17,558	\$ 30,500	\$ -
State exempt computer aid	300	300	175	-	-
Investment income	-	-	-	64,508	-
Bond proceeds	18,600,000	18,600,000	10,850,000	23,415,111	-
Transfer from other funds	-	-	-	-	-
Total revenue	18,630,400	18,630,400	10,867,733	23,510,119	-
Expenditures					
Debt service interest & fees	534,163	534,163	162,954	110,143	-
Administrative expenses	22,050	22,050	12,862	27,155	6,350
Professional services	50,000	78,741	45,933	62,473	10,148
Capital outlay	9,342,875	9,342,875	5,450,010	5,041,400	-
Land improvements	3,010,000	3,010,000	1,755,833	-	-
Development incentive/grant	-	-	-	27,850	-
Contingency	5,160,507	5,160,507	3,010,296	-	-
Encumbrances	-	-	-	(27,279)	(10,148)
Total expenditures	18,119,595	18,148,336	10,437,888	5,241,742	6,350
Revenue over (under) expenditures	510,805	482,064	\$ 429,845	18,268,377	(6,350)
Fund balance, beginning of year	(98,875)	(98,875)		(98,875)	(51,846)
Fund balance, end of period	\$ 411,930	\$ 383,189		\$ 18,169,502	\$ (58,196)

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 1,108,073	\$ 1,060,605
Accrued Receivables	-	233
Total Assets	<u>\$ 1,108,073</u>	<u>\$ 1,060,838</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 132,963	\$ 131,335
Accrued salaries & wages	430	-
Restricted fund balance	974,680	929,503
Total Liabilities and Fund Balance	<u>\$ 1,108,073</u>	<u>\$ 1,060,838</u>

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

<u>Revenue</u>	<u>2018 Adopted Budget</u>	<u>2018 YTD Budget</u>	<u>2018 Year-to-Date Actual</u>	<u>2017 Year-to-Date Actual</u>
Grants	\$ 68,800	68,800	\$ 68,984	\$ 68,838
User Fees	1,211,000	1,210,254	1,211,200	1,209,640
Landfill Operations-tippage	350,000	172,820	172,347	169,140
Investment Income	7,500	4,922	7,609	6,665
Sale of Recyclables	-	-	774	28
Total Revenue	<u>1,637,300</u>	<u>1,456,796</u>	<u>1,460,914</u>	<u>1,454,311</u>
Expenditures:				
Personal Services	14,783	8,214	7,734	7,906
Refuse Collection	679,500	391,581	404,368	392,848
Recycling Collection	362,800	209,231	224,628	215,145
Leaf & Brush Pickups	60,000	35,000	2,000	18,086
Tippage Fees	455,300	265,592	222,186	220,062
Miscellaneous	3,500	2,042	995	1,644
Printing	1,800	1,050	-	-
Total expenditures	<u>1,577,683</u>	<u>912,710</u>	<u>861,911</u>	<u>855,691</u>
 Revenue over (under) expenditures	 59,617	 <u>544,086</u>	 599,003	 598,620
 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>\$ 994,680</u>	 <u>\$ 929,503</u>

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 592,361	\$ 440,662
Total Assets	<u>\$ 592,361</u>	<u>\$ 440,662</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 68,867	\$ 19,842
Encumbrance	99,905	95,323
Assigned fund balance	423,589	325,497
Total Liabilities and Fund Balance	<u>\$ 592,361</u>	<u>\$ 440,662</u>

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

<u>Revenue</u>	<u>2018 Original Budget</u>	<u>2018 Amended Budget</u>	<u>2018 Year-to-Date Budget</u>	<u>2018 Year-to-Date Actual *</u>	<u>2017 Year-to-Date Actual</u>
Property Taxes	\$ 450,500	\$ 450,500	\$ 450,500	\$ 450,500	\$ 444,300
Grants	-	-	-	396	3,938
Landfill Siting	147,000	147,000	121,934	94,400	79,300
Investment Income	6,000	6,000	3,500	3,259	4,040
Miscellaneous Revenue	39,000	39,000	19,494	22,071	47,342
Transfers from Other Funds	-	134,138	100,604	101,000	-
Total Revenue	<u>642,500</u>	<u>776,638</u>	<u>696,032</u>	<u>671,626</u>	<u>578,920</u>
Expenditures:					
General Government	132,762	241,247	121,033	89,712	59,615
Public Safety	431,508	582,841	409,926	446,945	460,036
Public Works	55,062	81,752	46,567	48,067	31,272
Health and Human Services	6,582	6,582	3,840	-	-
Culture and Recreation	4,000	13,250	5,702	9,828	13,453
Conservation and Development	1,682	1,682	981	-	1,019
Contingency	50,000	27,750	16,188	6,525	-
Transfers to Other Funds	-	-	-	-	26,950
Total expenditures	<u>681,596</u>	<u>955,104</u>	<u>604,237</u>	<u>601,077</u>	<u>592,345</u>
Revenue over (under) expenditures	(39,096)	(178,466)	<u>91,795</u>	70,549	(13,425)
Fund balance, beginning of year	<u>353,040</u>	<u>353,040</u>		<u>353,040</u>	<u>338,922</u>
Fund balance, end of period	<u>\$ 313,944</u>	<u>\$ 174,574</u>		<u>\$ 423,589</u>	<u>\$ 325,497</u>

* Amount shown is actual expenditures plus encumbrance

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 2,769,614	\$ 2,492,202
Total Assets	\$ 2,769,614	\$ 2,492,202
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ -	\$ 181,288
Encumbrance	253,610	88,644
Assigned fund balance	2,516,004	2,222,270
Total Liabilities and Fund Balance	\$ 2,769,614	\$ 2,492,202

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

	<u>2018 Original Budget</u>	<u>2018 Amended Budget</u>	<u>2018 Year-to-Date Budget</u>	<u>2018 Year-to-Date Actual *</u>	<u>2017 Year-to-Date Actual</u>
Revenue:					
Property Taxes	\$ 350,000	\$ 350,000	\$350,000	\$ 350,000	\$ 348,300
Landfill	200,000	200,000	161,452	128,400	108,000
Investment Income	29,000	29,000	16,917	(189)	24,419
Property Sales	7,500	7,500	3,729	19,231	21,626
Total revenue	<u>586,500</u>	<u>586,500</u>	<u>532,098</u>	<u>497,442</u>	<u>502,345</u>
Expenditures:					
Public Safety	44,754	48,754	26,106	43,569	233,517
Public Works	251,000	251,000	159,571	249,684	417,561
Total expenditures	<u>295,754</u>	<u>299,754</u>	<u>185,677</u>	<u>293,253</u>	<u>651,078</u>
Revenue over (under) expenditures	290,746	286,746	<u>346,421</u>	204,189	(148,733)
Fund balance, beginning of year	<u>2,311,815</u>	<u>2,311,815</u>		2,311,815	2,371,003
Fund balance, end of period	<u>\$ 2,602,561</u>	<u>\$ 2,598,561</u>		<u>\$ 2,516,004</u>	<u>\$ 2,222,270</u>

* Amount shown is actual expenditures plus emcumbrance

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 3,431,027	\$ 2,708,060
Accrued receivables	847	847
Total Assets	<u>\$ 3,431,874</u>	<u>\$ 2,708,907</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 30,149	\$ 960
Contracts Payable	-	6,531
Escrow Balances Due	78,915	90,000
Fund Balance - Encumbrance	571,366	1,192,267
Assigned fund balance	2,751,444	1,419,149
Total Liabilities and Fund Balance	<u>\$ 3,431,874</u>	<u>\$ 2,708,907</u>

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

	2018 Original Budget	2018 Amended Budget	2018 Year-to-Date Totals	2017 Year-to-Date Totals
Revenue:				
Block Grants	\$ -	\$ -	\$ -	\$ -
Other Grants	-	638,000	-	-
Landfill Siting	276,000	276,000	66,534	95,992
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	12,231	25,973
Total revenue	<u>24,113,179</u>	<u>24,751,179</u>	<u>89,850</u>	<u>219,445</u>
Expenditures:				
General Government	1,925,000	1,925,000	339	39,123
Public Safety	291,250	429,946	106,038	274,867
Public Works	14,928,746	16,117,070	579,051	1,145,893
Culture and Recreation	1,443,445	1,443,445	344,387	54,601
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>1,133,899</u>	<u>1,517,568</u>
Revenue over (under) expenditures	(1,739,138)	(2,511,858)	(1,044,049)	(1,298,123)
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>\$ 2,751,444</u>	<u>\$ 1,419,149</u>

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 1,061,008	\$ 1,028,144
Total Assets	<u>\$ 1,061,008</u>	<u>\$ 1,028,144</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 4,249	\$ -
Encumbrances	841,300	837,433
Assigned fund balance	215,459	190,711
Total Liabilities and Fund Balance	<u>\$ 1,061,008</u>	<u>\$ 1,028,144</u>

**Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 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	76,800	71,900
Investment Income	2,500	5,924	4,619
Local Road Improvement Aids	75,000	-	-
Refunds and Reimbursements	-	-	-
Total revenue	<u>925,200</u>	<u>797,424</u>	<u>781,419</u>
Expenditures:			
Street Reconstruction Program - Current Year	920,000	868,231	848,036
Revenue over (under) expenditures	5,200	(70,807)	(66,617)
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>\$ 215,459</u>	<u>\$ 190,711</u>

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 5,144,883	\$ 3,954,458
Due From TID 3	-	275,000
Total Assets	\$ 5,144,883	\$ 4,229,458
 <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	5,081,763	3,871,405
Total Fund Balance	5,081,763	4,146,405
Total Liabilities and Fund Balance	\$ 5,144,883	\$ 4,229,458

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 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	\$ 123,737	\$ 344,430	\$ 41,223
Southwest Sewer Service Area	122,440	66,015	-	-
Administration	4,125	2,900	8,140	2,145
Water	185,000	120,662	358,794	84,502
Transportation	8,400	6,083	15,788	17,998
Fire Protection	32,250	21,790	51,112	14,105
Law Enforcement	55,930	37,676	93,783	25,846
Library	43,950	28,150	94,990	11,999
Total Impact Fees	644,095	407,013	967,037	197,818
Investment Income	43,750	25,521	3,473	37,243
Interfund Interest Income	817	477	74	4,773
Total revenue	688,662	433,011	970,584	239,834
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)	(41,215)	915,264	87,843
Fund balance, beginning of year	4,166,499		4,166,499	4,058,562
Fund balance, end of period	\$ 1,818,361		\$ 5,081,763	\$ 4,146,405

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments - Water	\$ 638,332	\$ 538,831
Cash and investments - Sewer	872,613	712,113
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>\$ 2,261,547</u>	<u>\$ 2,129,773</u>
 <u>Liabilities and Fund Balance</u>		
Accounts payable	\$ -	\$ -
Unearned Revenue	750,602	878,829
Total Fund Balance	<u>1,510,945</u>	<u>1,250,944</u>
Total Liabilities and Fund Balance	<u>\$ 2,261,547</u>	<u>\$ 2,129,773</u>

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 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	\$ 13,259	\$ 23,695	\$ 468
Sewer	82,000	15,377	5,830	-
Connection Fees				
Water	-	-	-	2,281
Sewer	18,000	11,846	55,200	14,880
Total Assessments & Connection Fees	<u>181,600</u>	<u>40,482</u>	<u>84,725</u>	<u>17,629</u>
Special Assessment Interest	34,000	158	213	17
Investment Income	-	-	12,629	9,108
Total revenue	<u>215,600</u>	<u>40,640</u>	<u>97,567</u>	<u>26,754</u>
 Transfer to Capital Improvement Fund:				
Water	500,000	-	-	-
Sewer	500,000	-	-	-
Total Transfers to Capital Improven	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Revenue over (under) expenditures	 (784,400)	 40,640	 97,567	 26,754
 Fund balance, beginning of year			 <u>1,413,378</u>	 <u>1,224,190</u>
 Fund balance, end of period			 <u>\$ 1,510,945</u>	 <u>\$ 1,250,944</u>

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ 2,104,524	\$ 2,391,619
Accounts receivable	600	588
Interfund advance receivable	-	275,000
Prepaid expenses	1,500	23,500
Total Assets	<u>\$ 2,106,624</u>	<u>\$ 2,690,707</u>
 <u>Liabilities and Net Assets</u>		
Accounts payable	\$ 3,967	\$ 49,618
Claims payable	290,700	270,500
Unrestricted net assets	1,811,957	2,370,589
Total Liabilities and Fund Balance	<u>\$ 2,106,624</u>	<u>\$ 2,690,707</u>

**City of Franklin Self Insurance Fund - Actives
Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 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	1,513,930	\$ 1,443,854	\$ 1,428,487
Medical Premiums-Employee	428,900	248,747	266,877	248,572
Other - Invest Income, Rx Rebates	18,300	10,675	47,326	43,427
Medical Revenue	<u>3,032,700</u>	<u>1,773,352</u>	<u>1,758,057</u>	<u>1,720,486</u>
Dental Premiums-City	118,300	58,171	63,162	63,464
Dental Premiums-Retirees	6,000	4,581	2,700	2,610
Dental Premiums-Employee	57,000	33,119	32,339	32,164
Dental Revenue	<u>181,300</u>	<u>95,871</u>	<u>98,201</u>	<u>98,238</u>
Total Revenue	<u>3,214,000</u>	<u>1,869,223</u>	<u>1,856,258</u>	<u>1,818,724</u>
 Expenditures:				
Active Employees-Medical				
Medical claims - Current Year	2,376,800	1,103,134	969,855	1,162,916
Medical claims - Prior Year	-	-	240,022	265,331
Prescription drug claims	-	-	195,043	162,042
Refunds-Stop Loss Coverage	-	-	(18,130)	(16,692)
Total Claims-Actives	<u>2,376,800</u>	<u>1,103,134</u>	<u>1,386,790</u>	<u>1,573,597</u>
Medical Claim Fees	145,000	92,766	87,649	122,813
Memberships	-	-	3,075	3,180
Miscellaneous Wellness	77,000	25,992	10,169	15,067
Section 125 administration Fee	4,500	2,615	1,993	1,634
Stop Loss Premiums	664,000	414,243	312,723	367,233
ACA Fees	25,000	21,426	1,348	1,309
Total Medical Costs-Actives	<u>3,292,300</u>	<u>1,660,176</u>	<u>1,803,747</u>	<u>2,084,833</u>
Active Employees-Dental				
Dental Claims	165,300	90,099	115,440	92,228
Dental Claim Fees	12,000	7,568	8,268	12,817
Total Dental Costs-Actives	<u>177,300</u>	<u>97,667</u>	<u>123,708</u>	<u>105,045</u>
Retirees-Dental				
Dental Claims	6,000	3,365	2,912	4,134
Dental Claim Fees	200	131	130	198
Total Dental Costs-Retirees	<u>6,200</u>	<u>3,496</u>	<u>3,042</u>	<u>4,332</u>
Total Dental Costs	<u>183,500</u>	<u>101,163</u>	<u>126,750</u>	<u>109,377</u>
Claims contingency	528,000	264,000	-	-
Total Expenditures	<u>4,003,800</u>	<u>2,025,339</u>	<u>1,930,497</u>	<u>2,194,210</u>
Revenue over (under) expenditures	(789,800)	<u>\$ (156,116)</u>	(74,239)	(375,486)
Net assets, beginning of year	<u>1,886,196</u>	<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>\$ 1,811,957</u>	<u>\$ 1,811,957</u>	<u>\$ 2,370,589</u>

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

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Cash and investments	\$ -	\$ -
Investments held in trust - Fixed Inc	1,979,863	1,870,922
Investments held in trust - Equities	3,839,951	3,473,010
Accounts receivable	13,384	6,412
Due from Water Utility	-	408
Total Assets	<u>\$ 5,833,198</u>	<u>\$ 5,350,752</u>
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 441	\$ 1,718
Claims payable	131,100	45,000
Due to City	41,136	15,707
Net assets held in trust for post emp	5,660,521	5,288,327
Total Liabilities and Fund Balance	<u>\$ 5,833,198</u>	<u>\$ 5,350,752</u>

City of Franklin Post Employment Benefits Trust
Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 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	106,204	53,826
Medical Revenue	<u>355,365</u>	<u>245,945</u>
Expenditures:		
Retirees-Medical		
Medical claims - Current Year	201,946	111,696
Medical claims - Prior Year	110,875	20,209
Prescription drug claims	72,205	55,497
Refunds-Stop Loss Coverage	(642)	(14)
Total Claims-Retirees	<u>384,384</u>	<u>187,388</u>
Medical Claim Fees	11,231	13,241
Stop Loss Premiums	48,135	44,885
Miscellaneous Expense	330	300
ACA Fees	160	131
Total Medical Costs-Retirees	<u>444,240</u>	<u>245,945</u>
Revenue over (under) expenditures	(88,875)	-
Annual Required Contribution-Net	-	26,194
Other - Investment Income, etc.	175,633	376,297
Total Revenues	<u>175,633</u>	<u>402,491</u>
Net Revenues (Expenditures)	86,758	402,491
Net assets, beginning of year	<u>5,573,763</u>	<u>4,885,836</u>
Net assets, end of period	<u>\$ 5,660,521</u>	<u>\$ 5,288,327</u>