



Date August 15, 2023
To Mayor Nelson and Common Council Members
From Danielle Brown, Director of Finance & Treasurer
Subject July 2023 Financial Report

Starting this position in June, 2023 put me in a position where maintaining balance within the department and learning the tasks at hand have been important. Diving directly into the budget calendar has attributed to a large portion of the finance department's managed time on a daily basis. Managing required deadlines has been a top priority. As I work through my first budget within the City of Franklin, my goal is to maintain integrity and transparency for the Mayor, the Common Council members, and the constituents within the City.

The July 2023 financial reports for the General Fund and Debt Service Fund are attached.

GENERAL FUND revenues of \$21 million are \$1.5 million under budget. Final property tax settlements are being reported in the August property tax settlement.

Ambulance resources, the school liaison officer, and fire inspection fees are rather strong this year (\$52,500 over budget). Investment income was \$706,469 over budget with continued high rates of return. This is a temporary new resource to consider moving into 2024.

Year to Date expenditures of \$16.6 million are \$507,397 under spent. Delays in hiring and a decrease in Public Safety expenditures are holding Gen Government under budget. Police vacancies early in the year are working on being filled, but the under spending will stay with us. Salt orders pushed Public Works over budget. The lack of equipment replacement funding has caused Highway vehicle support expenditures to inflate.

A \$4.8 million surplus is favorable to the budget – some excess resources and some under spending.

DEBT SERVICE – Debt payments were made March and September as required. There has not been any G.O. Debt issued since 2021. There is a projected \$6.3 million borrow later this year.

City of Franklin
2023 Financial Report
General Fund Summary
For the Seven months ended July 31, 2023

Revenue	2023 Annual Budget	2023 Amended Budget	2023 Year-to-Date Budget	2023 Year-to-Date Actual	Var to Budget Surplus (Deficiency)
Property Taxes	\$ 20,467,400	\$ 20,467,400	\$ 17,702,434	\$ 15,886,490	\$ (1,815,944)
Other Taxes	556,900	556,900	268,512	205,993	(62,520)
Intergovernmental Revenue	1,902,200	1,902,200	1,181,579	776,198	(405,381)
Licenses & Permits	1,270,100	1,270,100	730,343	770,675	40,333
Law and Ordinance Violations	415,000	415,000	267,015	233,877	(33,138)
Public Charges for Services	2,556,000	2,556,000	1,372,122	1,362,655	(9,467)
Intergovernmental Charges	330,900	330,900	167,907	220,407	52,500
Investment Income	221,575	221,575	119,911	826,379	706,469
Sales of Capital Assets	1,500	1,500	962	-	(962)
Miscellaneous Revenue	149,000	149,000	78,393	102,913	24,520
Refund/Reimbursement - Elec	-	-	-	-	-
Transfer from Other Funds	1,060,500	1,060,500	658,313	618,625	(39,688)
Total Revenue	\$ 28,931,075	\$ 28,931,075	\$ 22,547,491	\$ 21,004,212	\$ (1,543,279)
Expenditures	2023 Annual Budget	2023 Amended Budget	2023 Year-to-Date Budget	2023 Year-to-Date Actual	Var to Budget Surplus (Deficiency)
General Government	\$ 3,359,803	\$ 3,382,547	\$ 2,068,359	\$ 1,999,773	E \$ 68,586
Public Safety	19,298,556	19,425,082	11,172,726	10,859,707	E 313,019
Public Works	4,374,891	4,394,871	2,345,263	2,465,166	E (119,903)
Health and Human Services	730,136	730,136	395,490	383,337	12,153
Other Culture and Recreation	390,428	393,753	216,724	159,356	57,368
Conservation and Development	671,261	685,526	376,100	323,336	E 52,764
Contingency and Unclassified	2,595,000	2,595,000	53,146	166,486	(113,341)
Anticipated underexpenditures	-	-	-	-	-
Transfers to Other Funds	11,000	11,000	-	-	-
Encumbrances	-	-	-	(236,752)	236,752
Total Expenditures	\$ 31,431,075	\$ 31,617,915	\$ 16,627,808	\$ 16,120,411	\$ 507,397
Excess of revenue over (under) expenditures	(2,500,000)	(2,686,840)	<u>\$ 5,919,683</u>	4,883,801	<u>\$ (1,035,882)</u>
Fund balance, beginning of year	11,369,816	11,369,816		11,369,816	
Fund balance, end of period	<u>\$ 8,869,816</u>	<u>\$ 8,682,976</u>		<u>\$ 16,253,617</u>	

E Represents an encumbrance for current year from prior year

**City of Franklin
Debt Service Funds
Balance Sheet
July 31, 2023 and 2022**

	2023 Special Assessment	2023 Debt Service	2023 Total	2022 Special Assessment	2022 Debt Service	2022 Total
Assets						
Cash and investments	\$ 198,142	\$ 725,987	\$ 924,130	\$ 191,112	\$ 1,703,187	\$ 1,894,299
Taxes receivable	(2,684)	-	(2,684)	-	-	-
Accounts receivable	-	-	-	-	-	-
Accrued interest receivable	-	-	-	-	-	-
Internal Advances to TIF Districts	-	-	-	-	-	-
Special assessment receivable	10,662	-	10,662	10,662	-	10,662
Total Assets	<u>\$ 206,120</u>	<u>\$ 725,987</u>	<u>\$ 932,108</u>	<u>\$ 201,774</u>	<u>\$ 1,703,187</u>	<u>\$ 1,904,961</u>
Liabilities and Fund Balance						
Unearned & unavailable revenue	\$ 10,662	\$ -	\$ 10,662	\$ 10,662	\$ 1,100,000	\$ 1,110,662
Unassigned fund balance	195,459	725,986	921,445	191,112	603,186	794,297
Total Liabilities and Fund Balance	<u>\$ 206,121</u>	<u>\$ 725,986</u>	<u>\$ 932,107</u>	<u>\$ 201,774</u>	<u>\$ 1,703,186</u>	<u>\$ 1,904,959</u>

**Statement of Revenue, Expenses and Fund Balance
For the Seven months ended July 31, 2023 and 2022**

	2023 Special Assessment	2023 Debt Service	2023 Year-to-Date Actual	2023 Original Budget	2022 Special Assessment	2022 Debt Service	2022 Year-to-Date Actual
Revenue:							
Property Taxes	\$ -	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ -	\$ 1,100,000	\$ 1,100,000
Special Assessments	-	-	-	2,000	2,118	-	2,118
Investment Income	4,347	17,801	22,148	6,100	3,144	4,335	7,479
Bond & Note Premium	-	-	-	-	-	-	-
Total Revenue	<u>4,347</u>	<u>1,117,801</u>	<u>1,122,148</u>	<u>1,108,100</u>	<u>5,262</u>	<u>1,104,335</u>	<u>1,109,597</u>
Expenditures:							
Debt Service							
Principal	-	1,035,000	1,035,000	1,035,000	-	970,000	970,000
Interest	-	67,263	67,263	120,738	-	138,956	138,956
Bank Fees	-	1,600	1,600	1,600	-	1,600	1,600
Total Expenditures	<u>-</u>	<u>1,103,863</u>	<u>1,103,863</u>	<u>1,157,338</u>	<u>-</u>	<u>1,110,556</u>	<u>1,110,556</u>
Transfers in	-	108,862	108,862	-	-	288,578	288,578
Transfers out	-	-	-	-	-	-	-
Net change in fund balances	<u>4,347</u>	<u>122,801</u>	<u>127,148</u>	<u>(49,238)</u>	<u>5,262</u>	<u>282,357</u>	<u>287,619</u>
Fund balance, beginning of year	<u>191,112</u>	<u>603,186</u>	<u>794,297</u>	<u>794,297</u>	<u>185,850</u>	<u>320,829</u>	<u>506,678</u>
Fund balance, end of period	<u>\$ 195,459</u>	<u>\$ 725,986</u>	<u>\$ 921,445</u>	<u>\$ 745,059</u>	<u>\$ 191,112</u>	<u>\$ 603,186</u>	<u>\$ 794,297</u>