

Date: April 17, 2014
To: Mayor Steve Olson, Common Council Members
and Finance Committee Members
From: Paul Rotzenberg, Director of Finance and Treasurer
Subject: Twelve Month 2013 Financial Reports

Attached is the 2013 financial report for the Twelve Months for the City of Franklin.

The following items are included in this report:

General Fund Summary of Revenue and Expenditures	
General Fund Schedules of Revenue by Category and Expenditures by Department/Program	
Library Fund Financial Report	Solid Waste Fund Financial Reports
Debt Service Fund Financial Report	TIF Districts Financial Reports
Capital Outlay Fund Report	Equipment Revolving Fund Financial Report
Street Improvement Fund Financial Report	Capital Improvement Fund
Development Fund	Self Insurance Fund Financial Report
Post Employment Benefits Trust Report	Sewer Fund Financial Report
Water Utility Financial Report	
Park Commission Revenue and Expenditures	

The comments below highlight some of the General Fund significant accounts and fluctuations.

General Fund Revenue

The 2013 revenue of \$24,079,987 was more than the budget of \$23,559,100 by \$520,887. The significant increases were \$344,384 in DPW revenue due to work done on the S 51st Street sidewalk project, and \$159,357 of Regulation & Compliance – chiefly building permits. On the Unfavorable side would be investment income off \$153,514 from budget. Declining rates have reduced income on the funds invested.

General Fund Expenditures

The 2013 expenditures of \$22,800,555 was \$1,816,027 less than the budget of \$24,616,582. \$1,011,675 of the contingency was not used. A reduction in the Retiree Health cost of \$313,277 was realized when the Common Council directed health plan changes to avoid the Cadillac Tax in 2018.

Change in Fund Balance of General Fund

The Fund Balance reflects the net revenue and expense activity for the twelve months. 2013 generated a surplus of \$1,279,432 in the fund balance which is now at 29% of the coming year's expenditures, at the high end of policy target range for the General Fund balance. The favorable performance of both revenues and expenditures noted above facilitated this result.



Paul Rotzenberg
Director of Finance & Treasurer

Pc: Department Heads

City of Franklin
General Fund

Comparative Statement of Revenue, Expenses and Fund Balance
For the 12 months ended December 31, 2013 and 2012

Revenue	2013		2012		Variance Favorable (Unfavorable)
	Amended Budget	Year-to-Date Actual	Amended Budget	Year-to-Date Actual	
Property Taxes	\$ 16,330,000	\$ 16,355,009	\$ 16,226,000	\$ 16,204,907	\$ (21,093)
Other Taxes	1,802,000	1,854,360	1,675,000	1,769,870	94,870
Intergovernmental Revenue	2,542,600	2,571,374	2,686,000	2,802,048	116,048
Regulation and Compliance	753,000	912,357	721,000	755,027	34,027
Law and Ordinance Violations	450,000	411,795	407,000	457,499	50,499
Public Charges for Services	1,323,500	1,667,884	1,295,000	1,693,847	398,847
Intergovernmental Charges	125,000	162,308	125,000	103,615	(21,385)
Investment Income	142,000	(11,514)	421,000	213,200	(207,800)
Miscellaneous Revenue	91,000	156,414	91,000	167,413	76,413
Total Revenue	\$ 23,559,100	\$ 24,079,987	\$ 23,647,000	\$ 24,167,426	\$ 520,426
		102.21%		102.20%	
Expenditures	2013		2012		Variance Favorable (Unfavorable)
	Amended Budget	Year-to-Date Actual	Amended Budget	Year-to-Date Actual	
General Government	\$ 2,928,263	\$ 2,708,782	\$ 2,778,178	\$ 2,631,413	\$ 146,765
Public Safety	16,178,990	15,447,158	16,346,632	16,384,502	(37,870)
Public Works	3,522,359	3,386,738	3,522,351	3,354,748	167,603
Health and Human Services	659,002	635,959	650,109	633,018	17,091
Other Culture and Recreation	171,901	174,887	173,009	184,840	(11,831)
Conservation and Development	408,010	360,649	455,221	377,644	77,577
Contingency	1,012,075	400	140,500	-	140,500
Anticipated underexpenditures	(350,000)	-	(407,000)	-	(407,000)
Transfers to Other Funds	85,982	85,982	220,000	220,000	-
Total Expenditures	\$ 24,616,582	\$ 22,800,555	\$ 23,879,000	\$ 23,786,165	\$ 92,835
		92.62%		99.61%	
Excess of revenue over (under) expenditures	(1,057,482)	1,279,432	(232,000)	381,261	\$ 613,261
Fund balance, beginning of year	6,502,134	6,502,134	6,120,873	6,120,873	
Fund balance, end of period	\$ 5,444,652	\$ 7,781,566	\$ 5,888,873	\$ 6,502,134	

City of Franklin
General Fund

Comparative Statement of Revenue
For the 12 months ended December 31, 2013 and 2012

Revenue	2013 Amended Budget	2013 Year-to-Date Actual	Variance Favorable (Unfavorable)	2012 Amended Budget	2012 Year-to-Date Budget	2012 Year-to-Date Actual	Variance Favorable (Unfavorable)
Taxes:							
General property	\$ 16,330,000	\$ 16,355,009	\$ 25,009	\$ 16,226,000	\$ 16,226,000	\$ 16,204,907	(21,093)
Water utility - tax equivalent	1,070,000	1,130,375	60,375	1,028,000	1,028,000	1,051,038	33,038
Cable television franchise fees	515,000	507,018	(7,982)	470,000	470,000	500,322	30,322
Mobile Home	27,000	25,370	(1,630)	27,000	27,000	25,186	(1,814)
Room tax	190,000	191,597	1,597	150,000	150,000	183,324	33,324
Total taxes	18,132,000	18,209,369	77,369	17,901,000	17,901,000	17,974,777	73,777
Intergovernmental Revenue:							
State shared revenue	475,000	480,167	5,167	475,000	475,000	479,153	4,153
Expenditure restraint revenue	217,100	217,114	14	377,000	377,000	377,334	334
State computer aid	307,000	348,818	41,818	307,000	307,000	325,343	18,343
State transportation aids	1,363,000	1,362,632	(368)	1,399,000	1,399,000	1,399,148	148
Fire insurance dues	115,000	119,948	4,948	115,000	115,000	122,649	7,649
Other grants	65,500	42,695	(22,805)	13,000	13,000	98,421	85,421
Total intergovernmental	2,542,600	2,571,374	28,774	2,686,000	2,686,000	2,802,048	116,048
Regulation and Compliance:							
Licenses	140,500	146,966	6,466	152,000	152,000	159,680	7,680
Permits	612,500	765,391	152,891	569,000	569,000	595,347	26,347
Fines, forfeitures and penalties	450,000	411,795	(38,205)	407,000	407,000	457,499	50,499
Total regulation and compliance	1,203,000	1,324,152	121,152	1,128,000	1,128,000	1,212,526	84,526
Public Charges for Services:							
Planning related fees	59,000	54,506	(4,494)	45,000	45,000	64,030	19,030
General government	6,200	13,693	7,493	6,200	6,200	11,275	5,075
Architectural Board Review	3,300	7,390	4,090	3,300	3,300	6,460	3,160
Police and related	6,000	10,411	4,411	6,000	6,000	16,914	10,914
Ambulance services - ALS	520,000	613,924	93,924	430,000	430,000	536,188	106,188
Ambulance services - BLS	417,000	447,668	30,668	507,000	507,000	442,676	(64,324)
Fire safety training	2,000	648	(1,352)	2,000	2,000	190	(1,810)
Fire Sprinkler Plan Review	60,000	68,527	8,527	70,000	70,000	79,595	9,595
Fire Inspections	30,000	29,113	(887)	40,000	40,000	42,158	2,158
Quarry reimbursement	42,000	23,517	(18,483)	40,000	40,000	10,136	(29,864)
Weed cutting	15,050	14,299	(751)	15,050	15,050	16,262	1,212
Engineering fees	5,000	17,303	12,303	5,000	5,000	18,525	13,525
Public works fees	35,650	189,284	153,634	35,650	35,650	304,737	269,087
Weights & Measures	6,800	14,512	7,712	6,800	6,800	4,263	(2,537)
Landfill Operations - Siting	19,500	-	(19,500)	-	-	-	-
Landfill Operations - Emerald Park	40,000	42,894	2,894	40,000	40,000	79,460	39,460
Health Department	56,000	120,195	64,195	43,000	43,000	60,978	17,978
Total charges for services	1,323,500	1,667,884	344,384	1,295,000	1,295,000	1,693,847	398,847

City of Franklin
General Fund

Comparative Statement of Revenue
For the 12 months ended December 31, 2013 and 2012

Revenue	2013 Amended Budget	2013 Year-to-Date Actual	Variance Favorable (Unfavorable)	2012 Amended Budget	2012 Year-to-Date Budget	2012 Year-to-Date Actual	Variance Favorable (Unfavorable)
Intergovernmental Charges:							
Milwaukee County - paramedics	125,000	162,308	37,308	125,000	125,000	103,615	(21,385)
Total intergovernmental charges	<u>125,000</u>	<u>162,308</u>	<u>37,308</u>	<u>125,000</u>	<u>125,000</u>	<u>103,615</u>	<u>(21,385)</u>
Investment Income:							
Interest on investments	75,000	111,224	36,224	314,000	314,000	123,658	(190,342)
Market value change on investments	(10,000)	(212,230)	(202,230)	(10,000)	(10,000)	4,156	14,156
Interest - tax roll	75,000	87,424	12,424	115,000	115,000	82,157	(32,843)
Other interest	2,000	2,068	68	2,000	2,000	3,229	1,229
Total interest revenue	<u>142,000</u>	<u>(11,514)</u>	<u>(153,514)</u>	<u>421,000</u>	<u>421,000</u>	<u>213,200</u>	<u>(207,800)</u>
Miscellaneous Revenue:							
Rental of property	34,000	41,492	7,492	34,000	34,000	40,624	6,624
Refunds/reimbursements	30,000	39,399	9,399	30,000	30,000	99,901	69,901
Insurance dividend	15,000	58,192	43,192	15,000	15,000	-	(15,000)
Sale of property	3,000	950	(2,050)	3,000	3,000	-	(3,000)
Other revenue	9,000	16,381	7,381	9,000	9,000	26,888	17,888
Total miscellaneous revenue	<u>91,000</u>	<u>156,414</u>	<u>65,414</u>	<u>91,000</u>	<u>91,000</u>	<u>167,413</u>	<u>76,413</u>
Total revenue	<u>\$ 23,559,100</u>	<u>\$ 24,079,987</u>	<u>\$ 520,887</u>	<u>\$ 23,647,000</u>	<u>\$ 23,647,000</u>	<u>\$ 24,167,426</u>	<u>\$ 520,426</u>
		102.21%				102.20%	

City of Franklin
General Fund

Comparative Statement of Expenditures
For the 12 months ended December 31, 2013 and 2012

Expenditures	2013 Amended Budget	2013 Year-to-Date Actual	2013 Favorable (Unfavorable)	2012 Amended Budget	2012 Year-to-Date Budget	2012 Year-to-Date Actual	Variance Favorable (Unfavorable)
General Government:							
Mayor & Aldermen	\$ 98,350	A \$ 92,595	\$ 5,755	\$ 97,972	\$ 97,972	\$ 91,450	6,522
Municipal Court	226,543	223,628	2,915	208,824	208,824	200,830	7,994
City Clerk	318,482	294,029	24,453	314,091	314,091	309,991	4,100
Elections	90,805	A 40,007	50,798	46,941	46,941	81,795	(34,854)
Information Services	332,300	312,346	19,954	327,350	327,350	276,991	50,359
Administration	431,057	379,221	51,836	419,720	419,720	388,191	31,529
Finance	539,908	543,288	(3,380)	510,299	510,299	489,965	20,334
Independent Audit	34,500	33,265	1,235	27,300	27,300	26,955	345
Assessor	253,469	212,856	40,613	255,572	255,572	199,256	56,316
Legal Services	324,920	287,647	37,273	290,650	290,650	285,657	4,993
Municipal Buildings	194,379	193,100	1,279	202,309	202,309	197,010	5,299
Property/liability insurance	81,050	96,800	(15,750)	74,650	74,650	82,344	(7,694)
Unclassified	2,500	-	2,500	2,500	2,500	978	1,522
Total general government	2,928,263	2,708,782	219,481	2,778,178	2,778,178	2,631,413	146,765
Public Safety:							
Police Department	9,261,071	E, A 8,744,005	517,066	9,329,452	9,329,452	9,203,657	125,795
Fire Department	5,999,105	5,796,116	202,989	6,029,619	6,029,619	6,245,963	(216,344)
Public Fire Protection	244,300	245,526	(1,226)	304,800	304,800	265,870	38,930
Building Inspection	667,714	A 654,711	13,003	675,961	675,961	662,212	13,749
Weights and Measures	6,800	6,800	-	6,800	6,800	6,800	-
Total public safety	16,178,990	15,447,158	731,832	16,346,632	16,346,632	16,384,502	(37,870)
Public Works:							
Engineering	606,905	574,351	32,554	610,993	610,993	591,530	19,463
Highway	2,558,674	A 2,459,166	99,508	2,558,458	2,558,458	2,433,281	125,177
Street Lighting	341,730	E 341,512	218	337,850	337,850	315,785	22,065
Weed Control	15,050	11,709	3,341	15,050	15,050	14,152	898
Total public works	3,522,359	3,386,738	135,621	3,522,351	3,522,351	3,354,748	167,603
Health and Human Services:							
Public Health Department	609,952	598,591	11,361	601,059	601,059	593,140	7,919
Animal Control	49,050	37,368	11,682	49,050	49,050	39,878	9,172
Total health and human services	659,002	635,959	23,043	650,109	650,109	633,018	17,091
Culture and Recreation:							
St. Martins Fair	11,000	11,000	-	11,000	11,000	11,000	-
Civic Celebrations	13,000	13,000	-	13,000	13,000	13,000	-
Senior Travel	15,000	13,400	1,600	15,000	15,000	12,235	2,765
Parks	132,901	137,487	(4,586)	134,009	134,009	148,605	(14,596)
Total culture and recreation	\$ 171,901	\$ 174,887	\$ (2,986)	\$ 173,009	\$ 173,009	\$ 184,840	\$ (11,831)

A Represents an amendment to Adopted Budget

E 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, 2013 and 2012

Expenditures	2013 Amended Budget	2013 Year-to-Date Actual	2013 Favorable (Unfavorable)	2012 Amended Budget	2012 Year-to-Date Budget	2012 Year-to-Date Actual	Variance Favorable (Unfavorable)
Conservation and Development:							
Planning	393,710	347,180	46,530	410,921 A	410,921	369,254	41,667
Economic Development	14,300	13,469	831	44,300 A	44,300	8,390	35,910
Total conservation and development	408,010	360,649	47,361	455,221	455,221	377,644	77,577
Contingency:							
Restricted - other	950,000	-	950,000	- A	-	-	-
Unrestricted	62,075 A	400	61,675	140,500 A	140,500	-	140,500
Total contingency	1,012,075	400	1,011,675	140,500	140,500	-	140,500
Anticipated underexpenditures	(350,000)	-	(350,000)	(407,000)	(407,000)	-	(407,000)
Transfers to other funds:							
Capital Improvement Fund	85,982	85,982	-	220,000 A	220,000	220,000	-
Total transfers to other funds	85,982	85,982	-	220,000	220,000	220,000	-
Total expenditures	\$ 24,616,582	\$ 22,800,555	\$ 1,816,027	\$ 23,879,000	\$ 23,879,000	\$ 23,786,165	\$ 92,835
		92.62%				99.61%	

A Represents an amendment to Adopted Budget

E Represents an ecumbrance for current year from prior year

BALANCE SHEET

ASSETS

Cash and investments	\$ 7,620,919
Accounts receivable	635,031
Taxes receivable	16,236,316
Due from other funds	638,835
Due from other governments	3,346
Prepaid expenditures	19,187
Inventories	26,679
Total Assets	\$ 25,180,313

LIABILITIES

Accounts payable	\$ 651,886
Accrued liabilities	224,836
Due to other funds	65,910
Due to other governments	105,187
Special deposits	111,686
Unearned revenue	16,239,242
Total Liabilities	17,398,747

FUND BALANCES

Nonspendable - inventories and prepaid expenditures	550,906
Unassigned	7,230,660
Total fund balances	7,781,566
Total Liabilities and fund balances	\$ 25,180,313

31-Dec-12

Year Actual	
\$ 6,875,225	
460,114	
16,412,317	
323,923	
20,910	
21,828	
41,108	
\$ 24,155,425	

City of Franklin
Library Fund
Balance Sheet
December 31, 2013 and 2012

	Operating		Restricted	
<u>Assets</u>	2013	2012	2013	2012
Cash and investments	\$ 355,858	\$ 325,857	\$ 142,112	\$ 104,749
Accrued receivables	119,179	113,352	-	-
Taxes receivable	1,240,000	1,240,000	-	-
Prepaid expenses	1,575	8,450	900	12,600
Total Assets	\$ 1,716,612	\$ 1,687,659	\$ 143,012	\$ 117,349
<u>Liabilities and Fund Balance</u>				
Accounts payable	\$ 26,168	\$ 14,799	\$ 390	\$ 278
Accrued salaries & wages	10,774	8,107	-	-
Unearned revenue	1,240,000	1,240,000	-	-
Nonspendable fund balance	1,575	8,450	900	12,600
Assigned fund balance	438,095	416,303	141,722	104,471
Total Liabilities and Fund Balance	\$ 1,716,612	\$ 1,687,659	\$ 143,012	\$ 117,349

Statement of Revenue, Expenses and Fund Balance - Operating Fund
For the Twelve months ended December 31, 2013 and 2012

	2013		2012		Variance
<u>Revenue</u>	Annual Budget	Year-to-Date Actual	Annual Budget	Year-to-Date Actual	Favorable (Unfavorable)
Property taxes	\$ 1,240,000	\$ 1,240,000	\$ 1,222,000	\$ 1,222,000	\$ -
Reciprocal borrowing (restricted)	50,000	119,179	50,000	113,352	63,352
Investment income	16,000	(8,319)	16,000	10,203	(5,797)
Transfers in	21,000	-	-	-	-
Total Revenue	1,327,000	1,350,860	1,288,000	1,345,555	57,555
<u>Expenditures:</u>					
Salaries and benefits	898,098	873,898	877,445	876,875	570
Contractual services	16,221	17,610	15,750	18,692	(2,942)
Supplies	37,237	35,594	35,600	33,709	1,891
Services and charges	44,500	45,196	42,250	43,426	(1,176)
Facility charges	240,800	227,221	243,050	229,256	13,794
Capital outlay	102,500	99,954	143,850	115,010	28,840
Capital outlay (restricted)	34,000	36,470	-	-	-
Total Library Costs	1,373,356	1,335,943	1,357,945	1,316,968	40,977
Total expenditures	1,373,356	1,335,943	1,357,945	1,316,968	40,977
Revenue over (under) expenditures	(46,356)	14,917	(69,945)	28,587	98,532
Fund balance, beginning of year	424,753	424,753	396,166	396,166	
Fund balance, end of period	\$ 378,397	\$ 439,670	\$ 326,221	\$ 424,753	

**City of Franklin
Solid Waste Collection Fund
Balance Sheet
December 31, 2013 and 2012**

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ 283,140	\$ 229,865
User fees receivable	1,168,087	1,157,104
Accrued Receivables	27,579	26,821
Total Assets	<u>\$ 1,478,806</u>	<u>\$ 1,413,790</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 122,097	\$ 155,823
Accrued salaries & wages	315	317
Unearned Revenue	1,168,087	1,157,104
Restricted fund balance	188,307	100,546
Total Liabilities and Fund Balance	<u>\$ 1,478,806</u>	<u>\$ 1,413,790</u>

**Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013**

<u>Revenue</u>	<u>2013 Annual Budget</u>	<u>2013 Year-to-Date Actual</u>	<u>2012 Year Actual</u>
Grants	\$ 69,000	\$ 69,267	\$ 69,291
User Fees	1,187,000	1,153,672	1,145,976
Landfill Operations-tippage	350,000	331,537	360,232
Investment Income	4,000	(7,042)	7,732
Sale of Recycling Bins	-	21	1,427
Sale of Recyclables	5,000	9,439	9,707
Total Revenue	<u>1,615,000</u>	<u>1,556,894</u>	<u>1,594,365</u>
Expenditures:			
Personal Services	22,597	32,789	27,369
Refuse Collection	652,600	636,220	632,923
Recycling Collection	351,300	351,353	310,072
Leaf & Brush Pickups	51,500	51,519	51,321
Tippage Fees	468,000	393,232	466,539
Miscellaneous	1,937	2,520	3,120
Printing	-	1,500	2,475
Total expenditures	<u>1,547,934</u>	<u>1,469,133</u>	<u>1,493,819</u>
 Revenue over (under) expenditures	 67,066	 87,761	 100,546
 Fund balance, beginning of year	 <u>100,546</u>	 <u>100,546</u>	 <u>-</u>
 Fund balance, end of period	 <u>\$ 167,612</u>	 <u>\$ 188,307</u>	 <u>\$ 100,546</u>

City of Franklin
Debt Service Funds
Balance Sheet
December 31, 2013 and 2012

	2013 Special Assessment	2013 Debt Service	2013 Total	2012 Total Debt Service
Assets				
Cash and investments	\$ 527,451	\$ 37,288	\$ 564,739	\$ 392,164
Taxes receivable	79,494	1,600,000	1,679,494	1,816,568
Special assessment receivable	204,675	-	204,675	270,575
Total Assets	\$ 811,620	\$ 1,637,288	\$ 2,448,908	\$ 2,479,307
Liabilities and Fund Balance				
Unearned & unavailable revenue	\$ 204,675	\$ 1,600,000	\$ 1,804,675	\$ 1,920,575
Due to other funds	-	2,137,000	2,137,000	3,112,000
Unassigned fund balance	606,945	(2,099,712)	(1,492,767)	(2,553,268)
Total Liabilities and Fund Balance	\$ 811,620	\$ 1,637,288	\$ 2,448,908	\$ 2,479,307

Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 and 2012

	2013 Special Assessment	2013 Debt Service	2013 Year-to-Date Actual	2013 Annual Budget	Variance Favorable (Unfavorable)		Total Year Actual	Total Annual Budget	Variance Favorable (Unfavorable)
Revenue									
Property Taxes	\$ -	\$ 1,650,000	\$ 1,650,000	\$ 1,650,000	\$ -		\$ 1,750,000	\$ 1,750,000	\$ -
Special Assessments	65,706	-	65,706	-	65,706		142,700	-	142,700
Investment Income	7,899	-	7,899	-	7,899		33,885	-	33,885
Interfund Interest Income	-	-	-	-	-		28,363	143,623	(115,260)
Total Revenue	73,605	1,650,000	1,723,605	1,650,000	73,605		1,954,948	1,893,623	61,325
Expenditures:									
Debt Service:									
Principal	-	620,000	620,000	620,000	-		8,170,000	8,170,000	-
Interest	-	409,380	409,380	409,380	-		594,318	693,652	99,334
Total expenditures	-	1,029,380	1,029,380	1,029,380	-		8,764,318	8,863,652	99,334
Transfers in	-	366,276	366,276	354,380	11,896		161,347	311,000	149,653
Net change in fund balances	73,605	986,896	1,060,501	975,000	85,501		(6,648,023)	(6,659,029)	310,312
Fund balance, beginning of year	533,340	(3,086,608)	(2,553,268)	(2,553,268)	-		4,094,755	4,094,755	-
Fund balance, end of period	\$ 606,945	\$ (2,099,712)	\$ (1,492,767)	\$ (1,578,268)	\$ (1,578,268)		\$ (2,553,268)	\$ (2,564,274)	\$ (11,006)

City of Franklin
Tax Increment Financing Districts #3
Balance Sheet
December 31, 2013 & 2012

<u>Assets</u>	2013	2012
Cash and investments	\$ 128,647	\$ 14,224
Interest receivable	40,268	44,622
Notes receivable	6,195,000	6,865,000
Taxes receivable	1,572,197	1,547,835
Total Assets	<u>\$ 7,936,112</u>	<u>\$ 8,471,681</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 149	\$ 16,863
Unearned revenue	1,612,465	1,592,457
Line of Credit Advance from Development Fund	1,150,000	-
Total Liabilities	<u>2,762,614</u>	<u>1,609,320</u>
Nonspendable fund balance - note receivable	6,195,000	6,865,000
Unassigned fund balance	<u>(1,021,502)</u>	<u>(2,639)</u>
Total Fund Balance	<u>5,173,498</u>	<u>6,862,361</u>
Total Liabilities and Fund Balance	<u>\$ 7,936,112</u>	<u>\$ 8,471,681</u>

Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 & 2012

<u>Revenue</u>	2013 Annual Forecast	2013 Year-to-Date Forecast	2013 Year-to-Date Actual	2012 Year-to-Date Actual
General property tax levy	\$ 1,547,800	\$ 1,547,800	\$ 1,547,835	\$ 1,650,483
State exempt computer aid	268,000	268,000	361,741	282,085
Investment Income	127,700	127,700	125,732	145,757
Total revenue	<u>1,943,500</u>	<u>1,943,500</u>	<u>2,035,308</u>	<u>2,078,325</u>
Expenditures:				
Debt service principal	3,170,000	3,170,000	3,170,000	2,655,000
Debt service interest & fees	523,100	523,100	522,341	596,392
Administrative expenses	29,000	29,000	28,290	12,116
Capital outlays	11,000	11,000	3,540	25,360
Total expenditures	<u>3,733,100</u>	<u>3,733,100</u>	<u>3,724,171</u>	<u>3,288,868</u>
	(1,789,600)	(1,789,600)	(1,688,863)	(1,210,543)
Fund balance, beginning of year	<u>6,862,361</u>		<u>6,862,361</u>	<u>8,072,904</u>
Fund balance, end of period	<u>\$ 5,072,761</u>		<u>\$ 5,173,498</u>	<u>\$ 6,862,361</u>

City of Franklin
Tax Increment Financing Districts #4
Balance Sheet
December 31, 2013 & 2012

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ 103,073	\$ 187,498
Developer receivable	1,199	16,724
Taxes receivable	954,727	815,923
Total Assets	<u>\$ 1,058,999</u>	<u>\$ 1,020,145</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 149	\$ 16,724
Unearned revenue	954,727	815,923
Interfund Advance from Development	2,163,000	3,038,000
Total Liabilities	<u>3,117,876</u>	<u>3,870,647</u>
Unassigned Fund balance	<u>(2,058,877)</u>	<u>(2,850,502)</u>
Total Liabilities and Fund Balance	<u>\$ 1,058,999</u>	<u>\$ 1,020,145</u>

Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 & 2012

<u>Revenue</u>	<u>2013 Annual Forecast</u>	<u>2013 Year-to-Date Forecast</u>	<u>2013 Year-to-Date Actual</u>	<u>2012 Year-to-Date Actual</u>
General property tax levy	\$ 815,900	\$ 815,900	\$ 862,296	\$ 909,841
State exempt computer aid	54,200	54,200	46,504	57,003
Investment Income	5,500	5,500	(3,255)	3,800
Total revenue	<u>875,600</u>	<u>875,600</u>	<u>905,545</u>	<u>970,644</u>
Expenditures:				
Debt service/interfund interest	118,300	118,300	101,797	144,248
Administrative expenses	15,000	15,000	10,590	13,687
Capital outlays	-	-	1,533	-
Total expenditures	<u>133,300</u>	<u>133,300</u>	<u>113,920</u>	<u>157,935</u>
Revenue over (under) expenditures	742,300	<u>\$ 742,300</u>	791,625	812,709
Fund balance, beginning of year	<u>(2,850,502)</u>		<u>(2,850,502)</u>	<u>(3,663,211)</u>
Fund balance, end of period	<u>\$ (2,108,202)</u>		<u>\$ (2,058,877)</u>	<u>\$ (2,850,502)</u>

**City of Franklin
Capital Outlay Fund
Balance Sheet
December 31, 2013 & Decmeber 31, 2012**

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ 393,958	\$ 380,284
Taxes receivable	430,000	394,000
Accrued Receivables	757	1,514
Total Assets	<u>\$ 824,715</u>	<u>\$ 775,798</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 33,394	\$ 38,126
Miscellaneous claims payable	23,746	8,539
Unearned Revenue	430,000	394,000
Assigned fund balance	337,575	335,133
Total Liabilities and Fund Balance	<u>\$ 824,715</u>	<u>\$ 775,798</u>

**Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 & 2012**

<u>Revenue</u>	<u>2013 Annual Budget</u>	<u>2013 Year-to-Date Actual</u>	<u>2012 Year Actual</u>
Property Taxes	\$ 394,000	\$ 394,000	\$ 384,000
Grants	25,000	6,652	1,630
Landfill Siting	100,000	100,000	100,000
Investment Income	10,000	(5,085)	5,474
Miscellaneous Revenue	40,000	56,300	38,946
Total Revenue	<u>569,000</u>	<u>551,867</u>	<u>530,050</u>
Expenditures:			
General Government	91,320	59,764	57,905
Public Safety	473,266	397,380	380,251
Public Works	108,276	79,754	65,759
Health and Human Services	510	-	-
Culture and Recreation	18,000	10,984	16,729
Conservation and Development	4,250	1,543	1,000
Contingency	50,000	-	-
Total expenditures	<u>745,622</u>	<u>549,425</u>	<u>521,644</u>
Revenue over (under) expenditures	(176,622)	2,442	8,406
Fund balance, beginning of year	<u>335,133</u>	<u>335,133</u>	<u>326,727</u>
Fund balance, end of period	<u>\$ 158,511</u>	<u>\$ 337,575</u>	<u>\$ 335,133</u>

**City of Franklin
Equipment Revolving Fund
Comparative Balance Sheet
December 31, 2013 & 2012**

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ 1,916,184	\$ 1,766,726
Taxes receivable	337,000	285,000
Total Assets	\$ 2,253,184	\$ 2,051,726
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 139	\$ 31
Unearned revenue	337,000	285,000
Assigned fund balance	1,916,045	1,766,695
Total Liabilities and Fund Balance	\$ 2,253,184	\$ 2,051,726

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 and 2012**

	<u>2013 Amended Budget</u>	<u>2013 Year-to-Date Actual</u>	<u>2012 Year-to-Date Actual</u>
Revenue:			
Property Taxes	\$ 285,000	\$ 285,000	\$ 281,000
Landfill	150,000	150,000	150,000
Investment Income	13,000	(18,425)	20,062
Property Sales	13,000	24,791	17,025
Refunds/Reimbursements	-	-	2,075
Miscellaneous Revenue-Close out TID #2	-	-	134,091
Transfers From Other Funds	-	114,512	173,540
Transfers From Fund Balance	7,000	-	-
Total revenue	468,000	555,878	777,793
Expenditures:			
Fire Department			
Ambulance-replaces 2003 Ford ambulance	170,000	156,800	-
Ambulance	-	-	170,627
Total Fire Department	170,000	156,800	170,627
Building Inspection Department			
Jeeps (2)	-	-	47,739
Highway Department			
Pothole Patcher	47,000	47,129	-
Single axle dump truck w/ plow, replaces # 733	165,000	159,550	-
Skid steer	38,000	43,049	42,285
Single axle dump truck w/ plow, wing & salt spreader # 732	-	-	159,479
Brush chipper	-	-	55,202
Large area mower w/ trailer	-	-	53,384
Total Highway Department	250,000	249,728	310,350
Total expenditures	420,000	406,528	528,716
Revenue over (under) expenditures	48,000	149,350	249,077
Fund balance, beginning of year	1,766,695	1,766,695	1,517,618
Fund balance, end of period	\$ 1,814,695	\$ 1,916,045	\$ 1,766,695

**City of Franklin
Street Improvement Fund
Balance Sheet
December 31, 2013 & 2012**

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ 228,864	\$ 272,600
Taxes receivable	681,600	610,000
Accrued receivables	-	104,275
Total Assets	<u>\$ 910,464</u>	<u>\$ 986,875</u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 10,301	\$ 27,551
Unearned revenue	681,600	610,000
Assigned fund balance	218,563	349,324
Total Liabilities and Fund Balance	<u>\$ 910,464</u>	<u>\$ 986,875</u>

**Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 & 2012**

	<u>2013 Adopted Budget</u>	<u>2013 Year-to-Date Totals</u>	<u>2012 Year Totals</u>
Revenue:			
Property Taxes	\$ 610,000	\$ 610,000	\$ 604,000
Landfill Siting	200,000	200,000	200,000
Investment Income	23,000	(7,276)	10,523
Local Road Improvement Aids	-	-	156,184
Miscellaneous Revenue	-	15,571	50,445
Miscellaneous Revenue-Close out TID #2	-	-	134,091
Total revenue	<u>833,000</u>	<u>818,295</u>	<u>1,155,243</u>
Expenditures:			
Street Reconstruction Program - Current Year	778,450	741,549	719,095
Transfer to General Fund	-	122,850	193,273
Transfer to Equipment Revolving Fund	-	84,657	173,540
Street Reconstruction Program - Prior Year	-	-	1,182
Total expenditures	<u>778,450</u>	<u>949,056</u>	<u>1,087,090</u>
Revenue over (under) expenditures	54,550	(130,761)	68,153
Fund balance, beginning of year	<u>349,324</u>	<u>349,324</u>	<u>281,171</u>
Fund balance, end of period	<u>\$ 403,874</u>	<u>\$ 218,563</u>	<u>\$ 349,324</u>

**City of Franklin
Capital Improvement Fund
Balance Sheet
December 31, 2013 and 2012**

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ 291,460	\$ 461,064
Due from State of Wisconsin	96,720	-
Accrued receivables	52,063	61,020
Total Assets	<u><u>\$ 440,243</u></u>	<u><u>\$ 522,084</u></u>
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 88,374	\$ 238,261
Contracts Payable	27,786	10,211
Special Deposits	5,155	-
Assigned fund balance	318,928	273,612
Total Liabilities and Fund Balance	<u><u>\$ 440,243</u></u>	<u><u>\$ 522,084</u></u>

**Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 and 2012**

	<u>2013 Adopted Budget</u>	<u>2013 Year-to-Date Totals</u>	<u>2012 Year-to-Date Totals</u>
Revenue:			
Block Grants	\$ 171,564	\$ 96,720	\$ 431
Landfill Siting	215,500	281,726	205,981
Investment Income	-	(1,447)	3,374
Transfers from Fund Balance	71,161	-	-
Transfers from General Funds	85,982	85,982	220,000
Transfers from Impact Fees	322,080	274,912	-
Transfers from Connection Fees	1,000,000	575,755	479,274
Bond Proceeds	200,000	-	-
Total revenue	<u>2,066,287</u>	<u>1,313,648</u>	<u>909,060</u>
Expenditures:			
General Government	131,000	108,780	-
Public Safety	13,200	6,600	227,810
Public Works	231,777	214,620	166,608
Culture and Recreation	75,720	207,422	-
Sewer & Water	1,000,000	730,910	487,586
Contingency	(41,390)	-	-
Total expenditures	<u>1,410,307</u>	<u>1,268,332</u>	<u>882,004</u>
Revenue over (under) expenditures	655,980	45,316	27,056
Fund balance, beginning of year	<u>273,612</u>	<u>273,612</u>	<u>246,556</u>
Fund balance, end of period	<u><u>\$ 929,592</u></u>	<u><u>\$ 318,928</u></u>	<u><u>\$ 273,612</u></u>

**City of Franklin
Development Fund
Comparative Balance Sheet
December 31, 2013 & 2012**

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ 1,776,847	\$ 1,506,431
Due From Debt Service Fund	2,137,000	3,112,000
Due From TID 3	1,150,000	-
Total Assets	\$ 5,063,847	\$ 4,618,431
<u>Liabilities and Fund Balance</u>		
Accounts payable	\$ 11,679	\$ 3,700
Non-Spendable - Advances	3,287,000	3,112,000
Assigned fund balance	1,765,168	1,502,731
Total Fund Balance	5,052,168	4,614,731
Total Liabilities and Fund Balance	\$ 5,063,847	\$ 4,618,431

**Comparative Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 and 2012**

	<u>2013 Amended Budget</u>	<u>2013 Year-to-Date Actual</u>	<u>2012 Year-to-Date Actual</u>
Revenue:			
Impact Fee: Parks	\$ 183,400	\$ 317,206	\$ 263,398
Impact Fee: Southwest Sewer Service Area	-	11,712	-
Impact Fee: Administration	5,000	6,160	6,160
Impact Fee: Water	231,800	427,429	233,136
Impact Fee: Transportation	17,600	31,829	57,171
Impact Fee: Fire Protection	25,800	45,110	52,004
Impact Fee: Law Enforcement	47,900	82,280	96,141
Impact Fee: Library	38,500	66,179	56,468
Investment Income	25,000	(14,234)	21,363
Interfund Interest Income	86,570	120,313	101,748
Transfers from fund balance	67,320	-	-
Total revenue	728,890	1,093,984	887,589
Expenditures:			
Transfer to Debt Service:			
Law Enforcement	204,978	154,678	30,000
Fire	43,013	43,013	42,936
Transportation	73,535	73,535	73,411
Library	133,650	95,050	15,000
Anticipated Underexpenditure	(225,000)	-	-
Total Transfers to Debt Service	230,176	366,276	161,347
Transfer to Capital Improvement Fund:			
Water	-	150,000	-
Park	322,080	124,912	-
Total Transfers to Capital Improvement Fund	322,080	274,912	-
Professional Services	18,600	15,359	6,551
Total expenditures	570,856	656,547	167,898
Revenue over (under) expenditures	158,034	437,437	719,692
Fund balance, beginning of year	4,614,731	4,614,731	3,895,040
Fund balance, end of period	\$ 4,772,765	\$ 5,052,168	\$ 4,614,731

City of Franklin
Development Fund Financial Report
For the twelve months ended December 31, 2013

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 2013 are as follows.

	Single Family	Two Family	Multi Family per Unit
Park and Playground Facilities	\$ 3,799.00	\$ 7,598.00	\$ 2,534.00
Fire Protection Facilities	391.00	782.00	271.00
Law Enforcement Facilities	726.00	1,452.00	504.00
Water system ¹ per every 169 gallons of daily use	1,970.00	3,940.00	1,970.00 ¹
Transportation Facilities	76.00	152.00	54.00
Administrative Fee	55.00	110.00	55.00
Library Facilities	797.00	1,594.00	532.00
Sanitary Sewer - Ryan Creek	2,928.00	4,392.00	see note ²
	<u>\$10,742.00</u>	<u>\$20,020.00</u>	<u>\$ 5,920.00</u>

In addition to the above, there is an established commercial impact fee of \$.353 psf, an industrial impact fee of \$.092 psf and an institutional impact fee of \$.500 psf. There is also a charge on each commercial, industrial or institutional building for water of \$1,470 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, 2013

Cash Acct	4292	4293	4294	4295	4296	4297	4299	Net Cash Balance		
Revenue Acct	4291/7510.5628									
Expenditure Acct										
	Parks/Recreation Development	Community Center	SW Sewer	Admin Fee *	Water	Transportation	Fire Protection	Law Enforcement	Library	Net Cash Balance
Beginning Bal, 12/31/12	2,321,215.43	1,382,311.38		63,353.44	616,586.42	41,573.28	44,649.50	91,529.65	57,212.24	4,618,431.34
1st Quarter										
Impact Fees	30,392.00	0.00		440.00	62,848.00	2,578.00	3,128.00	5,808.00	6,376.00	111,570.00
Expenditures	2,351,607.43	1,382,311.38	0.00	63,793.44	679,434.42	(43,100.00) ¹	(36,191.38) ¹	(96,000.00) ¹	(63,000.00) ¹	(238,291.38)
subtotal						1,051.28	11,586.12	1,337.65	588.24	4,491,709.96
Transfers										0.00
Investment Income	14,961.48	8,851.80		407.10	4,149.61	136.48	180.06	297.34	185.07	29,168.94
Ending balance 3/31/2013	2,366,568.91	1,391,163.18	0.00	64,200.54	683,584.03	1,187.76	11,766.18	1,634.99	773.31	4,520,878.90
2nd Quarter										
Impact Fees	125,399.00	0.00		2,530.00	141,916.00	4,941.00	15,051.00	26,640.00	25,520.00	341,997.00
Expenditures	2,491,967.91	1,391,163.18	0.00	66,730.54	823,650.03	6,128.76	26,817.18	28,274.99	26,293.31	(1,850.00)
subtotal										0.00
Transfers										0.00
Investment Income	9,576.40	5,484.09		258.07	2,970.82	14.42	76.05	58.95	53.35	18,492.15
Ending balance 6/30/2013	2,501,544.31	1,396,647.27	0.00	66,988.61	826,620.85	6,143.18	26,893.23	28,333.94	26,346.66	4,879,518.05
3rd Quarter										
Impact Fees	100,059.00			2,200.00	141,895.00	23,030.00	20,373.00	37,652.00	20,997.00	352,062.00
Expenditures	2,601,603.31	1,396,647.27	5,856.00	69,188.61	968,515.85	(30,434.62) ¹	(6,821.75) ¹	(58,677.70)	(32,050.32)	(127,984.39)
subtotal						(1,261.44)	40,444.48	7,308.24	15,293.34	5,103,595.66
Transfers										0.00
Investment Income	17,606.18	9,637.05	20.20	469.82	6,193.34	16.84	232.32	122.97	143.66	34,442.38
Ending balance 9/30/2013	2,619,209.49	1,406,284.32	5,876.20	69,658.43	974,709.19	(1,244.60)	40,676.80	7,431.21	15,437.00	5,138,038.04
4th Quarter										
Impact Fees	61,356.00			990.00	80,770.00	1,280.00	6,558.00	12,180.00	13,286.00	182,276.00
Expenditures	(124,912.10)		5,856.00	(15,359.00)	(150,000.00) ²	35.40	47,234.80	19,611.21	28,723.00	(290,271.10)
subtotal										0.00
Transfer										0.00
Investment Income	12,201.82	6,631.76	41.52	294.61	4,433.30	(2.85)	207.29	63.76	104.12	23,975.33
Ending balance 12/31/2013	2,567,855.21	1,412,916.08	11,773.72	55,584.04	909,912.49	32.55	47,442.09	19,674.97	28,827.12	5,054,018.27
Number of Months	181.36				46.84	0.01	10.95	2.46	6.13	
Year-to-Date Impact Fees	317,206.00	0.00		6,160.00	427,429.00	31,829.00	45,110.00	82,280.00	66,179.00	987,905.00
2012 Impact Fees	263,398.00	0.00		6,160.00	233,136.00	57,171.00	52,004.00	96,141.00	56,468.00	764,478.00
2011 Impact Fees	163,106.00	0.00		4,455.00	206,113.00	15,642.00	22,976.00	42,570.00	34,196.00	489,058.00

* Funded by an Administrative Fee not an impact fee
Scheduled Debt Payment (P&I - 2013)
Remaining Debt Balance

¹ Debt service payments

² Oversizing payments made

1,850.00

Oversizing payments due in future periods

City of Franklin
Self Insurance Fund - Actives
Balance Sheet
December 31, 2013 & December 31, 2012

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ 1,268,769	\$ 172,153
Accounts receivable	103,091	215,254
Interfund advance receivable	2,163,000	3,038,000
Prepaid expenses	57,500	-
Total Assets	\$ 3,592,360	\$ 3,425,407
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 106,859	\$ 43,787
Claims payable	379,100	352,000
Special deposits	-	719
Unrestricted net assets	3,106,401	3,028,901
Total Liabilities and Fund Balance	\$ 3,592,360	\$ 3,425,407

City of Franklin Self Insurance Fund - Actives
Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 & 2012

<u>Revenue</u>	<u>2013</u> <u>Forecast</u>	<u>2013</u> <u>Year-to-Date</u> <u>Actual</u>	<u>2012</u> <u>Year</u> <u>Actual</u>
Medical Premiums-City	\$ 2,959,700	\$ 2,847,025	\$ 3,275,938
Medical Premiums-Employee	420,700	407,223	375,312
Other - Investment Income, etc.	123,500	93,648	127,212
Medical Revenue	<u>3,503,900</u>	<u>3,347,896</u>	<u>3,778,462</u>
Dental Premiums-City	95,300	96,599	92,685
Dental Premiums-Retirees	5,500	5,580	5,431
Dental Premiums-Employee	57,300	56,427	58,730
Dental Revenue	<u>158,100</u>	<u>158,606</u>	<u>156,846</u>
Total Revenue	<u>3,662,000</u>	<u>3,506,502</u>	<u>3,935,308</u>
Expenditures:			
Active Employees-Medical			
Medical claims - Current Year	2,610,800	2,199,762	2,587,303
Medical claims - Prior Year	75,000	411,044	319,825
Prescription drug claims	320,800	358,469	385,296
Refunds-Stop Loss Coverage	(150,000)	(377,025)	(405,559)
Total Claims-Actives	<u>2,856,600</u>	<u>2,592,250</u>	<u>2,886,865</u>
Medical Claim Fees	157,300	152,497	151,697
Miscellaneous Wellness	2,500	17,609	1,986
Section 125 administration Fee	4,500	4,166	5,557
Stop Loss Premiums	553,400	488,414	552,787
Total Medical Costs-Actives	<u>3,574,300</u>	<u>3,254,936</u>	<u>3,598,892</u>
Active Employees-Dental			
Dental claims - Current Year	153,500	147,136	137,305
Dental claims - Prior Year	6,000	16,050	13,798
Dental Claim Fees	5,300	5,204	5,263
Total Dental Costs-Actives	<u>164,800</u>	<u>168,390</u>	<u>156,366</u>
Retirees-Dental			
Dental claims - Current Year	8,900	4,735	7,648
Dental claims - Prior Year	-	808	1,225
Dental Claim Fees	200	133	139
Total Dental Costs-Retirees	<u>9,100</u>	<u>5,676</u>	<u>9,012</u>
Total Dental Costs	<u>173,900</u>	<u>174,066</u>	<u>165,378</u>
Total Expenditures	<u>3,748,200</u>	<u>3,429,002</u>	<u>3,764,270</u>
Revenue over (under) expenditures	(86,200)	77,500	171,038
Net assets, beginning of year	<u>3,028,901</u>	<u>3,028,901</u>	<u>2,857,863</u>
Net assets, end of period	<u>\$ 2,942,701</u>	<u>\$ 3,106,401</u>	<u>\$ 3,028,901</u>

City of Franklin
City of Franklin Post Employment Benefits Trust
Balance Sheet
December 31, 2013 and 2012

<u>Assets</u>	<u>2013</u>	<u>2012</u>
Cash and investments	\$ (332,064)	\$ 511,445
Investments held in trust	4,162,894	2,894,814
Accounts receivable	78,913	3,587
Total Assets	\$ 3,909,743	\$ 3,409,846
<u>Liabilities and Net Assets</u>		
Accounts payable	\$ 26,377	\$ 9,192
Claims payable	77,182	24,500
Due from OPEB Trust	-	
Net assets held in trust for post employment benefits	3,806,184	3,376,154
Total Liabilities and Fund Balance	\$ 3,909,743	\$ 3,409,846

City of Franklin Post Employment Benefits Trust
Statement of Revenue, Expenses and Fund Balance
For the Twelve months ended December 31, 2013 and 2012

<u>Revenue</u>	<u>2013</u> <u>Forecast</u>	<u>2013</u> <u>Year-to-Date</u> <u>Actual</u>	<u>2012</u> <u>Year</u> <u>Actual</u>
ARC Medical Charges - City	\$ 169,800	\$ 194,714	\$ 163,802
Annual Required Contribution-Net	580,800	(65,455)	593,357
Medical Charges - Retirees	96,000	95,487	103,474
Implicit Rate Subsidy	-	393,276	72,461
Other - Investment Income, etc.	332,500	543,777	346,962
Medical Revenue	<u>1,179,100</u>	<u>1,161,799</u>	<u>1,280,056</u>
Expenditures:			
Retirees-Medical			
Medical claims - Current Year	176,300	620,837	145,021
Medical claims - Prior Year	5,260	66,077	17,873
Prescription drug claims	114,200	200,276	124,495
Refunds-Stop Loss Coverage	-	(217,392)	-
Total Claims-Retirees	<u>295,760</u>	<u>669,798</u>	<u>287,389</u>
Medical Claim Fees	7,000	15,568	6,960
Stop Loss Premiums	42,000	46,366	42,484
Miscellaneous Expense	-	37	-
Total Medical Costs-Retirees	<u>344,760</u>	<u>731,769</u>	<u>336,833</u>
Revenue over (under) expenditures	834,340	430,030	943,223
Net assets, beginning of year	<u>3,376,154</u>	<u>3,376,154</u>	<u>2,432,931</u>
Net assets, end of period	<u>\$ 4,210,494</u>	<u>\$ 3,806,184</u>	<u>\$ 3,376,154</u>

**City of Franklin
2013 Twelve Month Financial Report
Sanitary Sewer Fund**

The twelve month 2013 financial report for the City of Franklin Sanitary Sewer Fund is attached. Significant fluctuations from the budget are detailed below.

Operating Revenue

Sewer service revenue is greater than the budget by \$7,737.

Operating Expenditures

Sewer service charges to the Milwaukee Metropolitan Sewerage District for the year are \$1,954,209 which is \$15,223 less than the budget. Shared meter costs with the water utility are allocated at the end of the year and total 4,686 for 2013.

Other operating expenditures, not including MMSD charges, are \$57,854 less than the budgeted levels for the year.

Non-operating Revenue (Expenditures)

Investment income from the sewer fund's investible assets is negative for the year and \$7,731 less than the amount budgeted. Investment income and expense relates to the Clean Water Fund loan, and is a pass thru to MMSD. The report shows an amount for capital contributed by developers and the depreciation on those contributions. The value of the capital contributions is recorded at year end and total \$709,174 for 2013. The depreciation is allocated monthly and the actual expense is calculated and adjusted at years end.

Retained Earnings

Retained earnings are the measure of the health of the operation. For the year, the retained earnings have increased \$237,885.

Impact of the Ryan Creek Interceptor Sewer Project

In the second quarter of 2011 the commitment for the Clean Water Fund loan was received. At 12/31/13 the amounts incurred to date on the RCI sewer project are \$25,451,386 and are shown as a receivable due from MMSD. Payments received from the State for this project are shown as a note payable due to the Clean Water Fund. The Sewer Fund has borrowed \$606,484 in unreimbursed interest payments on the loan from general fund. These funds will be recovered in 2017 from MMSD and then repaid to general fund.

Sewer Infrastructure Funding Sources

On May 21, 2013, the Common Council adopted Ordinance 2013-2105 to create the Southwest Sewer District and provide for the extension of and cost recovery of public sanitary sewer within the service area served by the Ryan Creek Interceptor public sanitary sewer. An Impact fee was established at \$2,928 for a residential unit with an additional \$1,464 for each additional unit. Through December 31, 2013, \$11,712 had been collected.

In addition to the sewer fund operations, the City also collects a sewer connection fee on connections from new and existing construction outside the Southwest Sewer service area, to be used to fund sewer construction projects. YTD collection of sewer connection fees in 2013 amounts to \$63,648 and funds on hand at December 31, 2013 totaled \$212,891.

**City of Franklin
Sanitary Sewer Fund
Comparative Balance Sheet
December 31, 2013 & 2012**

	2013	2012
<u>Assets</u>		
Current assets:		
Cash and investments	\$ 1,973,399	\$ 1,683,815
Accounts receivable	862,352	812,579
Accrued receivables	27,319	101,489
Taxes receivable	133,253	131,668
Due from Franklin Water Utility	54,698	50,086
Total current assets	3,051,021	2,779,637
Non current assets:		
Due from MMSD	25,451,386	23,999,948
Sanitary Sewer plant in service:		
Land	358,340	358,340
Buildings and improvements	1,605,333	1,605,333
Improvements other than buildings	53,965,043	53,255,869
Machinery and equipment	780,214	683,981
Construction in progress	27,200	50,032
	56,736,130	55,953,555
Less accumulated depreciation	(12,924,252)	(12,297,629)
Net sanitary sewer plant in service	43,811,878	43,655,926
Total Assets	\$ 72,314,285	\$ 70,435,511
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable	\$ 576,851	\$ 1,842,726
Accrued liabilities	24,861	377,960
Due to Franklin Water Utility	10,214	18,329
Due to General Fund - non-interest bearing	606,484	-
Total current liabilities	1,218,410	2,239,015
Non current liabilities:		
Accrued compensated absences	57,727	52,775
General Obligation Notes payable - CWF	24,565,423	22,064,833
Total liabilities	25,841,560	24,356,623
Net Assets:		
Invested in capital assets, net of related debt	43,811,878	43,655,926
Sewer equipment replacement	277,230	293,844
Retained earnings	2,383,617	2,129,118
Total net assets	46,472,725	46,078,888
Total Liabilities and Net Assets	\$ 72,314,285	\$ 70,435,511

City of Franklin
Sanitary Sewer Fund
Statement of Revenue, Expenditures,
and Changes in Net Assets
For the period ended December 31, 2013 and 2012

	2013 Adopted Budget	Current Year-to-Date Totals	Prior Year-to-Date Totals
Operating Revenue			
Residential	\$ 1,863,180	\$ 1,824,397	\$ 1,776,841
Commercial	844,600	825,555	842,737
Industrial	276,040	380,382	308,059
Public Authority	212,180	178,849	176,520
Penalties/Other	40,000	34,554	37,903
Total Operating Revenue	3,236,000	3,243,737	3,142,060
Operating Expenditures			
Salaries and benefits	\$ 492,677	\$ 487,914	\$ 470,133
Contractual services	85,391	98,301	84,414
Supplies	90,500	78,405	84,526
Facility charges	47,524	47,056	39,182
Shared meter costs	10,000	4,686	5,242
Sewer service - MMSD	1,969,432	1,954,209	1,844,370
Other operating costs	19,695	21,131	22,199
Allocated expenses	104,500	105,028	102,213
Sewer improvements	150,000	105,183	51,300
Capital outlay-maintenance	-	1,045	-
Sewer relocation	-	-	44
Depreciation	73,008	66,692	63,017
Total operating expenditures	3,042,727	2,969,650	2,766,640
Operating Income (Loss)	193,273	274,087	375,420
Non-Operating Revenue (Expenditures)			
Miscellaneous income	3,000	2,400	2,772
Investment income	608,000	574,733	320,477
Interest expense	(600,000)	(583,189)	(296,958)
Total non-operating revenue (expenditures)	11,000	(6,056)	26,291
Income (Loss) before Capital Contributions	204,273	268,031	401,711
Retained Earnings- Beginning	2,422,962	2,422,962	2,011,257
Transfer (to) from Invested in Capital Assets	(1,430,450)	(30,146)	9,994
Retained Earnings- Ending	1,196,785	2,660,847	2,422,962
Capital Contributions	600,000	709,174	-
Depreciation - CIAC	(586,000)	(583,368)	(579,822)
Transfer (to) from Retained Earnings	1,430,450	30,146	(9,994)
Change in Net Investment in Capital Assets	1,444,450	155,952	(589,816)
Net Investment in Capital Assets-Beginning	43,655,926	43,655,926	44,245,742
Net Investment in Capital Assets-Ending	45,100,376	43,811,878	43,655,926
Total net assets	\$ 46,297,161	\$ 46,472,725	\$ 46,078,888

**City of Franklin
Sanitary Sewer Fund
Statement of Cash Flows
For the period ended December 31, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Cash Flows from Operating Activities		
Operating income (loss)	\$ 274,087	\$ 375,420
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	66,692	63,017
allocated from water utility	(5,528)	(8,150)
(Increase) decrease in assets:		
Accounts receivable	24,398	(60,390)
Taxes receivable	(1,585)	5,509
Due from other funds	(4,612)	96,252
Due from MMSD & Other Governments		
Miscellaneous receivable	-	-
Increase (decrease) in liabilities:		
Accounts payable	(1,265,875)	752,970
Accrued expenses	(353,099)	345,779
Due to other funds	(8,115)	2,013
Due to general fund	606,484	(1,240,000)
Notes payable		
Compensated absences reserve	4,952	(10,522)
Total Adjustments	<u>(936,288)</u>	<u>(53,522)</u>
Net Cash Provided by Operating Activities	<u>\$ (662,201)</u>	<u>\$ 321,898</u>
 Cash Flows From Capital & Related Financing Activities		
Due from MMSD & Other Governments	(1,451,438)	(21,055,362)
Notes payable	2,500,590	22,064,833
Acquisition of capital assets	(91,311)	(44,874)
Net Cash Provided (Used) in Capital and Financing Activities	<u>957,841</u>	<u>964,597</u>
 Cash Flows from Investing Activities		
Interest and other income	577,133	323,249
Interest expense	(583,189)	(296,958)
Net Change in Cash and Cash Equivalents	289,584	1,312,786
Cash and Cash Equivalents, beginning of period	1,683,815	371,029
Cash and Cash Equivalents, end of period	<u>\$ 1,973,399</u>	<u>\$ 1,683,815</u>

Franklin Municipal Water Utility
Comparative Balance Sheet
March 31, 2014 & 2013

Assets	<u>2014</u>	<u>2013</u>
Current Assets:		
Cash and investments	\$ 577,097	\$ 108,620
Accounts receivable	1,380,773	1,247,052
Taxes receivable	-	-
Accrued receivables	-	2,719
Due from City of Franklin	3,664	25,011
Total current assets	<u>1,961,534</u>	<u>1,383,402</u>
Utility plant in service:		
Land	162,885	162,885
Buildings and improvements	1,833,594	1,833,594
Construction in Progress	71,935	72,132
Improvements other than buildings	53,434,293	55,300,008
Machinery and equipment	4,385,873	2,112,677
	<u>59,888,580</u>	<u>59,481,296</u>
Less accumulated depreciation	<u>14,776,415</u>	<u>13,950,788</u>
Net utility plant in service	<u>45,112,165</u>	<u>45,530,508</u>
Total Assets	<u><u>\$ 47,073,699</u></u>	<u><u>\$46,913,910</u></u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 404,382	\$ -
Accrued liabilities	678,989	637,389
Due to City of Franklin	17,607	47,698
Advance from municipality	60,000	150,000
Customer deposits	2,500	2,200
Compensated absences reserve	57,727	52,775
Total liabilities	<u>1,221,205</u>	<u>890,062</u>
Net Assets		
Invested in capital assets, net of related debt	45,112,165	45,530,508
Retained earnings	740,329	493,340
Total net assets	<u>45,852,494</u>	<u>46,023,848</u>
Total Liabilities and Net Assets	<u><u>\$ 47,073,699</u></u>	<u><u>\$46,913,910</u></u>

Franklin Municipal Water Utility
Comparative Statement of Revenue, Expenditures,
and Changes in Net Assets
For the period ended March 31, 2014 and 2013

Operating Revenue	2014	2013
Total metered sales	1,137,524	1,018,486
Fire protection	156,072	151,751
Forfeited discounts, penalties and other	7,319	(960)
Total Operating Revenue	1,300,915	1,169,277
Operating Expenditures		
Operation and maintenance expenses:		
Source of supply	682,608	638,855
Pumping	33,356	26,802
Water treatment	4,763	936
Transmission and distribution	76,654	56,315
Customers' accounts	12,071	12,075
Administrative and general	84,083	92,773
Total operation and maintenance expenses	893,535	827,756
Depreciation	88,800	97,525
Taxes	272,539	272,160
Total Operating Expenditures	1,254,874	1,197,441
Operating Income (Loss)	46,041	(28,164)
Non-Operating Revenue (Expenses)		
Sundry	12,614	8,000
Interest on investments	1,409	(1,340)
Interest-Debt to Municipality	-	(2,185)
Depreciation - CIAC	(125,100)	(125,000)
Total Non-Operating Revenue (Expenses)	(111,077)	(120,525)
Income before Capital Contributions	(65,036)	(148,689)
Capital Contributions-Developer & Municipality	-	-
Net change in net assets	(65,036)	(148,689)
Net Assets, beginning of period	45,917,530	46,172,537
Net Assets, end of period	\$ 45,852,494	\$46,023,848

Franklin Municipal Water Utility
Comparative Statement of Cash Flows
For the period ended March 31, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities		
Operating income (loss)	\$ 46,041	\$ (28,164)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	88,800	97,525
(Increase) decrease in assets:		
Accounts receivable	(76,650)	3,599
Due from other funds	75,042	18,329
Taxes receivable	181,829	151,144
Accrued receivables	-	83,934
Increase (decrease) in liabilities:		
Accounts payable	(342,496)	(724,061)
Accrued expenses	678,300	634,318
Due to other funds	(99,658)	(30,068)
Advance from municipality	-	(147,000)
Customer deposits	-	(100)
 Total Adjustments	 505,669	 87,620
Net Cash Provided (Used) by Operating Activities	551,710	59,456
 Cash Flows From Capital & Related Financing Activities		
Acquisition of capital assets	(42,758)	(13,061)
Net Cash Provided (Used) in Capital and Financing Activities	(42,758)	(13,061)
 Cash Flows from Investing Activities		
Interest, property rental & other income	14,023	6,660
 Net Change in Cash and Cash Equivalents	 522,975	 53,055
Cash and Cash Equivalents, beginning of period	54,122	55,565
Cash and Cash Equivalents, end of period	\$ 577,097	\$ 108,620

Franklin Municipal Water Utility
Detailed Statement of Revenue, Expenditures
and Changes in Net Assets
For the period ended March 31, 2014 and 2013

Account Description	Annual Budget	Year to Date Budget	Current Year to Date	Prior Year to Date
Operating Revenue				
Metered Sales-Residential	\$ 2,892,961	\$ 723,240	\$ 639,011	\$ 595,835
Metered Sales-Commercial	1,493,706	373,427	163,568	278,850
Metered Sales-Industrial	336,501	84,125	84,982	70,547
Other Sales to Public Authority	279,336	69,834	75,776	73,254
Metered Sales-Multifamily	-	-	166,544	-
Metered Sales-Irrigation	-	-	7,643	-
Total Metered Sales	5,002,504	1,250,626	1,137,524	1,018,486
Unmetered Sales	-	-	179	(7,899)
Private Fire Protection	116,000	29,000	29,458	29,220
Public Fire Protection	501,400	125,350	126,614	122,531
Forfeited Discount	60,000	15,000	7,140	6,939
Total Operating Revenue	\$ 5,679,904	\$ 1,419,976	\$ 1,300,915	\$ 1,169,277
Operating Expenditures				
Operation and maintenance expense				
Source of Supply-Oper Labor	\$ 1,500	\$ 375	\$ -	\$ 1,304
Operations Supplies & Expense	10,000	2,500	2,811	381
Wholesale Water	3,137,056	784,264	678,300	636,700
Maint of Water Source plant	4,000	1,000	1,497	470
Source of Supply	3,152,556	788,139	682,608	638,855
Pumping-Fuel	46,350	11,588	13,110	11,425
Pumping-Operations Labor	68,000	17,000	18,673	14,743
Pumping-Main Labor Pumping	10,400	2,600	205	178
Pumping-Main Expense Pumping	11,000	2,750	1,368	456
Pumping	135,750	33,938	33,356	26,802
Water Treat Chemicals	500	125	-	-
Water Treat Operation Labor	520	130	1,307	-
Water Treat Tests	23,000	5,750	3,355	299
Water Treat Maint Labor	520	130	64	637
Water Treat Maint Expenses	500	125	37	-
Water Treatment	25,040	6,260	4,763	936
Storage Software Maintenance	11,000	2,750	-	-
Trans & Distr Labor	33,280	8,320	5,149	7,095
Trans & distr Supp Exp	31,000	7,750	2,931	4,193
Trans & Distr Safety Supplies & Expense	4,000	1,000	114	214
Maint Labor-Distr Reservoir	4,000	1,000	-	59
Maint Expenses-Distr Reservoir	4,000	1,000	683	-
Maintenance Labor-Mains	15,600	3,900	2,120	6,506
Maintenance Expense-Mains	35,000	8,750	13,436	9,529
Locating Labor-Mains	12,150	3,038	2,076	1,191
Maint Labor-Services	17,000	4,250	2,139	1,585
Maint Expense-Services	57,000	14,250	15,681	4,709
Locating Labor-Services	12,000	3,000	2,210	5,050
Maint Labor-Meters	20,800	5,200	5,553	4,916
Maint Expenses-Meters	3,000	750	66	1,208
Maint Labor-Hydrants	26,000	6,500	3,430	3,733
Maint Expenses-Hydrants	48,000	12,000	2,524	1,261
Maint Labor-Plant	11,024	2,756	6,991	5,044
Maint Expenses-Plant	15,000	3,750	11,551	22
Transmission & Distribution	359,854	89,964	76,654	56,315

Franklin Municipal Water Utility
Detailed Statement of Revenue, Expenditures
and Changes in Net Assets
For the period ended March 31, 2014 and 2013

Account Description	Annual Budget	Year to Date Budget	Current Year to Date	Prior Year to Date
Meter Reading Labor	8,112	2,028	666	765
Acct & Collection Labor	23,140	5,785	2,065	4,970
Acctg & Coll Payroll Exp	13,468	3,367	3,240	3,238
Supplies & Expense	8,000	2,000	204	1,688
Bank Fees	10,150	2,538	5,896	2,012
Uncollectible Accounts	-	-	-	(598)
Customer Accounts	62,870	15,718	12,071	12,075
Admin & General Payroll Exp	49,192	12,298	11,850	11,825
Office Supplies	1,100	275	66	223
Conferences/Dues/Subscriptions	6,000	1,500	3,474	1,058
Mileage	1,000	250	237	75
Outside Services	46,200	11,550	5,427	22,764
Insurance	29,952	7,488	6,240	6,242
Employee Leave Time & Benefits	208,012	52,003	52,366	46,537
Regulatory Commission Exp	5,000	1,250	-	-
Misc General Expense	1,000	250	-	84
Maintenance of General Plant	5,500	1,375	3,906	3,965
Transportation Expenses	19,500	4,875	517	-
Administrative and general	372,456	93,114	84,083	92,773
Total Operation and Maintenance Expenditures	4,108,526	1,027,132	893,535	827,756
Depreciation	355,000	88,750	88,800	97,525
Taxes-Property Tax Equivalent	1,070,000	267,500	267,600	267,500
Taxes-FICA	24,253	6,063	4,939	4,660
Total Operating Expenditures ²	5,557,779	1,389,445	1,254,874	1,197,441
Operating Income	\$ 122,125	\$ 30,531	\$ 46,041	\$ (28,164)
Non-Operating Revenue (Expenditures)				
Interest Income	-	-	1,409	(1,340)
Misc Revenue	3,000	750	-	-
Water Property Rent	39,000	9,750	12,329	6,954
Other Water Revenue	-	-	285	1,046
Interest-Debt to Municipality	-	-	-	(2,185)
Total non-operating revenue	42,000	10,500	14,023	4,475
Income before capital contributions	\$ 164,125	\$ 41,031	\$ 60,064	\$ (23,689)
Retained earnings - beginning	634,223	634,223	634,223	430,380
Transfer (to) from invested in capital assets	(1,735,680)	(433,920)	46,042	86,649
Retained earnings - ending	\$ (937,332)	\$ 241,334	\$ 740,329	\$ 493,340
Capital contributions	500,000	125,000	-	-
Depreciation - CIAC	(500,000)	(125,000)	(125,100)	(125,000)
Transfer (to) from retained earnings	1,735,680	433,920	(46,042)	(86,649)
Change in net investment	(138,984)	482,669	(171,142)	(211,649)
Net investment in capital assets - beginning	45,283,307	45,283,307	45,283,307	45,742,157
Net investment in capital assets - ending	\$ 45,144,323	\$ 45,765,976	\$ 45,112,165	\$ 45,530,508
Total net assets	\$ 44,206,991	\$ 46,007,310	\$ 45,852,494	\$ 46,023,848

Franklin Municipal Water Utility
Notes to the Financial Statements
For the period ended March 31, 2014 and 2013

¹ Operating revenue is below budgeted levels for the first quarter. The first quarter is traditionally the lowest consumption quarter of the year. Actual first quarter billings were used for the statements.

² Operating expenditures are also less than the budget for the first quarter. The cost of wholesale water purchased from Oak Creek was estimated for the statements.

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 March 31, 2014 total \$196,766.

Water Impact Fee

Since May 31, 2002 a water impact fee on residential and commercial replaced the water connection fee on new residential construction. Water Impact Fees collected in 2014 total \$63,040 and funds on hand on March 31, 2014 total \$972,951.

Deferred oversizing costs amounting to \$1,850 will need to be paid out of impact during the next year plus.