

**CITY OF FRANKLIN, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2015**

**NOTE 4 - OTHER INFORMATION**

**A. DEFINED BENEFIT PENSION PLANS**

**Wisconsin Retirement System**

**General Information about the Pension Plan**

Plan Description - The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

Vesting - For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits Provided - Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

**CITY OF FRANKLIN, WISCONSIN**  
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**NOTE 4 - OTHER INFORMATION**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**Wisconsin Retirement System (continued)**

**General Information about the Pension Plan (continued)**

Post-Retirement Adjustments - The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2005	2.6%	7.0%
2006	0.8	3.0
2007	3.0	10.0
2008	6.6	0.0
2009	(2.1)	(42.0)
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0

Contributions - Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$815,219 contributions from the employer.

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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 4 - OTHER INFORMATION**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**Wisconsin Retirement System (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to Pensions**

Contribution rates as of December 31, 2015 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
Protective with Social Security	6.8%	9.5%

At December 31, 2015, the City reported a liability (asset) of (\$2,066,135), for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2014, the City's proportion was 0.08411666%, which was a decrease of 0.0021106%, from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the City recognized pension expense of \$931,839, which includes amounts paid to WRS, related to duty disability payments.

**CITY OF FRANKLIN, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2015**

**NOTE 4 - OTHER INFORMATION**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**Wisconsin Retirement System (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 299,525	\$ -
Changes in assumptions	-	-
Net differences between projected and actual earnings on pension plan investments	1,000,522	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	62,336	-
Employer contributions subsequent to the measurement date	803,686	-
Total	\$ 2,166,069	\$ -

The \$803,686 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2016 for the City. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31:	Deferred Outflows of Resources	Deferred Inflows of Resources
2016	\$ 267,288	\$ -
2017	267,288	-
2018	267,288	-
2019	267,288	-
2020	267,288	-
Thereafter	25,943	-

**CITY OF FRANKLIN, WISCONSIN  
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**NOTE 4 - OTHER INFORMATION**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**Wisconsin Retirement System (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

Actuarial Assumption - The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2013
Measurement Date of Net Pension Liability (Asset):	December 31, 2014
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases	
Inflation:	3.2%
Seniority/Merit:	0.2% - 5.8%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments:	2.1%

\* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2012 using experience from 2009 – 2011. The total pension liability for December 31, 2014 is based upon a roll-forward of the liability calculated from the December 31, 2013 actuarial valuation.

**CITY OF FRANKLIN, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 4 - OTHER INFORMATION**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**Wisconsin Retirement System (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

Long-term Expected Return on Plan Assets - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-Term Real Rate of Return	Target Allocation
US Equities	5.8%	21.0%
International Equities	5.7	23.0
Fixed Income	1.9	36.0
Inflation Sensitive Assets	2.3	20.0
Real Estate	5.2	7.0
Private Equity/Debt	0.9	7.0
Multi-Asset	3.9	6.0
Cash	0.9	(20.0)

Single Discount Rate - A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.56%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 4 - OTHER INFORMATION**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**Wisconsin Retirement System (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) - The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
City's proportionate share of the net pension liability (asset)	\$ 5,828,923	\$ (2,066,135)	\$ (8,301,333)

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://legis.wisconsin.gov/lab/> and reference report number 15-11.

Payables to the pension plan - The City reported payables to the WRS of \$125,268 as of December 31, 2015, of which \$77,759 was the City's share.

**CITY OF FRANKLIN, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 4 - OTHER INFORMATION (continued)**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**PUBLIC WORKS EMPLOYEES PENSION PLAN**

**General Information about the Pension Plan**

Plan Description - The City is also a participant in the City of Franklin Public Works Employees' Pension Plan, a single employer defined benefit pension plan covering eligible public works employees. The assets of this Plan are administered by Principal Life Insurance Company. An annual financial report may be obtained by writing to the plan administrator at Principal Financial Group, P.O. Box 9693, Des Moines, IA 50306-9396.

Vesting - Participants with five years of credible service are 50% vested in the plan. Upon reaching 10 years of credible service participants are fully vested in the plan.

Benefits provided - The City of Franklin Public Works Employees' Pension Plan provides retirement benefits to former bargaining employees of the City that are not covered under Wisconsin State Pension Plan (Wisconsin Retirement System), or who are regular part-time employees as defined by Civil Service and who have a minimum of 6 months of service. Employees who retire at or after age 60 are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) average compensation at retirement, (2) years of creditable service, and (3) a formula factor.

Average compensation at retirement is the average of the participant's three highest consecutive years' earnings out of the ten latest years prior to retirement. Creditable service is the creditable current and prior service expressed in years or fractional partial years for which a participant receives earnings. The formula factor is a standard percentage based on the plan provisions.

Employees may retire at age 55, with a minimum of 10 completed years of service and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may receive either normal retirement benefits at normal retirement date, or a lump-sum cash payment of participant's vested accumulations.

The plan also provides death and disability benefits for employees.

Participating employees - Membership in the plan as of date of study consisted of the following classes of participants:

Active employees	32
Terminated vested participants	5
Disabled participants	-
Retirees	17
Total	<u>54</u>



**CITY OF FRANKLIN, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 4 - OTHER INFORMATION (continued)**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**PUBLIC WORKS EMPLOYEES PENSION PLAN (continued)**

Contributions - Contribution requirements are established through action of the City Council and may be amended only through city ordinance. Employees make a non-elective and non-discretionary pension contribution that is equal to 8.2% of their payroll. The City contributes all remaining amounts necessary to fund the pension plan. During the reporting period, contributions of \$293,632 were made by the City to the plan.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2015, the City reported a liability (asset) of \$1,111,690 for its net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2014. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date.

At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Outflows of Resources</u>	<u>Inflows of Resources</u>
Differences between expected and actual experience	\$ 410,447	\$ -
Changes in assumptions	166,084	-
Net differences between projected and actual earnings on pension plan investments	97,813	-
Employer contributions subsequent to measurement date	<u>167,954</u>	<u>-</u>
Total	<u>\$ 842,298</u>	<u>\$ -</u>

**CITY OF FRANKLIN, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 4 - OTHER INFORMATION (continued)**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**PUBLIC WORKS EMPLOYEES PENSION PLAN (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

The \$167,955 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2016	\$ 188,708	\$ -
2017	188,708	-
2018	188,708	-
2019	108,220	-
2020	-	-
Thereafter	-	-

Actuarial assumptions - The pension liability in the December 31, 2014 actuarial valuation was determined use the following actuarial assumptions, applied to all periods in the measurement:

Actuarial Valuation Date:	December 31, 2014
Measurement Date of Net Pension Liability (Asset):	December 31, 2014
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Market Value
Long-Term Expected Rate of Return:	7.3%
Discount Rate:	7.3%
Salary Increases	
Inflation:	2.3%
Seniority/Merit:	3.0%
Mortality:	2014 IRS Prescribed Mortality - Optionl Combined Table for Small Plans

Actuarial assumptions are based upon an experience study conducted in 2014 using historical experience. The total pension liability for December 31, 2014 is based upon the liability calculated from the December 31, 2014 actuarial valuation.

**CITY OF FRANKLIN, WISCONSIN  
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**NOTE 4 - OTHER INFORMATION (continued)**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**PUBLIC WORKS EMPLOYEES PENSION PLAN (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

Long-term Expected Return on Plan Assets - The long-term expected rate of return on pension plan investments was determined using the weighted average rate based on the target asset allocation and the Long-Term Capital Market Assumptions. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Real Rate of Return</u>	<u>Target Allocation</u>
US Equity - Large Cap	8.8%	38.8%
US Equity - Mid Cap	9.1%	4.9%
US Equity - Small Cap	9.6%	4.8%
Non-US Equity	9.2%	12.4%
REITs	8.4%	0.0%
Core Bonds	4.3%	35.1%
High Yield	6.3%	4.0%

Discount rate - A discount rate of 7.25% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.25% and a long term bond rate of 7.25%. The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF FRANKLIN, WISCONSIN  
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**NOTE 4 - OTHER INFORMATION (continued)**

**A. DEFINED BENEFIT PENSION PLANS (continued)**

**PUBLIC WORKS EMPLOYEES PENSION PLAN (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)**

Sensitivity of the net pension liability to changes in the discount rate – The following presents the City's net pension liability (asset) calculated using the discount rate of 7.25%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	<u>1% Decrease to Discount Rate (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase to Discount Rate (8.25%)</u>
City's net pension liability (asset)	\$ 2,055,117	\$ 1,111,690	\$ 305,487

For the year ended December 31, 2015, the City recognized pension expense of \$323,200.

**B. DEFINED CONTRIBUTION PLAN**

Based on City ordinances, all eligible City of Franklin non-protective employees (except public works employees) participate in the City of Franklin Defined Contribution Plan (the "Plan"). The Plan assets are administered by the Principal Life Insurance Company.

Employees after completing six months of service with the City are eligible to participate. The Plan requires the City to make periodic contributions to each participant's account equal to 10% of such participant's annual compensation. Employees are required to make contributions of 5% of wages. A participant's accrued benefit for City contributions is 100% vested and non-forfeitable upon death, normal retirement, early retirement or permanent and total disability as defined in the Plan. If employment is terminated for any other reason, each participant's accrued benefit vests at various percentages, based on years of service. During 2015, total contributions of \$396,948 or 10% of covered payroll were made. The City contributed \$198,448 and employees \$198,500. The City may make amendments to the Plan.

**CITY OF FRANKLIN, WISCONSIN  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 4 - OTHER INFORMATION (continued)**

**C. POST EMPLOYMENT HEALTH CARE BENEFITS**

The City of Franklin administers a single employer defined benefit post employment benefit plan through a trust. The City of Franklin Post Employment Benefits Trust is accounted for on the accrual basis of accounting and presented as a fiduciary fund. Separate financial statements are not prepared for the trust. Retiree and City contributions are recognized in the period in which the contributions are due.

City of Franklin eligible full time employees meeting minimum age and service requirements may receive group health care benefits at a reduced cost during the period from their normal retirement date until they reach age 65. This results in another post employment benefit (OPEB) obligation for those groups. These groups commonly have higher medical costs than anticipated in the blended premium rates. That differential is referred to as an implicit rate subsidy.

Contribution requirements are established by either City ordinance or collective bargaining and may be amended only by the groups establishing the requirements. The City's periodic contribution is determined and fixed at the time of retirement. The retiree pays the balance of the periodic blended premium. The eligibility for the benefit follows:

<u>Employee Group</u>	<u>#</u>	<u>City Amount</u>	<u>Age</u>	<u>Years Service</u>
Non-represented	34	75% of Premium at Retirement	62	20
Police	72	75% of Premium at Retirement	53	15
Dispatch	14	75% of 2005 Premium	62	20
Fire	54	75% of Premium at Retirement	53	20
DPW	28	75% of Premium at Retirement	60	15

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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 - OTHER INFORMATION (continued)**

**C. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)**

The City's annual other post employment benefit (OPEB) expense is calculated based upon the annual required contribution (ARC) of the City. An actuarial calculation by an actuary was used to calculate the ARC and related information using the measurement method required by GASB Statement No. 45 for employers with 200 or more total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a closed period of 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the trust and changes in the City's net OPEB obligation for retiree health benefits:

Annual required contribution	\$ 324,393
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB expense	324,393
Contributions made	(475,451)
Increase in net OPEB obligation (asset)	(151,058)
Net OPEB obligation (asset) - beginning of year	-
Net OPEB obligation (asset) - end of year	\$ (151,058)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the trust and the net OPEB obligation for the current and prior two years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
12/31/2015	\$ 324,393	146.6%	\$ (151,058)
12/31/2014	551,716	100.0%	-
12/31/2013	523,342	100.0%	-

**Funding progress:**

	(A)	(B)	(C)	(D)	(E)	(F)
	Actuarial Valuation Date	Actuarial Asset Value	Actuarial Accrued Liability (AAL) Projected unit credit	Unfunded AAL (UAAL) [(B)-(A)]	Funded Ratio [(A)/(B)]	UAAL as Percentage of Covered Payroll [(C)/(E)]
1/1/2016		\$ 4,537,189	\$ 5,815,218	\$ 1,278,029	78%	\$ 12,867,864 10%

The multi-year trend information is located in the required supplementary information immediately following the notes to the financial statements. The projection of future benefits for an ongoing benefit involves estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funding status of the trust and required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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**NOTE 4 - OTHER INFORMATION (continued)**

**C. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)**

The schedule of funding progress, presented immediately following the footnotes, presents multi-year trend information that shows whether the actuarial value of trust assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The above schedules of employer contributions present trend information about the amounts contributed to the trust by the City in comparison to the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement No. 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a closed period of thirty years.

Projections of benefits for financial reporting purposes are based upon the substantive plan (the plan as understood by the City and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the City and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long term perspective of the calculations.

The trust's financial statements are prepared using the accrual basis of accounting. Retiree and City contributions are recognized in the period that contributions are due. The City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable. Investments are reported at fair value with the valuation determined by the independent custodian of the assets.

The following significant assumptions were made:

The actuarial valuation uses the projected unit credit actuarial cost method.

The ARC was calculated using the level percentage of payroll method, amortizing costs over a closed period of 30 years. The remaining amortization period at December 31, 2015 was 22 years.

Based upon the expected return of the City of Franklin Post Employment Benefits Trust under the investment policy adopted for the Trust, a discount rate of 6.75% was used.

The actuarial value of the trust assets is determined using techniques that spread the impact of short term volatility over a five year period.

Group health charges for actives and retirees were used as the basis for calculation of the present value of total benefits to be paid.

The expected healthcare trend rate of increase in group health charges was based upon the recent experience of the City of Franklin self funded health care program. The trend rate assumption of 6.5% for years one and two, 6.0% for years three and four, reduced to an ultimate rate of 5.5% after thirteen years, was used.

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**NOTE 4 - OTHER INFORMATION (continued)**

**C. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)**

The expected long term payroll growth rate was assumed to be 3% which is the expected inflation rate for the City.

No post-retirement benefit increases other than salary increases are anticipated.

Rates of retirement, mortality and termination for reasons other than retirement and death are from the "Wisconsin Retirement System 2009-2011 Experience Study".

Marital status at retirement was assumed to be 75% with a spouse or dependents.

**D. CONTINGENCIES AND COMMITMENTS**

The City at times is party to claims and legal proceedings. Although the outcome of such matters is not presently determinable, it is the opinion of City management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

The City has \$2,962,937 in outstanding contractual commitments relating to various Public Works projects and equipment purchases at December 31, 2015. The City has encumbered \$147,121 at year end due to valid contracts or purchase orders in place and the related services committed and not yet received.

The City receives impact fees for new development projects. The fees are to be used to fund specific projects within a specific period of time. In the event the projects are not completed or the time period elapses, the City will be required to refund the impact fees to the current owners of properties that the fees were originally collected.

Funding for the operating budget of the City comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits and other miscellaneous revenue. The State of Wisconsin provides a variety of aid and grant programs that benefit the City. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget process. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on future operating results of the City.

**E. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, natural disasters, and workers' compensation claims that the City carries commercial insurance. No significant reductions in insurance coverage occurred for any risk of loss in the past year, and settled claims have not exceeded commercial coverage in any of the past three fiscal years.



**CITY OF FRANKLIN, WISCONSIN**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2015

**NOTE 4 - OTHER INFORMATION (continued)**

**E. RISK MANAGEMENT (continued)**

The City also offers a group medical and dental insurance plan to employees for which the City is self-insured. This activity is accounted for in the City's Self Insurance Internal Service Fund. Group medical and dental costs are charged to City departments and retirees participating in the program. A third party administrator handles claims payments. The City carries stop loss insurance for claims in excess of \$60,000 per year per individual. Liabilities are reported when it is probable that claims have occurred and the amount of the claim can be reasonably estimated. Liabilities include an estimated amount for claims that have been incurred but not reported ("IBNR").

Changes in the balance of claims payable for the two years ended December 31, 2015 are as follows:

	<u>Balance Beginning of Year</u>	<u>Current Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance End of Year</u>
2015	\$ 370,500	\$ 3,296,302	\$ 3,396,300	\$ 270,500
2014	\$ 379,100	\$ 3,047,834	\$ 3,056,430	\$ 370,500

**F. RESTATEMENT**

The City adopted GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and the related GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* as of January 1, 2015. The standard revises and establishes new financial reporting requirements for most government that provide their employees with pension benefits. As a result, the City's beginning of the year net position has been restated as follows:

	<u>Governmental Funds</u>	<u>Water Utility</u>	<u>Sanitary Sewer</u>	<u>Business-type Activities</u>
Ending net position, December 31, 2015, as previously reported	\$ 122,708,989	\$ 46,541,606	\$ 46,354,839	\$ 92,896,445
Restatement to record beginning of the year deferred outflow for contributions made after the measurement date	929,213	37,987	20,720	58,707
Restatement to record beginning of the year WRS pension asset	3,399,508	-	-	-
Restatement to record beginning of the year DPW pension liability	(130,642)	(69,840)	(38,095)	(107,935)
Net position, January 1, 2015, as restated	\$ 126,907,068	\$ 46,509,753	\$ 46,337,464	\$ 92,847,217

**G. SUBSEQUENT EVENT**

On April 5, 2016 the City issued \$5,770,000 of General Obligation Refunding Bonds, series 2016A with maturity dates between March 1, 2017 and March 1, 2021. The bonds carry an interest rate of 2.00% and interest is payable March 1 and September 1, annually. The proceeds are to be used for refunding certain outstanding obligations.

**CITY OF FRANKLIN, WISCONSIN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
(Unaudited)  
December 31, 2015

**City of Franklin Post Employment Benefit Trust**  
**Schedule of Funding Progress**

Actuarial Valuation Date	(A) Actuarial Asset Value	(B) Actuarial Accrued Liability (AAL) - Aggregate	(C) Unfunded AAL (UAAL) [(B)-(A)]	(D) Funded Ratio [(A)/(B)]	(E) Covered Payroll	(F) UAAL as Percentage of Covered Payroll [(C)/(E)]
1/1/2016	\$ 4,537,189	\$ 5,815,218	1,278,029	78%	\$ 12,867,864	10%
1/1/2014	3,908,637	7,095,993	3,187,356	55%	12,155,777	26%
1/1/2012	2,399,455	8,184,388	5,784,933	29%	11,553,455	50%

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**CITY OF FRANKLIN, WISCONSIN  
REQUIRED SUPPLEMENTARY INFORMATION  
(Unaudited)  
December 31, 2015**

**Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)  
Wisconsin Retirement System**

	<u>2015</u>
The City's proportion of the net pension liability (asset)	0.08411666%
The City's proportionate share of the net pension liability (asset)	\$ (2,066,135)
The City's covered-employee payroll	\$ 8,071,472
Plan fiduciary net position as a percentage of the total pension liability (asset)	103%

**Schedule of the City's Contributions  
Wisconsin Retirement System**

	<u>2015</u>
Contractually required contributions	\$ 815,219
Contributions in relation to the contractually required contributions	\$ 815,219
Contribution deficiency (excess)	\$ -
City's covered - employee payroll	\$ 8,071,472
Contributions as a percentage of covered-employee payroll	10%

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**CITY OF FRANKLIN, WISCONSIN**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**AND RELATED RATIOS MULTIYEAR (UNAUDITED)**  
**Last 10 Fiscal Years (Which May be Built Prospectively)**  
**Public Works Employee Pension Plan**

<u>Fiscal Year Ending December 31.</u>	<u>2015</u>
<b>Total Pension Liability</b>	
Service Cost	\$ 165,130
Interest on the Total Pension Liability	531,850
Benefit Changes	-
Difference between Expected and Actual	
Experience	527,384
Assumption Changes	213,402
Benefit Payments	(191,375)
Refunds	-
<b>Net Change in Total Pension Liability</b>	<u>1,246,391</u>
<b>Total Pension Liability - Beginning</b>	<u>7,022,369</u>
<b>Total Pension Liability - Ending</b>	<u><u>\$ 8,268,760</u></u>
<b>Plan Fiduciary Net Position</b>	
Employer Contributions	\$ 293,632
Employee Contributions	-
Pension Plan Net Investment Income	377,842
Benefit Payments	(191,375)
Refunds	-
Pension Plan Administrative Expense	(27,941)
Other	-
<b>Net Change in Plan Fiduciary Net Position</b>	<u>452,158</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>6,704,912</u>
<b>Plan Fiduciary Net Position - Ending</b>	<u><u>\$ 7,157,070</u></u>
<b>Net Pension Liability (Asset) Ending</b>	<u>\$ 1,111,690</u>
<b>Plan Fiduciary Net Position as a Percentage</b>	
of Total Pension Liability	87%
<b>Covered Payroll</b>	<u>\$ 1,792,628</u>
<b>Net Pension Liability as a Percentage</b>	
of Covered Payroll	62%

**Notes to Schedule:**

Information prior to 2015 is not available

CITY OF FRANKLIN, WISCONSIN  
SCHEDULE OF CONTRIBUTIONS MULTIYEAR (UNAUDITED)  
Last 10 Fiscal Years (Which May be Built Prospectively)  
Public Works Employee Pension Plan

<u>Fiscal Year Ending December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2015	\$ 293,632	\$ 293,632	\$ -	\$ 1,792,628	16%

**Notes to Schedule:**

Information prior to 2015 is not available

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**CITY OF FRANKLIN, WISCONSIN**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**December 31, 2015**

**NOTE 1 – FUNDING PROGRESS DATA**

The data presented in the Schedule of Funding Progress for City of Franklin Public Works Employees' Pension Plan was taken from the reports issued by the actuary.

**NOTE 2 - WISCONSIN RETIREMENT SYSTEM**

Changes of benefit terms. There were no changes of benefit terms for any participating employer in WRS.

Changes of assumptions. There were no changes in the assumptions.

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## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

Special Revenue Funds account for the proceeds of specific revenue sources (other than debt service or major capital projects) that are restricted for specified purposes.

Library Operating Fund – This fund accounts for the budgetary operation of the Library.

Library Auxiliary Fund – This fund accounts for Library donations, fines and forfeitures.

Solid Waste Collection Fund – This fund accounts for solid waste collection activities.

Donation Fund – This fund accounts for donations received for specific purposes.

St Martin's Fair Fund – This fund accounts for activities related to the farmers/flea market held the first Monday of the spring and summer months and the Labor Day weekend.

Civic Celebrations Fund – This fund accounts for activity related to the City's Fourth of July and other celebrations.

Grant Fund – The City reports its grant activities in this fund. Grant activities include Fire Department, Police Department, Health Department, Community Development Block Grants and miscellaneous grants received by the City that are not accounted for elsewhere.

### **Capital Projects Funds**

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Capital Outlay Fund – This fund accounts for the departmental capital outlays. These expenditures are funded by the tax levy, normally are less than \$25,000 and are under the direction of the department supervisor.

Equipment Replacement Fund – This fund accounts for the rolling stock replacement program that accumulates annual funding (from property taxes) for replacement of vehicles and similar equipment in lieu of using borrowed monies.

Capital Improvement Fund – This fund accounts for land acquisitions, building projects and all public works projects and are usually funded with landfill siting revenues, borrowed money or funding from some other source other than the tax levy.

Street Improvement Fund – This fund accounts for the activities of the local road improvement program. Funding is provided by the tax levy and an every other year local road improvement grant from the State, and landfill siting revenues.

Utility Improvement Fund – This fund is used to account for water and sewer connection fees and special assessments that are used for water and sewer construction projects.

Development Fund – This fund is used to account for impact fees restricted for use to capital improvements.

CITY OF FRANKLIN, WISCONSIN  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

Schedule 1

	Special Revenue Funds						
	Library Operating Fund	Library Auxiliary Fund	Solid Waste Collection Fund	St Martin's Fair Fund	Donation Fund	Civic Celebrations Fund	Grant Fund
							Total
<b>ASSETS</b>							
Cash and investments	\$ 403,561	\$ 120,009	\$ 385,130	\$ (1,159)	\$ 133,739	\$ 47,656	\$ 1,250,547
Receivables							
Accounts receivable	-	-	30,640	-	-	-	40,892
Taxes receivable	1,287,000	-	1,198,161	-	-	-	2,485,161
Special assessments receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Due from other governments	84,961	-	-	-	-	-	84,961
Prepaid items	-	650	-	-	-	80	730
Long-term advances	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,775,522</b>	<b>\$ 120,659</b>	<b>\$ 1,623,931</b>	<b>\$ (1,159)</b>	<b>\$ 133,739</b>	<b>\$ 47,736</b>	<b>\$ 3,862,291</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 61,744	\$ -	\$ 164,534	\$ -	\$ 61	\$ -	\$ 228,199
Accrued liabilities	19,915	3,229	292	-	-	-	23,436
Due to other funds	-	-	-	11,552	-	-	11,552
Due other governments	-	406	-	-	-	-	406
<b>Total liabilities</b>	<b>\$ 81,659</b>	<b>\$ 3,635</b>	<b>\$ 164,826</b>	<b>\$ 11,552</b>	<b>\$ 61</b>	<b>\$ -</b>	<b>\$ 263,593</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unearned & unavailable revenue	1,287,000	-	1,198,161	-	-	-	2,485,161
<b>FUND BALANCES (DEFICIT)</b>							
Nonspendable:							
Prepaid items	-	650	-	-	-	80	730
Restricted:							
Utility improvements	-	-	-	-	-	-	-
Development	-	-	-	-	-	-	-
Donations	-	-	-	-	133,678	-	133,678
Health services	-	-	-	-	-	160,003	160,003
Library services	406,863	116,374	-	-	-	-	523,237
Solid waste	-	-	260,944	-	-	-	260,944
Recreational services	-	-	-	-	-	47,656	47,656
Assigned:							
Capital projects	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	(12,711)	-	-	(12,711)
<b>Total fund balances (deficit)</b>	<b>\$ 406,863</b>	<b>\$ 117,024</b>	<b>\$ 260,944</b>	<b>\$ (12,711)</b>	<b>\$ 133,678</b>	<b>\$ 47,736</b>	<b>\$ 1,113,537</b>
<b>Total liabilities, deferred inflows and fund balances (deficit)</b>	<b>\$ 1,775,522</b>	<b>\$ 120,659</b>	<b>\$ 1,623,931</b>	<b>\$ (1,159)</b>	<b>\$ 133,739</b>	<b>\$ 47,736</b>	<b>\$ 3,862,291</b>

(Continued)



Schedule 1  
(concluded)

CITY OF FRANKLIN, WISCONSIN  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015

	Capital Projects Funds						Total Nonmajor Governmental Funds
	Capital Outlay Fund	Equipment Replacement Fund	Capital Improvement Fund	Street Improvement Fund	Utility Improvement Fund	Development Fund	Total
<b>ASSETS</b>							
Cash and investments	\$ 707,407	\$ 2,328,289	\$ 2,712,197	\$ 245,955	\$ 707,963	\$ 3,001,653	\$ 9,703,464
Receivables							
Accounts receivable	-	-	83,371	-	(95,136)	-	(11,765)
Taxes receivable	437,100	342,600	-	693,500	199,041	-	1,672,241
Special assessments receivable	-	-	-	-	1,187,890	-	1,187,890
Due from other funds	-	-	131,198	-	-	-	131,198
Due from other governments	-	-	-	-	-	-	84,961
Prepaid items	-	-	-	-	-	-	730
Long-term advances	-	-	-	-	-	850,000	850,000
<b>Total assets</b>	<b>\$ 1,144,507</b>	<b>\$ 2,670,889</b>	<b>\$ 2,926,766</b>	<b>\$ 939,455</b>	<b>\$ 1,999,758</b>	<b>\$ 3,851,653</b>	<b>\$ 13,533,028</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 41,246	\$ 23,646	\$ 1,236,931	\$ -	\$ -	\$ -	\$ 1,301,823
Accrued liabilities	-	-	-	-	-	-	23,436
Due to other funds	-	-	-	-	-	-	11,552
Due to other governments	-	-	-	-	-	-	406
<b>Total liabilities</b>	<b>41,246</b>	<b>23,646</b>	<b>1,236,931</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,301,823</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unearned & unavailable revenue	437,100	342,600	-	693,500	1,092,755	-	2,565,955
<b>FUND BALANCES (DEFICIT)</b>							
Nonspendable:							
Prepaid items	-	-	-	-	-	-	730
Restricted:							
Utility improvements	-	-	-	-	907,003	-	907,003
Development	-	-	-	-	-	3,851,653	3,851,653
Donations	-	-	-	-	-	-	133,678
Health services	-	-	-	-	-	-	160,003
Library services	-	-	-	-	-	-	523,237
Solid waste	-	-	-	-	-	-	260,944
Recreational services	-	-	-	-	-	-	47,656
Assigned:							
Capital projects	666,161	2,304,643	1,689,835	245,955	-	-	4,906,594
Unassigned (deficit)	-	-	-	-	-	-	(12,711)
<b>Total fund balances (deficit)</b>	<b>666,161</b>	<b>2,304,643</b>	<b>1,689,835</b>	<b>245,955</b>	<b>907,003</b>	<b>3,851,653</b>	<b>10,778,787</b>
<b>Total liabilities, deferred inflows and fund balances (deficit)</b>	<b>\$ 1,144,507</b>	<b>\$ 2,670,889</b>	<b>\$ 2,926,766</b>	<b>\$ 939,455</b>	<b>\$ 1,999,758</b>	<b>\$ 3,851,653</b>	<b>\$ 13,533,028</b>

CITY OF FRANKLIN, WISCONSIN  
Combining Schedule of Revenue, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended December 31, 2015

	Special Revenue Funds							Total
	Library Operating Fund	Library Auxiliary Fund	Solid Waste Fund	St Martin's Fair Fund	Donation Fund	Civic Celebrations Fund	Grant Fund	
<b>REVENUE</b>								
Taxes	\$ 1,240,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,240,000
Intergovernmental revenue	84,961	-	68,191	-	-	-	111,065	265,217
Licenses and permits	-	-	-	37,610	-	-	-	37,610
Public charges for services	-	6,840	1,513,020	-	-	77,390	-	1,597,250
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	2,766	128	2,415	-	-	-	307	5,616
Miscellaneous revenue	-	58,940	380	750	35,248	20,699	6,545	122,572
Total revenue	1,327,727	65,908	1,585,016	38,360	35,248	98,089	117,917	3,266,265
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	18,211	-	3,796	22,007
Public works	-	-	1,540,457	-	-	-	-	1,540,457
Health and human services	-	-	-	-	352	-	82,430	82,782
Culture and recreation	1,237,580	29,260	-	50,519	141	109,504	1,195	1,428,229
Conservation and development	-	-	-	-	-	-	-	-
Capital outlay	153,756	46,288	-	-	5,416	-	45,714	251,185
Total expenditures	1,391,346	75,579	1,540,457	50,519	24,120	109,504	133,135	3,324,660
Excess (deficiency) of revenue over expenditures	(63,619)	(9,671)	(4,559)	(12,159)	11,128	(11,415)	(15,218)	(56,395)
<b>OTHER FINANCING SOURCES (USES)</b>								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	11,000	-	13,000	-	24,000
Transfers out	-	-	-	-	-	-	-	-
General obligation debt issued	-	-	-	-	-	-	-	-
Net change in fund balances	(63,619)	(9,671)	44,559	(1,159)	11,128	1,585	(15,218)	(32,395)
Fund balances - beginning	470,482	126,695	216,385	(11,552)	122,550	46,151	175,221	1,145,932
Fund balances (deficit) - ending	\$ 406,863	\$ 117,024	\$ 260,944	\$ (12,711)	\$ 133,678	\$ 47,736	\$ 160,003	\$ 1,113,537

(Continued)

CITY OF FRANKLIN, WISCONSIN  
Combining Schedule of Revenue, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended December 31, 2015

	Capital Projects Funds						Total	Total Nonmajor Governmental Funds
	Capital Outlay Fund	Equipment Replacement Fund	Capital Improvement Fund	Street Improvement Fund	Utility Improvement Fund	Development Fund		
<b>REVENUE</b>								
Taxes	\$ 433,200	\$ 339,500	\$ -	\$ 687,300	\$ -	\$ -	\$ 1,460,000	\$ 2,700,000
Intergovernmental revenue	8,130	-	-	-	-	-	8,130	273,347
Licenses and permits	-	-	-	-	-	-	-	37,610
Public charges for services	67,000	100,000	623,473	133,000	-	-	923,473	2,520,723
Special assessments	-	-	-	-	180,596	413,977	594,573	594,573
Investment earnings	6,792	26,845	4,681	5,334	53,976	63,882	161,510	167,126
Miscellaneous revenue	(10)	-	-	2,441	-	-	2,431	125,003
Total revenue	515,112	466,345	628,154	828,075	234,572	477,859	3,150,117	6,418,382
<b>EXPENDITURES</b>								
Current:								
General government	3,600	-	-	-	-	6,751	10,351	10,351
Public safety	1,006	-	-	-	-	-	1,006	23,013
Public works	-	-	-	-	-	-	-	1,540,457
Health and human services	-	-	-	-	-	-	-	82,782
Culture and recreation	-	-	-	-	-	-	-	1,428,229
Conservation and development	-	-	-	-	-	-	-	-
Capital outlay	647,063	360,680	1,571,220	837,956	-	-	3,416,919	3,668,104
Total expenditures	651,669	360,680	1,571,220	837,956	-	6,751	3,428,276	6,762,936
Excess (deficiency) of revenue over expenditures	(136,557)	105,665	(943,066)	(9,881)	234,572	471,108	(278,159)	(334,554)
<b>OTHER FINANCING SOURCES (USES)</b>								
Sale of capital assets	24,370	9,305	-	-	-	-	33,675	33,675
Transfers in	475,000	-	657,300	25,000	-	-	1,157,300	1,181,300
Transfers out	-	-	-	-	-	(789,794)	(789,794)	(789,794)
General obligation debt issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	499,370	9,305	657,300	25,000	-	(789,794)	401,181	425,181
Net change in fund balances	362,813	114,970	(285,766)	15,119	234,572	(318,686)	123,022	90,627
Fund balances - beginning	303,348	2,189,673	1,975,601	230,836	672,431	4,170,339	9,542,228	10,688,160
<b>Fund balances (deficit) - ending</b>	<b>\$ 666,161</b>	<b>\$ 2,304,643</b>	<b>\$ 1,689,835</b>	<b>\$ 245,955</b>	<b>\$ 907,003</b>	<b>\$ 3,851,653</b>	<b>\$ 9,665,250</b>	<b>\$ 10,778,787</b>

**CITY OF FRANKLIN, WISCONSIN**  
**General Fund**  
**Schedule of Revenue - Budget and Actual (on a Budgetary Basis)**  
**Year Ended December 31, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with final budget - Favorable (Unfavorable)</b>
<b>TAXES</b>				
General property taxes	\$ 16,209,000	\$ 16,209,000	16,230,066.00	\$ 21,066
Water Utility - tax equivalent	1,100,000	1,100,000	1,044,460	(55,540)
Cable TV franchise fees	500,000	500,000	526,750	26,750
Mobile home assessments	26,700	26,700	22,648	(4,052)
Motel room tax	290,000	290,000	235,797	(54,203)
	<u>18,125,700</u>	<u>18,125,700</u>	<u>18,059,721</u>	<u>(65,979)</u>
<b>INTERGOVERNMENTAL REVENUE</b>				
State shared revenue	476,000	476,000	488,837	12,837
State expenditure restraint revenue	289,000	289,000	284,070	(4,930)
Fire insurance - dues	133,000	133,000	130,512	(2,488)
Local, state and federal grants and aids				
Computer aid	345,000	345,000	589,797	244,797
Transportation aids	1,165,000	1,165,000	1,217,386	52,386
Other	72,500	72,500	64,747	(7,753)
	<u>2,480,500</u>	<u>2,480,500</u>	<u>2,775,349</u>	<u>294,849</u>
<b>LICENSES, FEES AND PERMITS</b>				
Licenses:				
Beer and liquor	30,500	30,500	35,589	5,089
Bartenders	16,000	16,000	16,924	924
Amusement and related	11,100	11,100	9,880	(1,220)
Peddlers	1,700	1,700	(2,716)	(4,416)
Dog and cat	9,000	9,000	7,006	(1,994)
Health	52,100	52,100	62,987	10,887
Other	16,200	16,200	18,686	2,486
Permits:				
Building	530,000	530,000	343,322	(186,678)
Electrical	72,000	72,000	68,689	(3,311)
Plumbing	88,000	88,000	61,690	(26,310)
Sign	9,000	9,000	9,360	360
Park	12,000	12,000	13,364	1,364
Street excavation	3,500	3,500	14,566	11,066
Other	11,000	11,000	10,020	(980)
	<u>862,100</u>	<u>862,100</u>	<u>669,367</u>	<u>(192,733)</u>
<b>FINES, FORFEITURES AND PENALTIES</b>	<u>422,600</u>	<u>422,600</u>	<u>484,957</u>	<u>62,357</u>

(Continued)

CITY OF FRANKLIN, WISCONSIN  
General Fund  
Schedule of Revenue - Budget and Actual (on a Budgetary Basis)  
Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>PUBLIC CHARGES FOR SERVICES</b>				
General government				
Property reports and document fees	\$ 12,250	\$ 12,250	\$ 16,889	\$ 4,639
Public safety				
Police Department and related	9,000	9,000	3,572	(5,428)
Ambulance service	1,050,320	1,050,320	1,110,367	60,047
Fire Department and related	112,000	112,000	76,241	(35,759)
Quarry reimbursement	42,000	42,000	39,410	(2,590)
Weights and measures	6,800	7,600	8,909	1,309
Public works				
Weed cutting	15,050	15,050	9,178	(5,872)
Street lighting	12,000	12,000	9,647	(2,353)
Engineering and DPW fees	27,000	27,000	30,234	3,234
Health and human services	85,000	94,000	96,936	2,936
Conservation and development	143,650	143,650	143,228	(422)
	<u>1,515,070</u>	<u>1,524,870</u>	<u>1,544,611</u>	<u>19,741</u>
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>	<u>201,300</u>	<u>201,300</u>	<u>192,188</u>	<u>(9,112)</u>
<b>INVESTMENT EARNINGS (LOSS)</b>	<u>206,500</u>	<u>206,500</u>	<u>238,562</u>	<u>32,062</u>
<b>MISCELLANEOUS REVENUE</b>				
Municipal property rental	40,000	40,000	61,852	21,852
Culvert sales	3,500	3,500	11,287	7,787
Sale of state seals	1,200	1,200	1,280	
Refunds and reimbursements	40,000	40,000	26,315	(13,685)
Insurance dividend	15,000	15,000	52,162	37,162
Animal control ordinance fee	3,800	3,800	2,087	
Other revenue	-	-	593	593
	<u>103,500</u>	<u>103,500</u>	<u>155,576</u>	<u>53,709</u>
<b>TOTAL REVENUE</b>	<u>\$ 23,917,270</u>	<u>\$ 23,927,070</u>	<u>\$ 24,120,331</u>	<u>\$ 194,894</u>

**CITY OF FRANKLIN, WISCONSIN**  
**General Fund**  
**Schedule of Expenditures - Budget and Actual (on a Budgetary Basis)**  
**Year Ended December 31, 2015**

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>CURRENT</b>				
<b>General Government</b>				
Mayor - Personnel Services	\$ 18,512	\$ 18,512	\$ 18,512	\$ -
Mayor - Other Services	8,000	8,000	5,888	2,112
Aldermen - Personnel Services	47,482	47,482	47,487	(5)
Aldermen - Other Services	30,000	30,500	21,865	8,635
Municipal court - Personnel Services	178,969	173,969	170,612	3,357
Municipal court - Other Services	47,200	52,200	51,662	538
City clerk - Personnel Services	284,032	284,032	283,578	454
City clerk - Other Services	28,000	34,000	29,627	4,373
Elections - Personnel Services	18,184	18,184	15,513	2,671
Elections - Other Services	24,700	24,700	5,596	19,104
Information services - Personnel Service	83,637	53,337	17,000	36,337
Information services - Other Services	341,100	371,400	353,304	18,096
Administration - Personnel Services	290,237	288,037	280,594	7,443
Administration - Other Services	165,045	205,045	96,635	108,410
Finance - Personnel Services	409,252	411,452	411,359	93
Finance - Other Services	84,241	84,241	83,055	1,186
Independent Audit	36,500	36,500	33,285	3,215
Assessor - Personnel Services	54,424	54,424	54,205	219
Assessor - Other Services	173,450	173,450	146,697	26,753
Legal counsel	334,800	334,800	316,006	18,794
Municipal buildings - Personnel Services	92,776	68,776	55,524	13,252
Municipal buildings - Other Services	112,600	136,600	133,153	3,447
Property and liability insurance	105,775	105,775	51,980	53,795
Contingency	707,200	640,508	28,581	611,927
Total General Government	3,676,116	3,655,924	2,711,718	944,206
<b>Public Safety</b>				
Police - Personnel Services	7,124,185	7,124,185	7,032,851	91,334
Police - Other Services	1,102,300	1,108,174	954,481	153,693
Police Dispatch - Personnel Services	1,059,860	1,059,860	1,031,594	28,266
Fire - Personnel Services	5,526,485	5,563,685	5,563,662	23
Fire - Other Services	444,805	444,805	428,977	15,828
Fire protection service charge	265,200	265,200	260,763	4,437
Building inspection - Personnel Services	724,579	724,579	686,564	38,015
Building inspection - Other Services	34,800	34,800	25,183	9,617
Sealer of weights and measures	6,800	7,600	6,800	800
Total Public Safety	16,289,014	16,332,888	15,990,875	342,013

(Continued)

**CITY OF FRANKLIN, WISCONSIN**  
**General Fund**  
**Schedule of Expenditures - Budget and Actual (on a Budgetary Basis)**  
**Year Ended December 31, 2015**

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>CURRENT</b>				
<b>Public Works</b>				
Engineering - Personnel Services	588,437	583,437	497,128	86,309
Engineering - Other Services	24,522	29,522	22,356	7,166
Highway - Personnel Services	1,776,948	1,714,848	1,600,962	113,886
Highway - Other Services	850,056	854,506	642,135	212,371
Street lighting	339,640	365,509	309,446	56,063
Weed control	15,050	15,050	7,863	7,187
Total Public Works	<u>3,594,653</u>	<u>3,562,872</u>	<u>3,079,890</u>	<u>482,982</u>
<b>Health and Human Services</b>				
Public health - Personnel Services	550,232	550,232	539,695	10,537
Public health - Other Services	58,300	67,300	62,752	4,548
Animal control	39,200	39,200	30,941	8,259
Total Health and Human Services	<u>647,732</u>	<u>656,732</u>	<u>633,388</u>	<u>23,344</u>
<b>Culture and Recreation</b>				
Senior activities and travel program	20,000	20,000	18,386	1,614
Parks - Personnel Services	109,328	134,228	134,151	77
Parks - Other Services	26,000	27,345	23,915	3,430
Total Culture and Recreation	<u>155,328</u>	<u>181,573</u>	<u>176,452</u>	<u>5,121</u>
<b>Conservation and Development</b>				
Planning - Personnel Services	323,142	326,442	326,358	84
Planning - Other Services	59,550	56,250	53,017	3,233
Economic development - Personnel Services	78,235	78,235	37,600	40,635
Economic development - Other Services	19,500	209,425	60,087	149,338
Total Conservation and Development	<u>480,427</u>	<u>670,352</u>	<u>477,062</u>	<u>193,290</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 24,843,270</u>	<u>\$ 25,060,341</u>	<u>\$ 23,069,385</u>	<u>\$ 1,990,956</u>

**CITY OF FRANKLIN, WISCONSIN**  
**Debt Service Fund**  
**Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Year Ended December 31, 2015**

	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>REVENUE</b>				
Taxes	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ -
Special assessments	-	-	47,683	47,683
Investment earnings	-	-	12,500	12,500
Total revenue	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,660,183</u>	<u>60,183</u>
<b>EXPENDITURES</b>				
Debt service				
Principal	570,000	595,000	595,000	-
Interest	<u>371,926</u>	<u>346,926</u>	<u>315,672</u>	<u>31,254</u>
Total expenditures	<u>941,926</u>	<u>941,926</u>	<u>910,672</u>	<u>31,254</u>
Excess of revenue over expenditures	658,074	658,074	749,511	91,437
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	416,926	416,926	182,493	(234,433)
Total other financing sources (uses)	<u>416,926</u>	<u>416,926</u>	<u>182,493</u>	<u>(234,433)</u>
Net change in fund balances	<u>\$ 1,075,000</u>	<u>\$ 1,075,000</u>	932,004	<u>\$ (142,996)</u>
Fund balances (deficit) - beginning			<u>(424,721)</u>	
Fund balances (deficit) - ending			<u>\$ 507,283</u>	



**CITY OF FRANKLIN, WISCONSIN**  
**Library Operating Fund**  
**Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Year Ended December 31, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget - Favorable (Unfavorable)
<b>REVENUE</b>				
Taxes	\$ 1,240,000	\$ 1,240,000	\$ 1,240,000	\$ -
Intergovernmental revenue	100,000	100,000	84,961	(15,039)
Investment earnings (loss)	-	-	2,766	2,766
<b>Total revenue</b>	<b>1,340,000</b>	<b>1,340,000</b>	<b>1,327,727</b>	<b>(12,273)</b>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	1,248,285	1,248,285	1,237,590	10,695
Capital outlay	164,200	164,200	156,454	7,746
<b>Total expenditures</b>	<b>1,412,485</b>	<b>1,412,485</b>	<b>1,394,044</b>	<b>18,441</b>
Excess (deficiency) of revenue over (under) expenditures	(72,485)	(72,485)	(66,317)	6,168
<b>Net change in fund balances</b>	<b>\$ (72,485)</b>	<b>\$ (72,485)</b>	<b>(66,317)</b>	<b>\$ 6,168</b>
Adjustments to generally accepted accounting principles basis				
2014 encumbrances			-	
2015 encumbrances			2,698	
<b>Fund balances - beginning</b>			<b>470,482</b>	
<b>Fund balances - ending</b>			<b>\$ 406,863</b>	

**CITY OF FRANKLIN, WISCONSIN**  
**Solid Waste Collection Fund**  
**Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Year Ended December 31, 2015**

	Original and Final Budget	Actual	Variance with Final Budget - Favorable (Unfavorable)
<b>REVENUE</b>			
Intergovernmental revenue	\$ 69,300	\$ 69,191	\$ (109)
Public charges for services	1,508,200	1,513,020	4,820
Investment earnings	5,000	2,415	(2,585)
Miscellaneous revenue	4,100	390	(3,710)
 Total revenue	 <u>1,586,600</u>	 <u>1,585,016</u>	 <u>(1,584)</u>
<b>EXPENDITURES</b>			
Current:			
Public works	1,546,613	1,540,457	6,156
 Total expenditures	 <u>1,546,613</u>	 <u>1,540,457</u>	 <u>6,156</u>
 Excess (Deficiency) of Revenue Over (Under) Expenditures	 39,987	 44,559	 4,572
 Net change in fund balances	 <u>\$ 39,987</u>	 44,559	 <u>\$ 4,572</u>
 Fund balances - beginning		 <u>216,385</u>	
 Fund balances - ending		 <u>\$ 260,944</u>	

CITY OF FRANKLIN, WISCONSIN  
Capital Projects Funds  
Schedule of Revenue, Expenditures and Changes in Fund Balances -  
Budget and Actual (on a Budgetary Basis)  
Year Ended December 31, 2015

	Capital Outlay Fund				Equipment Replacement Fund			
	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>REVENUE</b>								
Taxes	\$ 433,200	\$ 433,200	\$ 433,200	\$ -	\$ 339,500	\$ 339,500	\$ 339,500	\$ -
Intergovernmental revenue	-	-	8,130	8,130	-	-	-	-
Public charges for services	67,000	67,000	67,000	-	100,000	100,000	100,000	-
Investment earnings (loss)	4,500	4,500	6,792	2,292	20,000	20,000	26,845	6,845
Miscellaneous revenue	-	-	(10)	(10)	-	-	-	-
Total revenue	504,700	504,700	515,112	10,412	459,500	459,500	466,345	6,845
<b>EXPENDITURES</b>								
Capital outlay	939,385	1,027,723	657,949	369,774	382,000	382,000	360,680	21,320
Total expenditures	939,385	1,027,723	657,949	369,774	382,000	382,000	360,680	21,320
Excess (deficiency) of revenue over expenditures	(434,685)	(523,023)	(142,837)	380,186	77,500	77,500	105,665	28,165
<b>OTHER FINANCING SOURCES (USES)</b>								
Sale of capital assets	25,000	25,000	24,370	(630)	-	-	9,305	9,305
Transfers in	475,000	555,882	475,000	-	25,000	25,000	-	(25,000)
Transfers out	-	-	-	-	-	-	-	-
General obligation debt issued	-	-	-	-	-	-	-	-
Net changes in fund balances	\$ 65,315	\$ 57,859	356,533	\$ 379,556	\$ 102,500	\$ 102,500	114,970	\$ 12,470
Adjustments to generally accepted accounting principles basis								
2014 encumbrances			(38,338)	-			-	-
2015 encumbrances			44,618	-			-	-
Fund balances - beginning			303,348				2,189,573	
Fund balances - ending			\$ 666,161				\$ 2,304,643	

(Continued)

**CITY OF FRANKLIN, WISCONSIN**  
**Capital Projects Funds**  
**Schedule of Revenue, Expenditures and Changes in Fund Balances -**  
**Budget and Actual (on a Budgetary Basis)**  
**Year Ended December 31, 2015**

	Capital Improvement Fund				Street Improvement Fund			
	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)	Original Budget	Final Budget	Actual	Variance with final budget - Favorable (Unfavorable)
<b>REVENUE</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 687,300	\$ 687,300	\$ 687,300	\$ -
Intergovernmental revenue	-	-	-	-	-	-	-	-
Public charges for services	830,000	830,000	623,473	(206,527)	133,000	133,000	133,000	-
Investment earnings (loss)	-	-	4,681	4,681	6,000	6,000	5,334	(666)
Miscellaneous revenue	100,000	100,000	-	(100,000)	-	-	2,441	2,441
Total revenue	930,000	930,000	628,154	(301,846)	826,300	826,300	828,075	1,775
<b>EXPENDITURES</b>								
Capital outlay	9,146,247	9,438,408	2,002,556	7,435,852	960,000	960,000	837,956	122,044
Total expenditures	9,146,247	9,438,408	2,002,556	7,435,852	960,000	960,000	837,956	122,044
Excess (deficiency) of revenue over expenditures	(8,216,247)	(8,508,408)	(1,374,402)	7,134,006	(133,700)	(133,700)	(9,881)	123,819
<b>OTHER FINANCING SOURCES (USES)</b>								
Sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	6,893,030	6,891,030	657,300	(6,423,730)	200,000	200,000	25,000	(175,000)
Transfers out	-	-	-	-	(200,000)	(200,000)	-	200,000
General obligation debt issued	-	-	-	-	-	-	-	-
Net changes in fund balances	\$ (1,323,217)	\$ (1,427,378)	(717,102)	\$ 710,276	\$ (133,700)	\$ (133,700)	15,119	\$ 148,819
Adjustments to generally accepted accounting principles basis								
2014 encumbrances			(144,161)				-	
2015 encumbrances			575,497				-	
Fund balances - beginning			1,975,601				230,836	
Fund balances - ending			\$ 1,689,835				\$ 245,955	

Schedule 8  
(concluded)

CITY OF FRANKLIN, WISCONSIN  
Capital Projects Funds  
Schedule of Revenue, Expenditures and Changes in Fund Balances -  
Budget and Actual (on a Budgetary Basis)  
Year Ended December 31, 2015

Development Fund			
	Original Budget	Final Budget	Variance with final budget - Favorable (Unfavorable)
<b>REVENUE</b>			
Taxes	\$ -	\$ -	\$ -
Special assessments	703,500	703,500	(289,523)
Investment earnings	106,966	106,966	(43,084)
Miscellaneous revenue	-	-	-
Total revenue	810,466	810,466	(332,607)
<b>EXPENDITURES</b>			
General Government	15,000	15,000	8,249
Capital outlay	-	-	-
Debt service - interest	-	-	-
Debt issuance costs	-	-	-
Total expenditures	15,000	15,000	8,249
Excess of revenue over expenditures	795,466	795,466	(324,358)
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of capital assets	-	-	-
Transfers in	-	-	-
Transfers out	(1,939,801)	(2,214,801)	1,425,007
General obligation debt issued	-	-	-
Net changes in fund balances	\$ (1,144,335)	\$ (1,419,335)	\$ 1,100,649
Adjustments to generally accepted accounting principles basis			
2014 encumbrances			-
2015 encumbrances			-
Fund balances - beginning			4,170,339
Fund balances - ending			\$ 3,851,653

**CITY OF FRANKLIN, WISCONSIN**  
**Fiduciary Funds**  
**Combining Schedule of Changes in Assets and Liabilities - Agency Funds**  
**Year Ended December 31, 2015**

<b>PROPERTY TAX AGENCY FUND</b>	<b>12/31/14</b>	<b>Additions</b>	<b>Deductions</b>	<b>12/31/15</b>
<b>ASSETS</b>				
Cash and investments	\$ 53,129,030	\$ 194,585,775	\$ 194,914,800	\$ 52,800,005
Receivables				
Taxes receivable	16,394,592	130,364,481	128,439,917	18,319,156
Accounts receivable	-	1,224	-	1,224
<b>Total assets</b>	<b>\$ 69,523,622</b>	<b>\$ 324,951,480</b>	<b>\$ 323,354,717</b>	<b>\$ 71,120,385</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 204,415	\$ 97,108,154	\$ 97,149,419	\$ 163,150
Due to other governments	69,319,207	71,130,548	69,492,520	70,957,235
<b>Total liabilities</b>	<b>\$ 69,523,622</b>	<b>\$ 168,238,702</b>	<b>\$ 166,641,939</b>	<b>\$ 71,120,385</b>
<b>OTHER AGENCY FUND</b>				
<b>ASSETS</b>				
Cash and investments	\$ 7,064	\$ 28,959	\$ 31,546	\$ 4,477
Accounts receivable	5,820	25,675	23,650	7,845
<b>Total assets</b>	<b>\$ 12,884</b>	<b>\$ 54,634</b>	<b>\$ 55,196</b>	<b>\$ 12,322</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 1,877	\$ 32,449	\$ 31,941	\$ 2,385
Special deposits	11,007	31,821	32,891	9,937
<b>Total liabilities</b>	<b>\$ 12,884</b>	<b>\$ 64,270</b>	<b>\$ 64,832</b>	<b>\$ 12,322</b>
<b>TOTAL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and investments	\$ 53,136,094	\$ 194,614,734	\$ 194,946,346	\$ 52,804,482
Receivables				
Taxes receivable	16,394,592	130,364,481	128,439,917	18,319,156
Accounts receivable	5,820	26,899	23,650	9,069
<b>Total assets</b>	<b>\$ 69,536,506</b>	<b>\$ 325,006,114</b>	<b>\$ 323,409,913</b>	<b>\$ 71,132,707</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 206,292	\$ 97,140,603	\$ 97,181,360	\$ 165,535
Due to other governments	69,319,207	71,130,548	69,492,520	70,957,235
Special deposits	11,007	31,821	32,891	9,937
<b>Total liabilities</b>	<b>\$ 69,536,506</b>	<b>\$ 168,302,972</b>	<b>\$ 166,706,771</b>	<b>\$ 71,132,707</b>

**CITY OF FRANKLIN, WISCONSIN**  
**TIF Districts Fund**  
**Combining Balance Sheet**  
**December 31, 2015**

	<u>District #3</u>	<u>District #4</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ 2,652,399	\$ 99,784	\$ 2,752,183
Accounts receivable	44,061	-	44,061
Taxes receivable	<u>1,730,642</u>	<u>1,289,709</u>	<u>3,020,351</u>
<b>Total assets</b>	<u>4,427,102</u>	<u>1,389,493</u>	<u>5,816,595</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Long term advances	\$ <u>1,700,000</u>	\$ <u>238,000</u>	\$ <u>1,938,000</u>
<b>Total liabilities</b>	<u>1,700,000</u>	<u>238,000</u>	<u>1,938,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned revenue	<u>1,730,642</u>	<u>1,289,709</u>	<u>3,020,351</u>
<b>FUND BALANCES (DEFICIT)</b>			
Restricted:			
TIF #3	<u>996,460</u>	-	996,460
Unassigned (deficit)	<u>-</u>	<u>(138,216)</u>	<u>(138,216)</u>
<b>Total fund balances (deficit)</b>	<u>996,460</u>	<u>(138,216)</u>	<u>858,244</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 4,427,102</u>	<u>\$ 1,389,493</u>	<u>\$ 5,816,595</u>

**CITY OF FRANKLIN, WISCONSIN**  
**TIF Districts Fund**  
**Schedule of TIF Districts Revenue, Expenditures**  
**and Changes in Fund Balances**  
**Year Ended December 31, 2015**

	<u>District #3</u>	<u>District #4</u>	<u>Total</u>
<b>REVENUE</b>			
Taxes	\$ 1,681,577	\$ 1,101,081	\$ 2,782,658
Intergovernmental revenue	421,710	19,631	441,341
Investment earnings (loss)	7,426	404	7,830
Miscellaneous revenue	138,885	-	138,885
Total revenue	<u>2,249,598</u>	<u>1,121,116</u>	<u>3,370,714</u>
<b>EXPENDITURES</b>			
Current:			
General government	22,156	30,765	52,921
Public Works	313	-	313
Capital outlay	1,428,942	-	1,428,942
Debt service			
Principal	20,000	-	20,000
Interest and fiscal charges	129,705	14,695	144,400
Total expenditures	<u>1,601,116</u>	<u>45,460</u>	<u>1,646,576</u>
Excess (deficiency) of revenue over expenditures	648,482	1,075,656	1,724,138
Net change in fund balances	648,482	1,075,656	1,724,138
Fund balances (deficit) - beginning	<u>347,978</u>	<u>(1,213,872)</u>	<u>(865,894)</u>
Fund balances (deficit) - ending	<u>\$ 996,460</u>	<u>\$ (138,216)</u>	<u>\$ 858,244</u>



**CITY OF FRANKLIN, WISCONSIN**  
**Capital Assets Used In the Operation of Governmental Funds**  
**Schedule by Source**  
**December 31, 2015**

**Governmental funds capital assets:**

Land	\$ 25,268,691
Buildings and improvements	24,880,902
Machinery and equipment	18,137,992
Infrastructure improvements	95,141,359
Construction in process	<u>1,180,903</u>

**Total governmental funds capital assets** \$ 164,609,847

**Investment in governmental capital assets by source:**

General Fund	\$ 806,569
Special Revenue Funds	3,225,442
Capital Projects Funds	89,743,813
Donations	<u>70,834,023</u>

**Total governmental funds capital assets** \$ 164,609,847

Draft - Preliminary  
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Not to be Reproduced

**CITY OF FRANKLIN, WISCONSIN**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule by Function and Activity**  
**Year Ended December 31, 2015**

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>	<u>Infrastructure Improvements</u>	<u>Construction In process</u>	<u>Total</u>
<b>General Government:</b>						
Mayor	\$ -	\$ -	\$ 2,202	\$ -	\$ -	\$ 2,202
Aldermen	-	-	9,584	-	-	9,584
Municipal court	-	-	42,656	-	-	42,656
City clerk	-	-	21,416	-	-	21,416
Elections	-	-	24,610	-	-	24,610
Information services	-	-	518,281	-	-	518,281
Administration	-	-	261,310	-	-	261,310
Human resources	-	-	9,617	-	-	9,617
Finance	-	-	168,034	-	-	168,034
Assessor	-	-	46,080	-	-	46,080
Attorney	-	-	906	-	-	906
Municipal buildings	803,111	3,247,868	499,539	-	-	4,550,518
Total General Government	803,111	3,247,868	1,604,235	-	-	5,655,214
<b>Public Safety:</b>						
Police	1,201,829	8,418,912	3,128,944	-	-	12,749,685
Fire	112,013	4,226,242	3,601,884	-	-	7,940,139
Building inspection	-	-	273,105	-	-	273,105
Total Public Safety	1,313,842	12,645,154	7,003,933	-	-	20,962,929
<b>Public Works:</b>						
Engineering	-	-	362,888	-	-	362,888
Highway	357,407	2,737,523	5,513,172	-	-	8,608,102
Street Lighting	-	-	1,097	-	-	1,097
Infrastructure	18,049,576	-	-	95,141,359	-	113,190,935
Construction in process	-	-	-	-	1,180,903	1,180,903
Total Public Works	18,406,983	2,737,523	5,877,157	95,141,359	1,180,903	123,343,925
<b>Health &amp; Human Services:</b>						
Health	-	-	138,640	-	-	138,640
<b>Culture and Recreation:</b>						
Library	16,769	4,927,456	2,842,877	-	-	7,787,102
Parks	4,727,986	1,322,901	584,797	-	-	6,635,684
Total Culture and Recreation	4,744,755	6,250,357	3,427,674	-	-	14,422,786
<b>Conservation and Development:</b>						
Community development	-	-	-	-	-	-
Planning	-	-	86,353	-	-	86,353
Total Conservation and Development	-	-	86,353	-	-	86,353
<b>Total governmental funds capital assets</b>	<b>\$ 25,268,691</b>	<b>\$ 24,880,902</b>	<b>\$ 18,137,992</b>	<b>\$ 95,141,359</b>	<b>\$ 1,180,903</b>	<b>\$ 164,609,847</b>

**CITY OF FRANKLIN, WISCONSIN**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes by Function and Activity**  
**Year Ended December 31, 2015**

<u>Function and Activity</u>	<u>Governmental Funds Capital Assets</u>			
	<u>01/01/15</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/15</u>
<b>General Government:</b>				
Mayor	\$ 2,202	\$ -	\$ -	\$ 2,202
Aldermen	9,584	-	-	9,584
Municipal court	36,340	6,316	-	42,656
City clerk	10,042	11,374	-	21,416
Elections	36,352	18,138	29,880	24,610
Information services	504,170	14,111	-	518,281
Administration	258,471	2,839	-	261,310
Human resources	8,609	1,008	-	9,617
Finance	163,117	4,917	-	168,034
Assessor	46,080	-	-	46,080
Attorney	906	-	-	906
Municipal buildings	4,519,799	30,719	-	4,550,518
Total General Government	5,595,672	89,422	29,880	5,655,214
<b>Public Safety:</b>				
Police	12,653,191	126,863	30,369	12,749,685
Fire	7,846,987	246,395	153,243	7,940,139
Building inspection	272,640	565	-	273,105
Total Public Safety	20,772,718	373,823	183,612	20,962,929
<b>Public Works:</b>				
Engineering	347,933	14,954	-	362,887
Highway	8,567,068	265,545	224,510	8,608,103
Street lighting	1,097	-	-	1,097
Infrastructure	111,941,142	1,291,371	-	113,232,513
Construction in process	423,313	757,590	-	1,180,903
Total Public Works	121,280,553	2,329,460	224,510	123,385,503
<b>Health &amp; Human Services:</b>				
Health	137,200	1,440	-	138,640
<b>Culture and Recreation:</b>				
Library	7,719,621	251,859	184,378	7,787,102
Parks	5,875,943	718,163	-	6,594,106
Total Culture and Recreation	13,595,564	970,022	184,378	14,381,208
<b>Conservation and Development:</b>				
Community development	-	-	-	-
City development	84,467	1,886	-	86,353
Total Conservation and Development	84,467	1,886	-	86,353
<b>Total governmental funds capital assets</b>	<b>\$ 161,466,174</b>	<b>\$ 3,766,053</b>	<b>\$ 622,380</b>	<b>\$ 164,609,847</b>

## Statistical Section

This part of the City of Franklin's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the basic financial statements, note disclosures and required supplementary information says about the City's overall financial health.

### Financial Trends

Table 1

These tables contain trend information to help the reader understand how the City's financial performance and well being have changed over time.

### Revenue Capacity

Table 5

These tables contain trend information to help the reader assess the City's most significant local revenue source, the property tax.

### Debt Capacity

Table 11

These tables present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.

### Demographic and Economic Information

Table 14

These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

### Operating Information

Table 17

These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these tables is derived from the Comprehensive Annual Financial Report for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**CITY OF FRANKLIN, WISCONSIN**  
**Net Position by Component**  
**Last Ten Years**  
**(accrual basis of accounting)**

Table 1

	2015	2014	2013	2012	2011	Fiscal Year		2009	2008	2007	2006	2005
						2010	2009					
<b>Governmental activities</b>												
Net investment in capital assets	\$ 107,184,803	\$ 109,031,877	\$ 104,721,992	\$ 104,087,428	\$ 94,837,222	\$ 88,776,271	\$ 84,178,261	\$ 71,753,307	\$ 72,975,238	\$ 66,402,113	\$ -	\$ (1,366,021)
Restricted												
Debt service	482,773	660,605	722,710	535,337	4,076,287	3,050,470	2,283,238	8,550,662	12,558,371	4,204,277	1,708,141	
Utility improvements	1,986,769	1,916,450	1,523,989	1,623,959	1,925,774	1,723,133	1,643,220	1,363,540	2,206,799	2,293,940	2,424,150	
Development	3,861,663	4,170,339	5,052,166	4,414,731	3,695,040	3,820,826	3,051,582	3,083,708	2,843,062	3,464,901	2,853,329	
Library	624,137	666,752	552,292	541,825	462,473	468,302	442,509	414,428	357,875	259,824	-	
Donations and other	602,281	580,306	607,955	541,785	390,582	311,101	276,730	280,114	263,195	243,331	236,147	
Unrestricted (deficit)	10,481,941	8,946,560	4,999,794	1,487,022	2,552,494	2,311,078	(2,085,951)	(779,179)	(11,999,759)	10,550,166	10,459,237	
<b>Total governmental activities net position</b>	<b>\$ 131,047,147</b>	<b>\$ 122,706,589</b>	<b>\$ 118,000,690</b>	<b>\$ 113,442,056</b>	<b>\$ 107,805,822</b>	<b>\$ 100,261,181</b>	<b>\$ 89,772,836</b>	<b>\$ 64,820,584</b>	<b>\$ 79,925,676</b>	<b>\$ 78,708,442</b>	<b>\$ 16,343,993</b>	
<b>Business-type activities</b>												
Net investment in capital assets	\$ 86,862,066	\$ 88,567,257	\$ 80,006,184	\$ 80,398,082	\$ 69,650,594	\$ 60,200,134	\$ 50,628,559	\$ 90,842,466	\$ 90,242,854	\$ 88,299,852	\$ 85,098,937	
Restricted												
Sewer equipment replacement	358,108	313,558	277,230	334,608	293,844	261,652	227,366	231,384	225,177	216,267	178,274	
Unrestricted	2,853,368	4,015,630	3,067,842	2,518,934	3,171,123	2,733,910	2,875,722	2,309,238	2,342,349	2,255,577	2,380,429	
<b>Total business-type activities net position</b>	<b>\$ 92,071,540</b>	<b>\$ 92,899,446</b>	<b>\$ 82,390,258</b>	<b>\$ 82,361,422</b>	<b>\$ 73,015,531</b>	<b>\$ 62,227,988</b>	<b>\$ 63,931,692</b>	<b>\$ 93,383,106</b>	<b>\$ 92,810,580</b>	<b>\$ 90,770,408</b>	<b>\$ 87,567,040</b>	
<b>Total</b>												
Net investment in capital assets	\$ 190,046,859	\$ 194,599,134	\$ 183,917,185	\$ 183,465,609	\$ 164,157,816	\$ 148,978,395	\$ 145,998,620	\$ 162,595,793	\$ 163,213,092	\$ 148,701,765	\$ 83,730,610	
Restricted												
Debt service	482,773	660,605	722,710	535,337	4,076,287	3,050,470	2,283,238	8,550,662	12,558,371	4,204,277	1,708,141	
Utility improvements	1,986,769	1,916,450	1,523,989	1,623,959	1,925,774	1,723,133	1,643,220	1,363,540	2,206,799	2,293,940	2,424,150	
Development	3,861,663	4,170,339	5,052,166	4,414,731	3,695,040	3,820,826	3,051,582	3,083,708	2,843,062	3,464,901	2,853,329	
TIF Districts	624,137	666,752	552,292	541,825	462,473	468,302	442,509	414,428	357,875	259,824	-	
Donations and grants	602,281	580,306	607,955	541,785	390,582	311,101	276,730	280,114	263,195	243,331	236,147	
Sewer replacement	358,108	313,558	277,230	334,608	293,844	261,652	227,366	231,384	225,177	216,267	178,274	
Unrestricted	10,266,309	12,064,290	7,907,646	4,005,890	5,753,597	5,074,888	789,741	1,515,061	(8,757,406)	15,135,743	12,670,895	
<b>Total net position</b>	<b>\$ 223,118,687</b>	<b>\$ 215,605,434</b>	<b>\$ 210,391,030</b>	<b>\$ 206,793,462</b>	<b>\$ 200,885,383</b>	<b>\$ 168,506,767</b>	<b>\$ 183,704,208</b>	<b>\$ 178,033,590</b>	<b>\$ 172,740,058</b>	<b>\$ 170,639,936</b>	<b>\$ 104,091,623</b>	

**Notes:**

\* 2012 and prior years have been reclassified to be consistent with the current year presentation

Table 2

**CITY OF FRANKLIN, WISCONSIN**  
**Changes in Net Position, Last Ten Years**  
**(accrual basis of accounting)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government	\$ 2,990,355	\$ 2,919,840	\$ 2,915,267	\$ 2,764,497	\$ 2,748,207	\$ 2,897,491	\$ 2,946,713	\$ 3,028,903	\$ 2,789,041	\$ 2,730,575
Public safety	16,959,091	16,194,631	16,484,847	17,228,769	16,622,386	16,033,898	15,526,031	15,598,642	14,387,891	13,987,313
Public works	8,304,583	7,231,238	8,550,808	6,182,036	6,596,316	6,208,391	6,034,720	6,900,408	6,800,767	4,709,613
Health and human services	726,000	673,332	688,088	730,439	648,656	686,944	708,084	663,262	630,002	572,091
Culture and recreation	1,969,297	1,865,832	1,838,700	1,670,573	1,690,350	1,919,689	1,753,139	1,803,155	1,766,274	1,873,815
Conservation and development	576,421	459,884	422,095	412,066	957,677	529,833	600,099	718,032	6,591,661	634,983
Interest on long term debt	405,022	562,211	802,562	1,272,721	1,553,257	1,920,023	2,253,215	2,654,989	2,705,284	2,574,761
<b>Total governmental activities expenses</b>	<b>31,939,769</b>	<b>29,327,008</b>	<b>29,712,367</b>	<b>30,491,161</b>	<b>31,019,049</b>	<b>30,176,269</b>	<b>29,624,001</b>	<b>31,367,371</b>	<b>35,650,930</b>	<b>27,083,151</b>
<b>Business-type activities</b>										
Water	5,766,088	5,077,744	5,051,835	5,064,149	4,251,167	4,076,409	4,216,453	3,928,578	3,620,524	3,342,925
Sewer	4,148,420	4,180,946	4,133,632	3,640,106	3,373,459	3,376,505	3,226,261	3,069,523	2,640,092	2,603,652
<b>Total business-type activities expenses</b>	<b>9,914,508</b>	<b>9,258,690</b>	<b>9,185,467</b>	<b>8,704,255</b>	<b>7,624,646</b>	<b>7,452,914</b>	<b>7,442,714</b>	<b>6,998,101</b>	<b>6,260,616</b>	<b>5,946,577</b>
<b>Total expenses</b>	<b>\$ 41,854,277</b>	<b>\$ 39,185,758</b>	<b>\$ 38,897,834</b>	<b>\$ 39,195,416</b>	<b>\$ 38,643,695</b>	<b>\$ 37,629,183</b>	<b>\$ 37,066,715</b>	<b>\$ 38,365,472</b>	<b>\$ 41,911,546</b>	<b>\$ 33,029,728</b>
<b>Program Revenue</b>										
<b>Governmental activities:</b>										
Charges for services:										
General government	\$ 150,787	\$ 213,326	\$ 251,575	\$ 169,347	\$ 217,360	\$ 270,412	\$ 305,232	\$ 210,433	\$ 226,496	\$ 145,072
Public safety	2,362,476	2,268,334	2,459,846	2,226,209	2,173,060	2,154,618	2,086,413	2,267,599	2,473,830	2,764,237
Public works	2,719,888	1,470,630	1,134,601	1,271,139	1,490,348	1,230,437	660,670	739,948	1,071,513	1,497,290
Health and human services	164,674	115,059	118,702	126,578	109,686	54,385	69,855	86,439	69,853	62,339
Culture and recreation	146,594	118,008	143,217	145,392	181,414	311,757	146,256	143,797	138,793	237,278
Conservation and development	152,588	51,817	163,366	73,530	78,667	64,168	67,051	305,299	127,711	136,411
Operating grants and contributions	1,809,520	1,801,362	1,838,950	2,144,164	2,136,106	1,921,005	2,080,213	2,265,275	2,957,937	3,015,885
Capital grants and contributions	1,144,757	1,437,524	1,659,659	1,240,439	1,334,285	2,570,564	1,190,090	1,735,333	3,753,612	4,680,241
<b>Total governmental activities program revenue</b>	<b>8,650,984</b>	<b>7,576,653</b>	<b>7,740,214</b>	<b>7,291,930</b>	<b>7,716,826</b>	<b>6,578,146</b>	<b>6,567,780</b>	<b>7,774,104</b>	<b>9,839,745</b>	<b>11,770,753</b>
<b>Business-type activities</b>										
Charges for services:										
Water	5,609,926	5,421,719	5,403,994	5,361,645	4,539,066	4,395,289	4,454,495	4,218,653	3,626,626	3,585,661
Sewer	3,340,382	3,266,897	3,243,737	3,142,062	3,124,766	3,062,466	2,994,024	2,706,583	2,009,447	1,666,703
Capital grants and contributions	566,251	338,557	-	-	-	210,658	337,667	734,367	1,629,536	1,477,541
<b>Total business-type activities program revenue</b>	<b>9,516,561</b>	<b>8,927,173</b>	<b>8,647,731</b>	<b>8,503,707</b>	<b>7,663,832</b>	<b>7,698,423</b>	<b>7,786,186</b>	<b>7,659,603</b>	<b>7,585,609</b>	<b>6,929,405</b>
<b>Total program revenue</b>	<b>\$ 18,167,545</b>	<b>\$ 16,503,826</b>	<b>\$ 16,387,945</b>	<b>\$ 15,795,637</b>	<b>\$ 15,380,778</b>	<b>\$ 16,245,569</b>	<b>\$ 14,373,966</b>	<b>\$ 15,433,707</b>	<b>\$ 17,425,354</b>	<b>\$ 18,700,158</b>

Table 2  
(continued)

CITY OF FRANKLIN, WISCONSIN  
Changes in Net Position, Last Ten Years  
(accrual basis of accounting)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (23,279,785)	\$ (22,350,415)	\$ (21,972,153)	\$ (23,199,231)	\$ (23,302,123)	\$ (21,600,123)	\$ (23,236,221)	\$ (23,583,267)	\$ (25,811,185)	\$ (15,312,398)
Business-type activities	(397,947)	(331,517)	(537,738)	(209,547)	98,208	215,508	343,472	661,502	1,324,993	982,828
<b>Total net expense</b>	<b>\$ (23,677,732)</b>	<b>\$ (22,681,932)</b>	<b>\$ (22,509,891)</b>	<b>\$ (23,399,778)</b>	<b>\$ (23,262,917)</b>	<b>\$ (21,384,614)</b>	<b>\$ (22,892,749)</b>	<b>\$ (22,921,765)</b>	<b>\$ (24,486,192)</b>	<b>\$ (14,329,570)</b>
<b>General Revenue and other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes	\$ 19,022,087	\$ 20,073,959	\$ 20,037,881	\$ 19,841,883	\$ 19,058,282	\$ 18,523,570	\$ 18,237,375	\$ 17,534,158	\$ 16,404,257	\$ 15,350,390
Property taxes levied for debt service	1,600,000	1,600,000	1,650,000	1,750,000	1,900,000	1,900,000	1,900,000	2,000,000	2,110,000	2,210,000
Property taxes levied for TIF Districts	2,690,637	2,528,925	2,410,131	2,569,324	5,645,805	7,457,955	4,829,216	4,685,811	3,127,118	2,886,368
Other taxes	785,135	726,774	723,985	708,832	673,736	699,431	656,767	472,575	429,674	418,168
Intergovernmental revenue										
not restricted to specific programs	1,804,045	1,519,848	1,620,331	1,590,209	2,292,529	1,485,982	1,380,418	1,320,386	1,461,840	1,334,594
Investment earnings	411,650	695,541	87,278	784,932	873,349	907,723	1,401,580	1,862,888	2,547,179	2,531,912
Miscellaneous revenue	48,885	43,170	66,191	394,032	40,091	58,885	43,566	14,451	452,613	77,294
Gain on sale of capital assets	13,106	16,986	2,024	82,129	68,871	64,070	-	-	-	-
Transfers	1,044,459	(144,601)	(66,726)	1,069,126	348,101	1,011,149	(100,725)	424,212	(560,258)	(1,970,735)
<b>Total governmental activities</b>	<b>27,419,884</b>	<b>27,058,604</b>	<b>28,530,885</b>	<b>28,671,487</b>	<b>30,990,764</b>	<b>32,108,765</b>	<b>28,358,176</b>	<b>28,314,173</b>	<b>25,972,421</b>	<b>22,812,991</b>
Business-type activities:										
Investment earnings	593,128	642,227	569,444	318,669	21,320	41,393	46,738	87,617	113,197	112,453
Miscellaneous revenue	73,601	50,878	42,092	126,067	64,550	50,164	57,627	267,819	41,436	46,840
Transfers	(1,044,459)	144,601	66,726	(1,069,126)	(348,101)	(1,011,149)	100,725	(424,212)	560,258	1,970,735
<b>Total business-type activities</b>	<b>(377,730)</b>	<b>837,706</b>	<b>678,262</b>	<b>(663,590)</b>	<b>(251,231)</b>	<b>(919,592)</b>	<b>205,091</b>	<b>(88,776)</b>	<b>714,891</b>	<b>3,130,026</b>
<b>Total</b>	<b>\$ 27,042,154</b>	<b>\$ 27,896,310</b>	<b>\$ 29,209,147</b>	<b>\$ 28,007,897</b>	<b>\$ 30,739,533</b>	<b>\$ 31,189,173</b>	<b>\$ 28,563,267</b>	<b>\$ 28,225,397</b>	<b>\$ 26,687,312</b>	<b>\$ 25,943,017</b>
<b>Change in Net Position</b>										
Governmental activities	\$ 4,140,079	\$ 4,708,189	\$ 4,558,742	\$ 5,472,256	\$ 7,686,641	\$ 10,508,642	\$ 5,121,955	\$ 4,720,396	\$ 181,236	\$ 7,500,593
Business-type activities	(775,677)	506,189	138,832	(754,137)	(212,025)	(704,083)	548,563	572,726	2,039,684	3,112,856
<b>Total</b>	<b>\$ 3,364,402</b>	<b>\$ 5,214,378</b>	<b>\$ 4,697,574</b>	<b>\$ 4,708,089</b>	<b>\$ 7,474,616</b>	<b>\$ 9,804,559</b>	<b>\$ 5,670,518</b>	<b>\$ 5,293,122</b>	<b>\$ 2,220,920</b>	<b>\$ 10,613,449</b>

**CITY OF FRANKLIN, WISCONSIN**  
**Fund Balances, Governmental Funds**  
**Last Ten Years**  
(modified accrual basis of accounting)

Table 3

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
	Fiscal Year									
General Fund										
Nonspendable:										
Inventories and prepaid items	\$ 41,186	\$ 78,455	\$ 45,866	\$ 62,936	\$ 55,820	\$ 75,673	\$ 24,927	\$ 25,108	\$ 24,890	\$ 31,870
Advances to other funds	2,198,816	2,198,816	505,040	-	-	-	-	-	1,000,000	700,000
Assigned	147,121	207,270	-	-	-	-	-	-	-	-
Unassigned	<u>6,662,986</u>	<u>6,148,771</u>	<u>7,230,661</u>	<u>6,439,199</u>	<u>6,065,053</u>	<u>5,400,912</u>	<u>5,079,711</u>	<u>5,519,932</u>	<u>4,910,432</u>	<u>6,289,964</u>
Total general fund	<u>9,049,909</u>	<u>8,633,112</u>	<u>7,781,567</u>	<u>6,502,135</u>	<u>6,120,873</u>	<u>5,476,585</u>	<u>5,104,638</u>	<u>5,545,041</u>	<u>5,935,482</u>	<u>7,021,834</u>
All other governmental funds:										
Nonspendable:										
Prepays	730	908	2,475	21,800	10,313	10,181	15,707	-	-	4,106
Restricted:										
Debt service	507,283	548,238	6,801,945	7,423,733	7,876,755	8,393,278	8,845,900	12,091,880	12,340,785	3,468,738
Utility improvements	907,003	672,431	443,436	543,406	649,767	356,798	147,317	12,640	380,901	478,801
Development	3,851,653	4,170,339	5,052,168	4,614,731	7,853,040	6,408,826	5,889,562	9,383,708	14,100,000	10,413,660
TIF Districts	896,460	347,978	-	-	552,904	1,604,838	536,478	184,257	-	-
Donations	133,678	122,558	102,326	105,238	299,982	311,101	279,730	286,114	363,196	243,331
Health services	160,003	175,238	165,846	179,239	-	-	-	-	-	-
Library services	523,237	596,277	579,817	520,773	492,473	488,302	442,508	414,428	357,675	259,634
Solid waste	260,944	216,395	186,307	100,546	-	-	-	-	-	-
Recreational services	47,656	46,151	51,478	52,244	72,857	179,224	165,348	132,205	1,206,529	294,820
Assigned:										
Purchases on order	-	-	-	-	-	-	-	-	-	-
Capital projects	4,908,594	4,699,459	2,791,111	2,724,764	2,372,072	2,710,245	1,378,971	3,640,970	1,777,308	6,121,828
Unassigned	<u>(150,927)</u>	<u>(2,196,383)</u>	<u>(6,388,799)</u>	<u>(5,965,890)</u>	<u>(3,663,211)</u>	<u>(4,009,430)</u>	<u>(5,304,216)</u>	<u>(5,891,813)</u>	<u>(14,851,138)</u>	<u>(4,589,471)</u>
Total all other government funds	<u>12,144,314</u>	<u>9,397,545</u>	<u>10,998,110</u>	<u>10,320,588</u>	<u>16,287,972</u>	<u>16,653,393</u>	<u>11,777,304</u>	<u>20,254,170</u>	<u>15,675,518</u>	<u>16,713,631</u>
Total fund balances	<u>\$ 21,194,223</u>	<u>\$ 18,030,657</u>	<u>\$ 18,779,677</u>	<u>\$ 16,822,723</u>	<u>\$ 22,408,845</u>	<u>\$ 22,129,948</u>	<u>\$ 16,881,942</u>	<u>\$ 25,799,211</u>	<u>\$ 21,611,000</u>	<u>\$ 23,735,465</u>

**Notes:**

\* 2012 and prior years have been reclassified to be consistent with the current year presentation



Table 4

**CITY OF FRANKLIN, WISCONSIN**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**  
(modified accrual basis of accounting)

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Revenue</b>										
Taxes	\$ 24,067,919	\$ 24,937,658	\$ 24,821,797	\$ 24,861,039	\$ 27,277,823	\$ 28,580,956	\$ 35,633,358	\$ 24,692,536	\$ 22,071,047	\$ 20,839,826
Intergovernmental revenue	3,490,037	3,408,075	3,438,041	3,757,618	4,380,850	3,704,159	3,299,646	3,536,835	4,269,969	3,088,614
Licenses and permits	706,977	808,302	912,357	755,027	702,674	729,432	609,276	723,225	978,942	1,386,588
Fines, forfeitures and penalties	484,957	421,976	411,785	457,499	433,106	422,506	385,427	362,926	392,451	332,000
Public charges for services	4,065,334	2,631,811	2,637,607	2,466,600	2,589,786	2,211,119	1,600,313	1,908,473	1,998,696	2,160,144
Special assessments	642,256	1,057,088	1,483,350	1,236,114	1,305,576	1,119,230	817,736	1,114,488	1,581,962	3,688,746
Intergovernmental charges for services	192,188	136,372	162,308	103,615	245,000	237,319	291,584	206,156	426,387	574,835
Investment earnings	428,018	739,930	223,806	561,676	938,226	879,978	1,276,808	1,797,736	2,513,703	2,594,185
Miscellaneous revenue	419,464	411,301	388,465	674,305	365,129	597,611	635,424	723,724	934,141	752,297
<b>Total revenue</b>	<b>34,525,150</b>	<b>34,543,513</b>	<b>34,379,526</b>	<b>34,973,793</b>	<b>38,238,172</b>	<b>36,481,310</b>	<b>34,549,368</b>	<b>35,085,913</b>	<b>35,167,298</b>	<b>35,327,535</b>
<b>Expenditures</b>										
Current										
General government	2,783,745	2,786,740	2,710,850	2,891,419	2,596,581	2,694,374	2,780,444	2,825,835	2,609,731	2,487,071
Public safety	16,006,167	15,390,139	15,465,617	16,429,496	16,008,393	15,206,317	15,043,828	15,236,640	13,856,032	13,239,602
Public works	4,587,108	5,140,650	4,855,630	4,848,568	4,817,844	4,521,991	4,504,611	4,692,957	4,119,460	4,039,438
Health and human services	716,169	688,475	660,711	1,715,447	681,384	629,499	701,621	665,364	631,867	572,918
Culture, recreation and education	1,608,027	1,575,381	1,514,668	1,539,049	1,575,825	1,565,093	1,427,945	1,480,936	1,436,867	1,568,591
Conservation and development	568,364	461,161	416,765	409,996	464,810	524,705	603,961	729,274	6,587,035	626,634
Capital outlay	5,097,046	3,967,446	3,172,706	2,915,159	3,343,195	1,953,999	6,061,625	7,627,455	10,931,589	8,882,837
Debt service										
Principal	615,000	10,265,000	3,799,000	10,875,000	7,395,000	5,275,000	10,915,000	6,000,000	5,170,000	4,050,000
Interest	460,072	731,286	1,035,519	1,334,958	1,618,615	1,939,782	2,350,882	2,543,194	2,584,080	2,838,291
Debt issuance costs	-	73,091	-	-	-	-	-	65,650	130,602	35,700
<b>Total expenditures</b>	<b>32,439,718</b>	<b>41,057,391</b>	<b>33,628,506</b>	<b>41,653,083</b>	<b>38,993,848</b>	<b>34,310,740</b>	<b>44,389,917</b>	<b>41,818,305</b>	<b>48,048,403</b>	<b>36,343,082</b>
<b>Excess of revenue over (under) expenditures</b>	<b>2,085,432</b>	<b>(6,514,878)</b>	<b>751,020</b>	<b>(6,679,290)</b>	<b>(755,676)</b>	<b>4,170,570</b>	<b>(9,840,549)</b>	<b>(6,732,392)</b>	<b>(12,881,105)</b>	<b>(3,015,547)</b>
<b>Other financing sources (uses)</b>										
Debt issued	-	5,320,000	-	-	-	-	-	10,000,000	10,000,000	10,000,000
Refunding debt issued	-	-	-	-	-	-	-	-	9,825,000	-
Premium on debt issued	-	232,827	-	-	-	-	-	83,583	34,970	176,524
Payment to refunding escrow agent	-	-	-	-	-	-	-	-	(10,040,675)	-
Principal payment on current refunding	-	-	-	-	-	-	-	-	-	(9,770,000)
Sale of capital assets	33,675	39,894	75,559	32,129	58,871	64,070	-	-	-	-
Transfers in	1,044,459	2,125,007	2,769,157	2,999,454	2,415,916	1,389,654	2,229,036	5,766,181	6,237,605	3,357,696
Transfers out	-	(1,951,870)	(1,538,782)	(1,337,416)	(1,440,214)	(376,288)	(1,305,756)	(4,929,161)	(5,400,460)	(3,180,358)
<b>Net change in fund balances</b>	<b>\$ 3,163,556</b>	<b>\$ (749,020)</b>	<b>\$ 1,956,954</b>	<b>\$ (5,596,123)</b>	<b>\$ 278,897</b>	<b>\$ 5,248,006</b>	<b>\$ (6,917,269)</b>	<b>\$ 4,188,211</b>	<b>\$ (2,124,465)</b>	<b>\$ (1,831,685)</b>
<b>Debt service as a percentage of non capital expenditures *</b>	3.6%	29.6%	15.1%	30.9%	24.6%	22.2%	33.4%	24.0%	19.7%	21.0%

Table 5

**CITY OF FRANKLIN, WISCONSIN**  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Years

Value As of 1/1	Real property		Personal property		Total Assessed Value	Total Direct Tax Rate	Total Estimated Actual Value	Ratio of Assessed to Estimated Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value				
2015	\$ 3,320,368,500	\$ 3,558,087,200	\$ 76,174,600	\$ 91,098,700	3,396,543,100	\$ 6.22	3,649,185,900	92.74%
2014	3,279,586,200	3,498,464,700	85,006,600	91,229,400	3,364,592,800	6.28	3,589,694,100	93.73%
2013 #	3,265,704,200	3,314,653,800	94,023,900	99,622,800	3,359,728,100	6.29	3,414,276,600	98.40%
2012	3,557,806,088	3,436,681,800	95,404,700	87,424,100	3,653,210,788	5.78	3,524,105,900	103.66%
2011 *	3,555,065,388	3,587,535,800	90,644,700	88,843,900	3,645,710,088	5.79	3,676,379,700	99.17%
2010	3,550,822,488	3,573,233,300	93,921,500	97,275,400	3,644,743,988	6.22	3,670,508,700	99.30%
2009	3,671,323,540	3,820,400,500	90,861,600	92,242,100	3,762,185,140	5.93	3,912,642,600	96.15%
2008	3,621,224,940	3,821,063,800	75,804,600	77,323,500	3,697,029,540	5.78	3,898,387,300	94.83%
2007	3,510,260,140	3,614,744,300	74,027,000	74,310,400	3,581,287,140	5.79	3,689,054,400	97.08%
2006 *	3,384,763,640	3,406,252,800	75,577,300	75,506,900	3,460,340,940	5.58	3,481,759,700	99.38%

\* Reassessment year

# Revaluation year

## Assessed Valuation by School District - 2015

	Franklin School District	Oak Creek/ Franklin School District	Whitnall School District	Total Assessed Value
<b>Total</b>	<b>\$ 2,513,289,000</b>	<b>\$ 678,934,000</b>	<b>\$ 204,320,100</b>	<b>\$ 3,396,543,100</b>

Note: Assessed values are determined by the City and the Wisconsin Department of Revenue. Estimated actual values were obtained from the Wisconsin Department of Revenue and include Wisconsin Section 70.57 adjustments. Taxes collected are used in the following year's City operations.

Table 6

**CITY OF FRANKLIN, WISCONSIN**  
**Estimated Actual Property Value and Construction Data**  
**Last Ten Years**

Fiscal Year	(1)					(2)		(2)	
	Estimate Actual Property value					Residential Construction		Nonresidential Construction	
	Residential	% of Total	Commercial and Manufacturing	Agricultural, Swamp and Other	Total	# of Units	Value	# of Permits	Value
2015	\$ 2,628,835,800	73.9%	\$ 905,420,400	\$ 23,831,000	\$ 3,558,087,200	34	\$ 13,454,139	44	\$ 16,589,580
2014	2,580,859,500	73.8%	894,256,900	23,348,300	3,498,464,700	44	14,780,900	68	19,734,951
2013	2,418,991,400	73.0%	871,715,000	23,947,400	3,314,653,800	65	19,942,795	17	2,902,692
2012	2,498,514,100	72.7%	914,654,100	23,513,600	3,436,681,800	55	19,322,659	44	27,991,474
2011	2,619,125,600	73.0%	948,708,000	19,702,200	3,587,535,800	30	9,995,820	41	17,794,034
2010	2,637,514,100	73.8%	917,720,700	17,998,500	3,573,233,300	27	6,559,698	40	22,533,497
2009	2,774,343,200	72.6%	1,026,852,400	19,204,900	3,820,400,500	25	6,709,853	35	14,193,522
2008	2,862,287,800	74.9%	939,436,600	19,339,400	3,821,063,800	52	11,030,933	61	28,323,674
2007	2,751,324,400	76.1%	844,563,800	18,856,100	3,614,744,300	99	20,017,954	49	39,920,210
2006	2,611,111,600	76.7%	769,933,200	25,208,000	3,406,252,800	308	55,690,187	91	116,376,447

(1) Estimated actual values from the Wisconsin Department of Revenue

(2) Source: City's Building Inspection Department.

Table 7

**CITY OF FRANKLIN, WISCONSIN**  
Direct and Overlapping Property Tax Rates  
Last Ten Years  
(rate per \$1,000 of assessed value)

Budget Year	City of Franklin Direct Rates							Overlapping Rates								(**) Total Rate
	General	Library	Debt Service	Capital Outlay	Equipment Replacement	Street Improvement	Total	School Districts			School Credits	Milwaukee Area Technical College	Milwaukee County	Milwaukee Metropolitan Sewerage District	State	
								Franklin	Oak Creek	Whitnall						
2016	\$ 4.93	\$ 0.39	\$ 0.45	\$ 0.13	\$ 0.10	\$ 0.21	\$ 6.22	\$ 13.29	\$ 10.57	\$ 10.88	\$ (2.14)	\$ 1.78	\$ 3.95	\$ 1.31	\$ 0.17	24.58
2015	4.96	0.38	0.49	0.13	0.10	0.21	6.28	13.21	9.76	11.11	(1.88)	1.36	5.44	1.83	0.18	26.42
2014 #	4.98	0.38	0.49	0.13	0.10	0.21	6.29	13.26	9.10	10.67	(1.86)	2.16	5.21	1.73	0.17	26.97
2013	4.60	0.35	0.47	0.11	0.08	0.17	5.78	11.72	9.09	9.72	(1.69)	2.04	4.87	1.57	0.16	24.45
2012	4.59	0.35	0.49	0.11	0.08	0.17	5.79	11.62	8.83	9.56	(1.70)	1.96	4.76	1.52	0.17	24.12
2011 *	5.04	0.35	0.56	0.11	0.04	0.12	6.22	12.22	8.69	10.40	(1.72)	1.93	4.49	1.45	0.17	24.76
2010	4.61	0.33	0.54	0.14	0.08	0.23	5.93	11.33	8.86	10.11	(1.67)	1.98	4.31	1.38	0.18	23.44
2009	4.46	0.33	0.55	0.13	0.08	0.23	5.78	10.96	7.80	9.65	(1.68)	1.93	4.17	1.36	0.18	22.70
2008	4.34	0.34	0.59	0.14	0.10	0.28	5.79	10.98	7.85	9.40	(1.52)	1.82	4.01	1.32	0.18	22.58
2007 *	4.10	0.34	0.64	0.13	0.09	0.28	5.58	10.05	6.95	9.15	(1.38)	1.78	3.95	1.31	0.17	21.46

Note: \* Reassessment impact

# Revaluation year

\*\* The City has three tax rates dependant upon a property's sewer status and the school district the property is located. The total is shown for only the largest school district (Franklin). See Table 5 for assessed values by School and Sewerage District.

The Budget year is the year following the fiscal year in which the taxes are levied.

Source: City of Franklin budget documents

Table 8

**CITY OF FRANKLIN, WISCONSIN**  
Principal Property Taxpayers  
Current Year and Nine Years Ago

Taxpayer	Type of Business	2015			2006		
		Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Valuation
Northwestern Mutual	Insurance Services	\$ 120,097,400	1	3.54%	\$ 81,698,400	1	2.36%
Wal-Mart	Retailer	27,712,000	2	0.82%	19,187,400	5	0.55%
Wheaton Health Care System	Medical facilities	26,462,200	3	0.78%			
VTLC Development	Packaging manufacturing	26,447,000	4	0.78%			
Whitnall Pointe Apartments	Apartments	20,224,000	5	0.60%	20,329,800	2	0.59%
Manchester Oaks	Apartments	19,362,900	6	0.57%	19,249,100	4	0.56%
Baptista's Bakery, Inc	Manufacturing	14,683,100	7	0.43%			
Menard Inc	Retail - Home Improvement	13,438,000	8	0.40%	15,366,500	8	0.44%
HTA - Wisconsin Mob 2 LLC	Medical facilities	12,800,000	9	0.38%			
Franklin Wyndham, LLC	Land held for Development	12,800,000	10	0.38%			
Waste Management	Landfill and refuse collection				19,920,000	3	0.58%
Harley Davidson	Motorcycle manufacturing				15,870,500	6	0.46%
Mission Hills Apts	Apartments				15,820,200	7	0.46%
Lowe's	Retail - Home Improvement				13,183,600	9	0.38%
All Glass Aquarium	Aquariums and fluorescent lights				13,080,300	10	0.38%
		<u>\$ 294,107,800</u>		<u>8.68%</u>	<u>\$ 233,705,800</u>		<u>6.76%</u>

Source: City of Franklin Assessor's Office

Table 9

**CITY OF FRANKLIN, WISCONSIN**  
Property Tax Levies and Collections  
Last Ten Years

Fiscal Year	City Tax levy			Total collections	% of levy collected	Outstanding combined delinquent PP taxes
	Tax increment financing	Local	Total			
2015	\$ 2,690,637	\$ 20,509,000	23,199,637	\$ 23,212,140	100.05%	\$ 57,995
2014	2,526,924	20,509,000	23,035,924	23,016,525	99.92%	52,069
2013	2,363,758	20,509,000	22,872,758	22,851,675	99.91%	52,481
2012	2,560,324	20,467,000	23,027,324	22,981,469	99.80%	75,184
2011	6,737,305	20,965,000	27,702,305	27,695,587	99.98%	53,589
2010	7,457,956	20,426,000	27,883,956	27,851,459	99.88%	39,718
2009	4,829,216	20,142,000	24,971,216	24,966,369	99.98%	36,945
2008	4,685,811	19,555,000	24,240,811	24,219,148	99.91%	45,243
2007	3,127,116	18,501,000	21,628,116	21,641,373	100.06%	27,424
2006	2,860,368	17,566,000	20,426,368	20,420,758	99.97%	42,150

Source: City of Franklin

Notes: Collections in subsequent years are not shown because Milwaukee County annually purchases all of the City's outstanding delinquent real estate taxes. Payment for the real estate taxes are received by the City every August pursuant to the County's settlement procedures. Outstanding delinquent taxes represent personal property taxes which the City attempts further collection until March of the following year. At that time the balances are charged back to each of the taxing jurisdictions in proportion to the amounts levied. Subsequent collections are insignificant and refunded to all taxing jurisdictions in relation to the amounts originally levied.

Total collections may be greater than or less than the total levy in any year due to changes in outstanding delinquent taxes, collection of prior year omitted taxes and Wisconsin Section 70.43 corrections.

Table 10

**CITY OF FRANKLIN, WISCONSIN**  
**Property Tax Levies by Tax Jurisdiction**  
**Last Ten Years**

Levy Year	State of Wisconsin	Milwaukee County	School Districts		Oak Creek-Franklin	MATC	MMSD	City of Franklin		Special Charges	Total
			Franklin	Whitnall				Local	Tax Increment		
2015	\$ 619,289	\$ 18,083,210	\$ 33,404,871	\$ 2,223,327	\$ 5,928,300	\$ 4,428,322	\$ 6,145,125	\$ 20,509,000	\$ 3,020,360	\$ 1,727,974	\$ 96,089,767
2014	609,193	17,713,835	32,782,988	2,265,650	5,557,471	4,411,951	5,955,818	20,509,000	2,690,638	1,767,143	94,283,685
2013	579,423	16,986,670	32,784,606	2,174,991	5,254,726	7,043,487	5,638,269	20,509,000	2,526,924	1,796,214	95,294,310
2012	598,062	17,287,141	31,787,042	2,237,434	5,553,401	7,258,001	5,582,906	20,509,000	2,363,758	1,799,510	94,976,255
2011	623,904	16,812,497	31,435,718	2,208,503	5,268,377	6,934,559	5,188,886	20,467,000	2,560,324	1,900,389	93,400,157
2010	622,907	15,112,830	31,535,755	2,404,637	4,816,333	6,512,551	4,718,481	20,965,000	6,737,305	758,894	94,184,693
2009	664,000	14,854,113	30,632,223	2,424,105	4,403,920	6,842,077	4,574,057	20,426,000	7,457,956	818,455	93,096,906
2008	661,580	14,548,992	29,476,874	2,312,202	4,264,155	6,742,019	4,575,710	20,142,000	4,829,216	738,020	88,290,778
2007	626,055	13,522,407	28,554,442	2,249,175	4,392,123	6,161,570	4,299,178	19,555,000	4,685,811	669,010	84,514,771
2006	611,435	13,093,014	25,574,810	2,178,490	3,703,359	5,906,586	4,175,609	18,501,000	3,127,116	680,126	77,550,545

Source: State of Wisconsin Department of Revenue Statement of Taxes.

Note: Each taxing jurisdiction above submits to the City of Franklin their approved tax levy in November of the levy year for use in the following year. The City of Franklin totals the levy requests, produces tax bills for all taxable properties, collects amounts billed and remits collections to the tax jurisdictions in accordance with Wisconsin Statutes.

Table 11

**CITY OF FRANKLIN, WISCONSIN**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Years**

Fiscal Year	General Bonded Debt						Total General Bonded Debt	Less Debt Service Fund Balances	Less Amounts due from Tax Incremental Financing Districts	Less Amounts due from Other Taxing Districts	Net General Bonded Debt	(1)	(2)	(2)
	Governmental			Business-type								Percent of Estimated Actual Property Value	Percent of Personal Income	Per Capita
	General Obligation Bonds	General Obligation Notes	Lease Revenue Bonds	Sewer General Obligation Notes	Water General Obligation Bonds	(Discount) Premium								
2010	\$ 7,098,000	\$ 6,226,000	\$ -	\$ 22,357,270	\$ 1,236,000	\$ 203,902	\$36,116,178	\$ (607,283)	\$ (3,310,000)	\$ (22,357,270)	\$ 9,941,619	1.02%	N/A	1,013
2014	7,816,000	5,320,000	-	23,486,522	1,200,000	262,273	37,963,795	424,721	(3,330,000)	(23,486,522)	11,571,994	1.09%	3.03%	1,083
2013	8,186,000	6,895,000	-	24,595,423	-	21,387	42,466,810	1,461,385	(9,595,000)	(24,595,423)	8,697,772	1.26%	3.54%	1,198
2012	8,808,000	12,885,000	-	22,084,833	-	-	43,734,833	2,653,267	(12,885,000)	(22,084,833)	11,356,267	1.27%	3.59%	1,231
2011	6,526,000	22,070,000	-	-	-	-	32,495,000	(4,064,765)	(15,520,000)	-	12,690,245	0.91%	2.98%	915
2010	6,730,000	30,160,000	-	-	-	-	36,890,000	(3,021,278)	(21,860,000)	-	16,008,722	1.12%	3.67%	1,126
2009	6,880,000	35,285,000	-	-	-	-	46,165,000	(2,078,900)	(29,285,000)	-	16,801,100	1.16%	4.34%	1,340
2008	10,030,000	46,050,000	-	-	-	-	56,080,000	(8,332,240)	(29,460,000)	-	18,347,760	1.47%	5.88%	1,672
2007	10,180,000	39,526,000	2,376,000	-	-	-	52,080,000	(12,240,785)	(22,375,000)	-	17,466,215	1.44%	4.88%	1,580
2006	6,775,000	31,625,000	5,195,000	-	-	-	46,795,000	(10,305,507)	(15,195,000)	-	21,304,493	1.37%	4.29%	1,418

(1) Estimated Actual Property values are found in Table 6

(2) Population and personal income can be found in Table 14

Notes: Debt Service Fund balances represent amounts received that are restricted to future payments of outstanding debt. Amounts due from tax incremental financing districts represent future receipt of non-releasable property tax levies restricted to the payment of debt service. Amounts due from future development represent future impact fees collected under a 2002 ordinance from residents and restricted for the purpose of retiring debt on a portion of the police station, fire station, library and a eligible road project.

In 2014 the Water Utility issued \$1,280,000 of 20 Year bonds. Proceeds were used to finance the Water Building.

In 2014 the City issued \$5,320,000. Proceeds were used to provide funding for TIF projects and Capital Improvement projects.

In 2012 the City issued \$27,662,764. Proceeds were used to provide funding for Ryan Creek Sewer extension with repayment scheduled to be completed in 2031.

In 2008 the City issued \$10,000,000. Proceeds were used to provide funding for TIF Districts with repayment scheduled to be completed in 2014.

In 2007 the City issued \$9,925,000. Proceeds were used to refinance existing general obligation bonds issued in 2001.

In 2007 the City issued \$10,000,000. Proceeds were used for TIF Districts with repayment scheduled to be completed in 2014.

In 2006 the City issued \$10,000,000. Proceeds were used to refinance existing lease revenue bonds with repayment completed in 2011.



Table 12

**CITY OF FRANKLIN, WISCONSIN**  
Schedule of Direct and Overlapping Debt - Governmental Activities  
December 31, 2015

Jurisdiction	Net general obligation bonded debt outstanding	Percentage applicable to City	Amount applicable to City
Milwaukee County <sup>1</sup>	\$ 662,419,246	6.2825%	\$ 41,616,836
Whitnall School District	225,000	13.9244%	31,330
Oak Creek - Franklin School District	99,520,000	17.2147%	17,132,063
Franklin School District <sup>2</sup>	31,360,000	100.0000%	31,360,000
Milwaukee Area Technical College	152,570,000	5.0381%	7,686,624
Milwaukee Metropolitan Sewerage District	960,000,333	6.4025%	61,464,077
<b>Total Overlapping Debt</b>	<b>1,906,094,579</b>		<b>159,290,730</b>
City of Franklin	12,523,902	100.0000%	12,523,902
<b>Total</b>	<b>\$ 1,918,618,481</b>		<b>\$ 171,814,632</b>

History	Milwaukee County	Franklin	School Districts Whitnall	Oak Creek/Franklin	MATC	MMSD	Overlapping Debt Total	City of Franklin	Total
2015	\$ 41,616,836	\$ 31,360,000	\$ 31,330	\$ 17,132,063	\$ 7,686,624	\$ 61,464,077	\$ 159,290,730	\$ 12,523,902	\$ 171,814,632
2014	42,750,442	33,940,000	39,011	7,614,274	5,531,580	58,752,848	148,628,155	13,187,273	161,815,428
2013	43,757,820	36,275,000	46,013	7,888,950	5,659,039	59,969,813	153,388,635	17,901,387	171,290,022
2012	46,023,745	5,105,000	56,142	8,444,593	5,929,102	63,513,083	129,071,665	21,670,000	150,741,665
2011	49,686,048	6,885,000	1,175,097	8,483,831	5,266,621	58,187,207	129,683,004	32,495,000	162,178,004
2010	49,485,672	8,590,000	366,516	8,804,319	4,624,047	53,806,419	125,776,973	38,890,000	165,666,973
2009	48,685,158	9,860,000	398,980	9,880,000	2,930,822	49,520,701	121,255,661	45,165,000	166,420,661
2008	24,814,695	13,335,000	498,112	8,825,309	2,930,822	50,315,201	100,719,139	56,080,000	156,799,139
2007	24,417,748	16,615,000	584,345	9,317,100	2,693,188	40,872,492	94,499,871	49,705,000	144,204,871
2006	25,056,911	19,545,000	997,479	5,652,024	2,894,865	39,475,550	93,621,829	41,600,000	135,221,829

Source: Debt information supplied by each taxing jurisdiction and applicable percentages from the State Department of Revenue.

Note: Debt outstanding provided by each governmental unit and percentage determined by the Department of Revenue. Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the resident and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping district.

1 In 2009 Milwaukee County issued \$400,000,000 in pension obligation debt.

2 In 2013 Franklin Public Schools issued \$33,000,000 of Debt to renovate the high school.

Table 13

**CITY OF FRANKLIN, WISCONSIN**  
 Computation of Legal Debt Margin  
 Last Ten Years

Fiscal Year	(1) Equalized Valuation	5% of Equalized Value	Total Debt Applicable to Limit	Legal Debt Margin	Percent Used	City Policy**		
						2% of Equalized Value	Debt Margin	Percent Used
2015	\$ 3,649,185,900	\$ 182,459,295	\$ 35,912,276	\$ 146,547,019	19.68%	\$72,983,718	\$37,071,442	49.21%
2014	3,589,694,100	179,484,705	37,711,522	141,773,183	21.01%	71,793,882	34,082,360	52.53%
2013	3,414,276,600	170,713,830	42,445,423	128,268,407	24.86%	68,285,532	25,840,109	62.16%
2012	3,524,105,900	176,205,295	43,734,833	132,470,482	24.82%	70,482,118	26,747,285	62.05%
2011	3,676,379,700	183,818,985	32,495,000	151,323,985	17.68%	73,527,594	41,032,594	44.19%
2010	3,670,508,700	183,525,435	39,890,000	143,635,435	21.74%	73,410,174	33,520,174	54.34%
2009	3,912,642,600	195,632,130	45,165,000	150,467,130	23.09%	78,252,852	33,087,852	57.72%
2008	3,898,387,300	194,919,365	56,080,000	138,839,365	28.77%	77,967,746	21,887,746	71.93%
2007	3,689,054,400	184,452,720	49,705,000	134,747,720	26.95%	**		
2006	3,481,759,700	174,087,985	41,600,000	132,487,985	23.90%	**		

(1) From Table 5

Note: Under state statutes the City's outstanding general obligation debt may not exceed five percent of total equalized property value.

\*\* The City Debt Policy limits debt to 40% of Legal Limit - adopted by Resolution 2008-6481

**CITY OF FRANKLIN, WISCONSIN**  
Demographic and Economic Statistics  
Last Ten Years

Table 14

Fiscal Year	(1) Population	(2) Personal Income	(2) Per capita adjusted gross income			(3) Unemployment rates		
			City of Franklin	Milwaukee County	State of Wisconsin	City of Franklin	Milwaukee County	State of Wisconsin
2015	35,655	N/A				4.0%	5.2%	4.3%
2014	35,702	\$1,252,194,890	35,074	22,507	27,671	4.2%	6.0%	5.2%
2013	35,810	1,199,623,750	33,500	22,411	26,963	4.8%	7.2%	6.3%
2012	35,520	1,218,584,060	34,307	21,433	26,271	5.6%	8.0%	6.9%
2011	35,504	1,098,257,160	30,933	20,681	24,942	5.4%	8.0%	7.0%
2010	35,451	1,085,585,506	30,622	20,486	24,218	6.2%	8.1%	7.8%
2009	33,700	1,039,533,497	30,847	20,195	23,211	7.2%	9.7%	9.1%
2008	33,550	1,103,807,365	32,900	21,233	24,329	4.5%	6.5%	6.5%
2007	33,380	1,117,587,480	33,481	21,603	24,374	3.5%	5.0%	4.5%
2006	33,000	1,091,761,153	33,084	20,782	23,845	3.0%	5.0%	4.8%

(1) Bureau of Census, State of Wisconsin

(2) Wisconsin Department of Revenue, Division of Research and Analysis

(3) US Bureau of Labor Statistics

N/A Not Available

Table 15

**CITY OF FRANKLIN, WISCONSIN**  
Principal Employers  
Current Year and Nine Years Ago

Taxpayer	Type of Business	2015			2006		
		Employees	Rank	Percent of Total City Employment	Employees	Rank	Percent of Total City Employment
Northwestern Mutual	Insurance/Investment Services	3,279	1	18.52%	1,100	1	5.93%
Wheaton Franciscan Healthcare	Medical & surgical hospital	869	2	4.91%	-	-	-
Franklin Public Schools	K-12 Education	554	3	3.13%	541	2	2.92%
Krones, Incorporated	High speed labeling/filler machines	537	4	3.03%	400	T-4	2.16%
Milwaukee County	Government	535	5	3.02%	450	3	2.43%
County Corrections South	Government	535	5	3.02%	450	3	2.43%
Baptista's Bakery	Commercial Bakery	418	6	2.36%	-	-	-
Vesta Inc	Medical Device Contract Manufacturer	351	7	1.98%	-	-	-
Wal-Mart	Retailer	302	8	1.71%	280	7	1.51%
Carlisle Interconnect Technologies	Wire harnesses	269	9	1.52%	-	-	-
Conway Trucking	Trucking	257	10	1.45%	250	9	-
Senior Flexonics - GA Precision	Off-road engine components mfg.	255	11	1.44%	400	T-4	2.16%
Harley Davidson	Distribution Center	-	-	-	250	10	1.35%
City of Franklin	Government	-	-	-	256	8	1.38%
Waste Management	Landfill and refuse collection	-	-	-	340	6	1.83%
Central Aquatics	Aquariums and fluorescent lights	-	-	-	-	-	-
General Thermodynamics	Heat Exchangers	-	-	-	-	-	-
		7,626		43.07%	4,267		23.02%

Source: Past Debt offering Official Statements and employer surveys

Table 16

**CITY OF FRANKLIN, WISCONSIN**  
Full-time Equivalent City Government Employees by Function  
Last Ten Years

Department	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government										
Common council		-	-	-	-	-	-	0.48	0.48	0.48
Municipal Court	2.50	2.50	2.50	2.50	2.00	2.00	2.00	2.00	2.00	2.00
Clerk	4.12	4.14	4.14	4.14	4.00	4.00	4.00	3.53	3.53	3.50
Information services	-	-	-	-	-	-	-	-	-	-
Administration	3.00	4.00	3.00	3.00	3.60	3.60	3.60	3.80	3.80	3.60
Finance	6.60	6.60	7.10	7.10	7.03	7.10	7.10	7.10	7.30	7.30
Assessor	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Municipal buildings	4.03	2.78	3.74	3.74	3.92	4.74	4.74	4.83	4.83	4.90
Total general government	21.25	21.02	21.48	21.48	21.55	22.44	22.44	22.74	22.94	22.98
Public safety										
Police	76.75	75.75	75.75	76.75	77.25	77.25	77.25	77.25	77.25	77.25
Fire	46.50	46.50	46.50	46.45	46.48	46.45	46.45	46.45	45.45	44.00
Building inspection	8.00	7.00	7.00	7.00	8.00	8.00	8.00	10.00	10.00	10.00
Total public safety	131.25	129.25	129.25	130.20	131.73	131.70	131.70	133.70	132.70	131.25
Public works										
Engineering	8.25	8.25	8.25	8.25	8.25	8.80	8.80	9.80	9.80	9.80
Highway	22.00	22.48	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Parks	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.27	1.79	1.25
Total public works	32.25	32.73	32.25	32.25	32.25	32.80	32.80	34.07	33.59	33.05
Public health	6.75	6.75	6.15	6.25	6.25	6.15	6.15	6.50	6.63	6.50
Planning	4.00	4.00	4.00	4.60	5.60	5.60	5.60	7.60	7.60	6.60
Economic Development	1.00	0.58	-	-	-	-	-	-	-	-
Total general fund	196.50	194.33	193.13	194.78	197.38	198.69	198.69	204.61	203.46	200.38
Public health - grant		-	-	-	-	-	-	-	-	-
Library	16.94	17.19	17.70	16.82	17.12	17.11	17.11	17.20	17.22	16.92
Sewer & water	11.50	10.80	11.55	11.53	11.53	12.55	12.55	12.85	12.85	12.85
Total	224.94	222.32	222.38	223.13	226.03	228.35	228.35	234.66	233.53	230.15

Source: City of Franklin Budget Document

Table 17

**CITY OF FRANKLIN, WISCONSIN**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Police</b>										
Part 1 Major crimes	888	859	873	852	689	629	804	994	1,066	764
Arrests	1,124	1,160	1,012	1,799	1,554	1,606	1,235	1,467	1,492	2,021
Traffic & parking citations	9,034	8,163	7,431	9,449	11,093	9,125	7,793	6,880	8,449	6,730
Calls for service	30,662	30,040	28,093	29,542	28,847	37,273	28,267	27,107	28,169	-
Number of sworn officers	60	59	58	58	58	58	58	59	59	59
<b>Fire</b>										
Fire responses	666	621	679	594	540	574	496	704	573	588
EMS responses	2944	2,863	2754	2,688	2,605	2,546	2,515	2,790	2,767	2,526
Fire inspections	2890	2,480	2436	2,485	2,765	2,463	2,611	2,578	2,364	2,267
Number of full-time firefighters	45	45	45	45	45	45	46	46	46	45
Basic Life Support Transports	1092	1,055	1162	1,137	1,099	1,141				
Paramedic Transports	1186	1,091	977	910	863	823				
<b>Highway</b>										
Miles of crack sealing	26	38	28	32	30	28		34	31	21
Trees pruned	1000	679	704	1,053	1,427	2,176	927	378	558	1,640
Vehicles maintained	168	167	167	167	165	165	165	165	159	150
<b>Solid waste</b>										
Non-recyclable refuse collected (tons)	8100	7,923	7972	8,205	8,353	8,320	7,762	8,519	8,381	8,368
Recyclables collected (tons)	3100	3,479	3114	2,737	2,813	2,693	2,676	2,825	3,008	3,108
Yard waste (tons)	300	221	322	338	274	295	375	214	205	208
<b>Health</b>										
Home visits	1200	1,180	1,276	1,435	1,213	1,383	1,616	1,280	1,401	1,602
Immunization clinic visits	2200	2,130	1,825	2,488	2,653	3,660	8,658	3,407	3,015	3,004
Sanitarian inspections	425	428	383	438	298	366	380	274	196	393
<b>Animal control</b>										
Animal control pickups	115	122	104	92	120	167	126	165	223	194
<b>Library</b>										
Circulation	488,200	465,656	477,991	502,989	514,163	519,580	519,054	490,843	471,442	465,468
Collection size	150,000	139,772	140,000	144,000	142,000	140,000	135,688	130,000	127,000	120,724
Internet use	31,600	30,970	33,507	39,976	49,638	50,369	50,222	55,000	54,000	51,187
<b>Sanitary sewer</b>										
Number of customers	10,150	10,090	10,060	10,010	9,970	9,775	9,883	9,853	9,779	9,567
Feet of sewer cleaned	260,000	255,000	250,000	250,000	217,000	218,000	250,000	264,000	92,010	119,200
<b>Water</b>										
Number of customers -average	8,150	7,978	7,930	7,931	7,850	7,807	7,756	7,683	7,561	7,288
Average daily consumption	2,800,000	2,800,000	2,400,000	2,615,000	2,370,000	2,298,000	2,461,276	2,474,000	2,521,000	2,269,000
Peak daily consumption	4,888,200	4,969,000	6,770,000	6,770,000	5,604,000	4,212,000	4,803,000	5,681,000	6,097,420	5,023,029

Source: City Budget Document

Table 1B

**CITY OF FRANKLIN, WISCONSIN**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Years**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Area in square miles	34.5	34.5	34.5	34.5	34.5	34.5	34.5	34.5	34.5	34.5
Area in acres:										
Taxable acres (approximate)		15,038	14,889	14,804	15,474	15,550	15,549	15,550	15,634	15,642
Acres developed (approximate)		9,694	9,540	9,410	11,336	11,329	11,287	11,233	10,878	10,210
Acres in park and open space		5,167	4,928	4,854	3,873	3,873	3,873	3,873	3,851	3,684
Miles of road:										
State	16.85	16.85	16.85	16.85	16.85	16.85	16.85	16.85	16.85	16.85
County	23.24	23.74	23.74	23.74	23.74	23.74	23.74	23.74	23.74	23.74
Local	167.05	166.32	166.07	166.51	165.97	165.97	165.97	166.51	165.31	164.74
Fire protection and ambulance service:										
Number of manned fire stations	3	3	3	3	3	3	3	3	3	3
Police protection:										
Number of stations	1	1			1	1	1	1	1	1
Number of sub stations	1	1			1	1	1	1	1	1
Sewer and water service:										
Miles of sanitary sewer	193	191	185	185	185	185	185	182	181	180
Miles of watermain	169	168	167	167	167	166	166	164	163	157
Number of fire hydrants	2155	2,145	2,130	2,120	2,115	2,111	2,106	2,081	2,058	1,956
Recreation and culture:										
Number of trails	11	11	10	10	7	7	4	4	4	3
Number of city parks	12	12	12	12	12	12	12	12	12	11
Number of county parks	8	8	8	8	8	8	8	8	8	8
Number of libraries	1		1	1	1	1	1	1	1	1
Municipal buildings (square footage):										
City hall	47,206	47,206	47,206	47,206	47,206	47,206	47,206	47,206	47,206	47,206
Law enforcement building	68,300	68,300	68,300	68,300	68,300	68,300	68,300	68,300	68,300	68,300
Fire stations	37,750	37,750	37,750	37,750	37,750	37,750	32,392	26,480	26,480	26,480
Library	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Public works building	45,450	45,450	45,450	45,450	45,450	45,450	45,450	45,450	45,450	45,450
Sewer & water building	23,215	6,620	6,620	6,620	6,620	6,620	6,620	6,620	6,620	6,620

Source: City of Franklin records

**From:** Daniel Mayer  
**Sent:** Thursday, June 02, 2016 4:28 PM  
**To:** Steve Olson; Sandi Wesolowski  
**Subject:** Fair, Green Market, Farmers Market?

Good Afternoon Mayor and Sandi,

I was going to get this out sooner but didn't - my apologies.

Anyway, I would like to put St. Martins' Fair, future green markets, future farmers markets on a CC agenda for discussion, support and maybe direction.

-To consider

#1. temporarily moving the St. Martins fair to Legend Park or another venue, #2. to consider a change in the day for St. Martins monthly fair, #3. to require that all fair related requests i.e. the Garden Plaza Green Market go to the Fair Commission for consideration - it is a direct competition to our own fair and what happens to vender fees?

#4. Other related concerns

Thanks,  
Dan